



**INDIQUBE**®  
GROW YOUR BUSINESS



**Indiqube Spaces Ltd.**

## IndiQube Spaces Ltd.

Rating	Issue Opens On	Issue Closes On	Listing Date	Price Band (INR)	Issue Size (INR Mn.)
<b>NEUTRAL</b>	<b>July 23, 2025</b>	<b>July 25, 2025</b>	<b>July 30, 2025</b>	<b>225-237</b>	<b>6,975-7,000</b>

### Company Overview:

- IndiQube Spaces Limited, incorporated in January 2015, provides managed workspace solutions through an asset-light model that leases entire buildings or floors from landlords and configures them for tenant use.
- It has a portfolio of office properties spanning across formats including small suites to full-building arrangements, bundled with amenities such as customized and personalized fit-outs, common area for collaboration, F&B services, facility management, and IT support.
- It allows the tenants and their employees to access and manage day-to-day workplace services digitally through MiQube - a mobile application launched in 2017.
- IndiQube offers flexible office solutions by integrating leased real estate with bundled operational services, enabling tenants to scale or reconfigure their workspace in response to evolving headcount and location requirements, without incurring significant upfront capital expenditure.
- As of 31st March 2025, the company operated multiple centers across Tier-1 and Tier-2 Indian cities, including Bengaluru, Chennai, Pune, Mumbai, Hyderabad, Gurugram, Noida and other locations.

### Outlook:

IndiQube Spaces, is one of the India's leading and organized, flexible managed office workspace provider. As of **March 31, 2025, it operated 115 centers spanning across 8 Tier I cities and 7 non-Tier I cities**, with a total **area under management of 8.4 Mn. Sq. Ft. and rentable area of 6.3 Mn. Sq. Ft. with occupancy ranging from ~80.0-85.0% over the last three years.**

The Company has been able to scale its **revenue and EBITDA at 35.2% and 61.4% CAGR respectively**, over FY23-25, driven by **faster roll-out of additional properties**. Moreover, its **rentable area and total area under management has witnessed growth of 21.4% and 30.4% CAGR respectively, over FY23-25.**

IndiQube's initial issue is priced at **8.4x TTM EV/EBITDA**, compared to the domestic **peer average of 12.2x TTM EV/EBITDA**. Further, the issue is **priced at 47.4x FY25 EV/Adjusted Cash EBITDA**, compared to the **domestic peer average of 42.4x FY25 EV/Adjusted Cash EBITDA**.

On comparing the growth with peers, we believe the IndiQube's initial offering is fully priced in, and we assign a **"NEUTRAL"** rating to the issue.

Particulars (INR Mn.)	FY23	FY24	FY25
Revenue	5,797	8,306	10,593
Ind-AS EBITDA	2,367	2,263	6,165
Ind-AS EBITDA Margin (%)	41%	27%	58%
<b>Adjusted Financials</b>			
Operating Cash Flow	3,239	5,242	6,116
Less: Interest on lease liabilities	-3,012	-3,820	-5,020
<b>Adjusted Cash EBITDA</b>	<b>226</b>	<b>1,422</b>	<b>1,096</b>

Source: IPO Prospectus, DevenChoksey Research and Analysis

### OFFER STRUCTURE

Particulars	IPO Details
No. of shares under IPO (Mn.)	29.5
Fresh issue (# shares) (Mn.)	27.4
Offer for sale (# shares) (Mn.)	2.1
Price band (INR)	225-237
Post issue MCAP (INR Mn.)	49,771

Source: IPO Prospectus

Issue	# Shares	INR Mn.	%
<b>QIB</b>	2,21,51,899	Min 5,250	Not less than 75%
<b>NIB</b>	44,30,380	Max 1,050	Not more than 15%
<b>Retail</b>	29,53,586	Max 700	Not more than 10%
<b>Net Offer</b>	2,95,35,865	7,000	100%

Source: IPO Prospectus

Shareholding Pattern	Pre Issue (%)	Post Issue (%)
Promoters & Promoter Group	70.9%	60.6%
Others	29.1%	39.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Source: IPO Prospectus

Objects of the Offer	INR Mn.
1. Funding capital expenditure towards establishment of new centers	4,626
2. Repayment/pre-payment, of certain borrowings	930
3. General corporate purposes	943

Source: IPO Prospectus

### BRLM

- ICICI Securities Limited
- JM Financial Limited

Source: IPO Prospectus

Indicative Timetable	
Offer Closing Date	Friday, July 25, 2025
Basis of Allotment	Monday, July 28, 2025
Initiation of Refunds	Tuesday, July 29, 2025
Credit of Shares to Demat	Tuesday, July 29, 2025
Listing Date	Wednesday, July 30, 2025

Source: IPO Prospectus

## IndiQube Spaces Ltd.

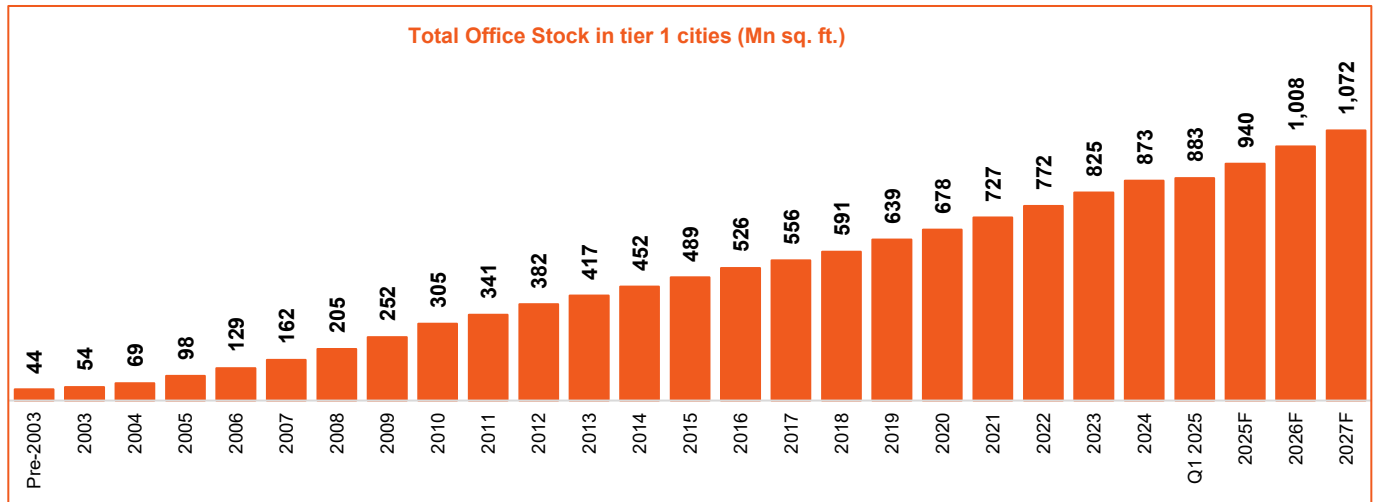
### Industry Overview

#### Global and APAC Flexible Workspaces Overview:

- The **Asia Pacific (APAC)** region's **flexible workspaces stock** has grown at 9.3% CAGR from **~78.0-80.0 million square feet in 2019 to ~122.0- 124.0 million square feet as of June 30, 2024**. India is one of the largest flexible workspaces markets within APAC, with a total stock of over 72 million square feet across major Tier 1 cities (across key nine cities including Bengaluru, Mumbai, Hyderabad, Pune, Chennai, Kolkata, Delhi, Gurgaon & Noida) as of H1 CY2024.
- Demand for flexible workspaces across APAC has been majorly driven by sectors including Technology, BFSI, Business Services, Retail, Lifesciences and others.

#### Evolution of India's office stock growth

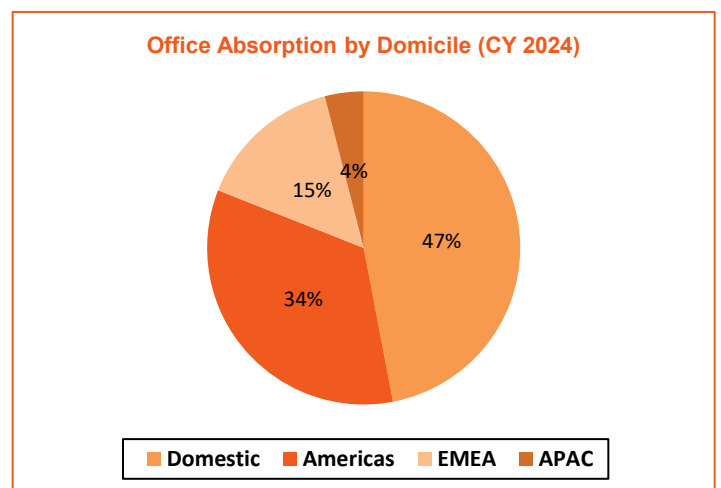
- India's organized office stock has expanded over 20x from 44.0 million square feet pre-2003 to ~883.0 million square feet by Q1 CY25, driven by continuous demand and supply for institutional grade office spaces.
- The top nine cities—Bengaluru, MMR, Hyderabad, Gurugram, Chennai, Pune, Noida, Kolkata, and Delhi, account for the entire office space stock, with Bengaluru leading at 25.6%.
- Office space stock grew at 8.2% CAGR from 341 Mn. Sq. Ft. in CY11 to 591 Mn. Sq. Ft. in CY18. Further, an additional 292 Mn. Sq. Ft. was added over CY19-25, reflecting continued occupier demand and strategic expansion.



Source: IPO Prospectus, DevenChoksey Research

#### Domestic Firms and Startups Fuel Flexible Workspace Demand

- Domestic corporates contributed 47% of commercial office leasing in CY2024, supported by strong economic fundamentals, a well-capitalized financial system, and government-led infrastructure reforms.
- Demand is expanding beyond traditional sectors, with growing activity in flexible workspaces, analytics, aerospace, and automotive.
- India's startup ecosystem, third largest globally, with 159K recognized startups as of January 2025, has grown by 34% YoY.
- Nearly half of the startups are based in Tier 1 cities, with presence across 670+ districts, further accelerating the shift toward scalable, tech-enabled office formats.



Source: IPO Prospectus, DevenChoksey Research

## IndiQube Spaces Ltd.

### Industry Overview

#### Indian Flexible Workspace Industry Overview:

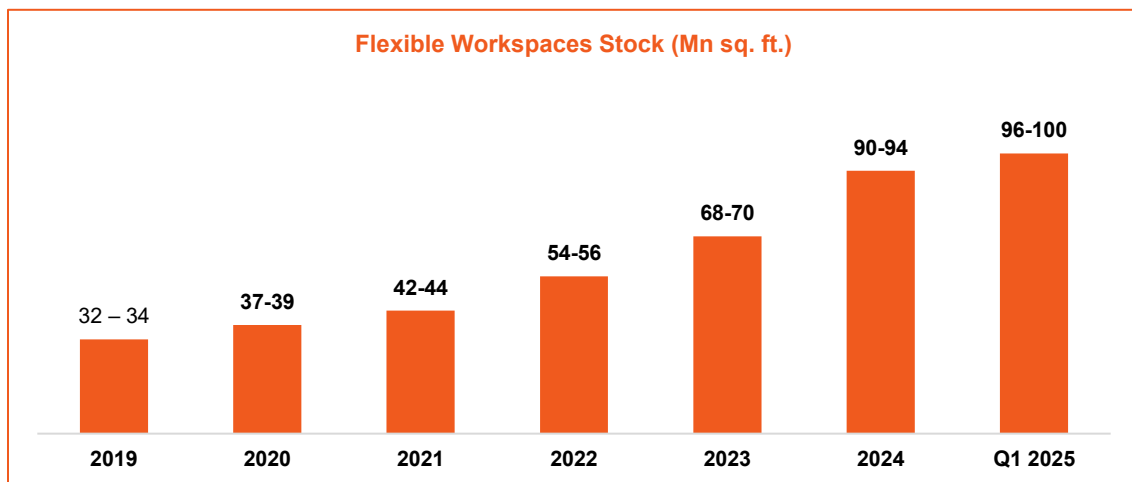
As of Q1 CY25, the **total flexible workspace stock in India** stood at **~96.0-100.0 million square feet**, of which over 90% of the stock was located in the key Tier-I markets. Although, demand across non-Tier I cities has witnessed an uptick but still accounts for only 10% of the overall stock. Domestic and the US based organizations have contributed over 70% of new transactions in flexible workspace centers across India in the last 2-3 years.

The portfolio of Indian flexible workspace is **spread over 2,200+ centers** managed currently by **~500 operators**, leading to a **highly fragmented industry**. The Industry is expected to witness consolidation, led by structural shift towards organized players, who can cater to diverse needs of range of clients including VAS offering, tech-enabled facility management, and contributing towards organization's ESG initiatives.

**Indian flexible workspace market is expected to grow at 13.2% CAGR to ~140.0-144.0 million square feet over 2025-27E**, while the **total addressable market** for flexible workspace operators **could reach ~280.0-300.0 million square feet by 2027**, driven by stronger occupier demand across diverse segments including large enterprises, MSMEs and startups. Demand is anticipated to be well-distributed between domestic and internationally headquartered organizations.

#### Types of Flexible Workspace Offerings:

- **Business Centers:** Small-to-medium sized centers with private/serviced suites, meeting rooms, and basic common amenities.
- **Enterprise Co-Working Spaces:** Small-to-large sized centers featuring collaborative areas, meeting rooms, private suites, open desks, and various amenities.
- **Managed Office:** Custom-built private or semi-private custom-made serviced offices designed for medium-to-long term use.



Source: IPO Prospectus, DevenChoksey Research

#### Value-Added Services (VAS):

Flexible workspace operators offer diverse set of value-added services including cafeteria and F&B services at subsidized costs, creches for working parents, fitness centers, entertainment and other collaborative areas, dedicated EV charging points, retail shops and common board rooms, training rooms. These services typically range from 0% to 10% of the overall revenue generated by a center and are crucial for improving customer experience and aiding customer retention.

#### Fit-out-as-a-Service Solution:

It is a valued added service provided by a flexible workspace operator, whose core competency lies in designing and building offices for multiple clients and organizations seeking to fit-out interiors and furniture on their own or self-leased offices. This service helps organization to outsource non-core tasks like design, build, and office management, ensuring quality control, adherence to timelines, and alignment and focus on their business objectives.



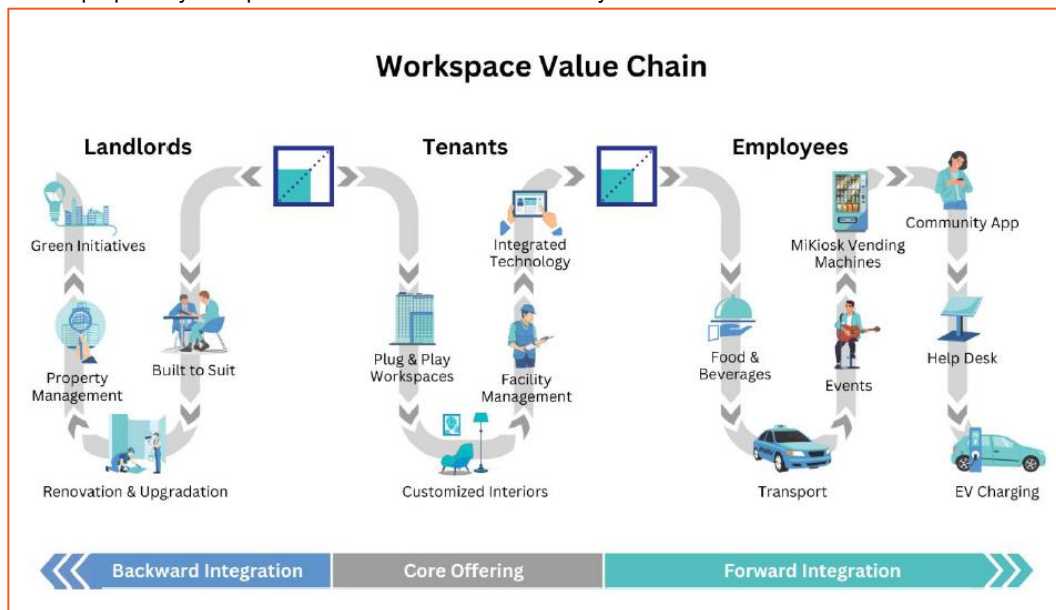
## IndiQube Spaces Ltd.

### Company Overview:

- IndiQube Spaces Limited is engaged in providing tech-enabled managed office space solutions. The company operates through long-term leasing model, in which it acquires entire floors or buildings on long-term lease from non-institutional property owners, renovates and develops them into ready-to-use office spaces tailored to the needs of various businesses. These spaces are offered to clients under service agreements (with minimum lock-in periods to safeguard its payback period) that include workspace infrastructure and operational support.
- The company positions itself as a full-service workspace partner, that focusing on delivering office solutions that eliminates the organization's effort in owning and maintaining spaces, with minimal indulgence into day-to-day activities. IndiQube employs a scalable and asset-light approach that prioritizes on flexibility, service bundling and managing the office workspaces for diverse client needs. Its centers are designed to support all categories of client group including small startups, mid-sized enterprises, and large corporates, spread across diverse range of end-sectors.

### Business Model:

- IndiQube Spaces follows a scalable and asset-light business model which leases commercial properties from non-institutional investors for long-lease period of 10-15 years.
- It then designs, develops customized and managed workspaces, bundled with diverse valued added services including training rooms, entertainment areas, and other common areas such as cafeterias, board rooms, creches, along with end-to-end facility management by integration of technology with building infrastructure.
- Clients includes ranging from startups to large enterprises, which pay a monthly consolidated fee, covering both space and services. The model emphasizes flexibility in space and tenure, enabling clients to scale operations without long-term commitments.
- Revenue is generated through recurring service fees, customization charges, and ancillary income, supported by centralized operations and a proprietary tech platform for efficient service delivery.



Source: IPO Prospectus, DevenChoksey Research

### Workspace Solutions and Offerings:

#### 1. IndiQube Grow

- As of March 31, 2025, IndiQube Spaces Limited operated over 115 properties across 15 Indian cities, offering flexible, tech-enabled workspaces.
- Its enterprise solutions provide customized, fully serviced offices priced based on fit-out and service levels, acquired through referrals, digital channels, and consultant partnerships.
- Co-working offerings target startups with ready-to-use shared spaces and bundled amenities, available via a per-seat model.
- IndiQube also offers mobility services such as bookable meeting rooms, day passes, and virtual offices for flexible and remote work needs.

## IndiQube Spaces Ltd.

### Company Overview:

#### 2. IndiQube Bespoke

- IndiQube Bespoke offers fully customizable office interior design and build solutions tailored to clients' branding and operational needs within their own premises. Services span from space planning and design to turnkey execution, available in standard, premium, and luxury finishes.
- As of March 31, 2025, the offering is supported by an in-house team of 46 designers and architects, along with 90 professionals across project management, civil, and procurement functions.
- Clients can opt for CapEx or OpEx models and access annual maintenance contracts for long-term asset upkeep.
- Sustainability is integrated into all projects through eco-friendly elements like moss walls and energy-efficient lighting. Further, IndiQube launched **IndiQube Canvas**, an office design experience center in Bengaluru, featuring over 1,000 interior SKUs and enabling clients to visualize and personalize their future workspace environments.

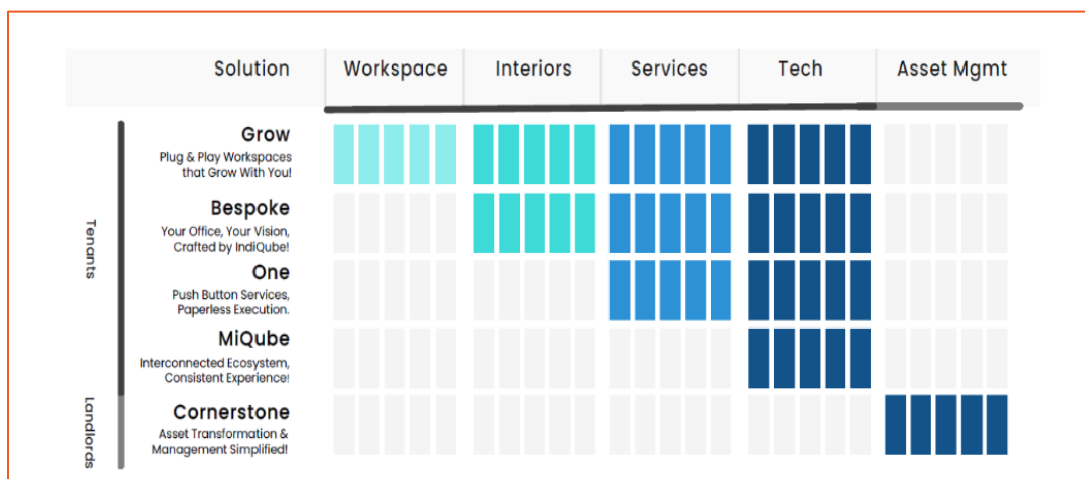
#### 3. IndiQube One:

- IndiQube One** provides tech-enabled facility and property management services for both IndiQube and external commercial spaces.
- Certified under ISO standards, it covers maintenance, asset management, IT infrastructure, and employee support services.
- Sustainability initiatives include rainwater harvesting, energy-efficient systems, and waste management. Services are offered under long-term contracts, with on-site teams and systems deployed upon client confirmation.

#### 4. MiQube™ Workplace Technology Stack:

IndiQube's technology stack enhances workspace efficiency, engagement, and management through integrated digital tools:

- MiQube™ Community App** offers employees one-touch access to services like meeting room bookings, transport, meals, visitor entry, desk/parking reservations, and community events.
- MiQube™ Tenant Platform** enables office admins to monitor power usage, desk occupancy, visitor flow, and invoices via a unified dashboard with built-in facility scheduling tools.
- ServiQube** supports facility teams with task assignments, checklists, real-time updates, and quality tracking to streamline operations and response times.
- MiKiosk vending machines**, linked to MiQube, provide self-service access to snacks and essentials in common areas.
- Visitor Management System** automates check-ins with AI-powered data entry, real-time tracking, and digital passes to enhance security.
- Meeting Room Schedulers** offer real-time availability, integration with calendars, and usage analytics to optimize space planning.
- User Feedback Tabs** allow quick issue resolution and communication, supporting ticket tracking and documentation for improved user experience.



Source: IPO Prospectus, DevenChoksey Research

## IndiQube Spaces Ltd.

### Company Overview

#### 5. IndiQube Cornerstone:

- IndiQube Cornerstone focuses on renovating older commercial properties in partnership with non-institutional landlords.
- Through upgrades in design, technology, amenities, and sustainability features, the initiative modernizes aging assets to enhance operational efficiency and tenant experience.
- These renovations support improved energy and water efficiency, enable green certifications, and help landlords increase rental yields while extending the building's lifecycle.

#### City-wise Breakdown of Revenue Generated from each verticals:

City	FY25 (in INR Mn)				
	Grow	Bespoke	Miqube	One	Cornerstone
Bangalore	5,776	35	0.4	852	29
Chennai	1,164	57	0	160	14
Coimbatore	346	0	0	85	0
Gurugram	155	0	0	5	0
Hyderabad	138	0	0	9	0
Pune	1,251	0	0	85	8
Others	391	11	0	43	0
<b>Total</b>	<b>9,221</b>	<b>104</b>	<b>0.4</b>	<b>1,239</b>	<b>51</b>

Source: IPO Prospectus, DevenChoksey Research

#### Geographic Presence and Scale:

- As of March 31, 2025, IndiQube had established 115 operational centers across 15 cities in India. These include a combination of tier-1 and tier-2 locations, allowing the company to serve both metro-focused firms and those seeking distributed workforces.

**Tier-1 Locations:** Bengaluru (largest presence), Mumbai, Chennai, Hyderabad, Pune, Gurugram, and Noida.

**Tier-2 Locations:** Coimbatore, Kochi, Indore, Ahmedabad, Jaipur, Bhubaneswar, Mangalore, and others.

- The company's Bengaluru portfolio is the most developed, comprising a significant portion of its total managed square footage. The focus on emerging cities supports the growing trend of regional talent hubs and decentralized operations among businesses adapting to hybrid or remote-first models.
- Each facility is generally located in a prime commercial or IT corridor, often close to public transport and basic amenities. IndiQube emphasizes full-building or large-floor occupancy, giving it control over service consistency and design across its locations.

#### Geography Wise Segmentation:

Location	FY 23			FY 24			FY 25		
	No. of centers	Revenue (INR Mn)	%	No. of centers	Revenue (INR Mn)	%	No. of centers	Revenue (INR Mn)	%
Bengaluru, Karnataka	45	4,467	76.5%	51	5,533	66.6%	62	6,671	63.0%
Pune, Maharashtra	11	725	12.5%	11	1,244	15.0%	11	1,344	12.7%
Chennai, Tamil Nadu	6	235	4.0%	10	227	2.7%	12	435	4.1%
Coimbatore, Tamil Nadu	1	108	1.9%	3	226	2.7%	4	431	4.1%
Gurugram, Haryana	1	51	0.9%	2	117	1.4%	3	160	1.5%
Mumbai, Maharashtra	0	118	2.0%	1	116	1.4%	3	146	1.4%
Hyderabad, Telangana	2	63	1.1%	2	90	1.1%	2	146	1.4%
Madurai, Tamil Nadu	1	17	0.3%	1	51	0.6%	2	61	0.6%
Noida, Uttar Pradesh	1	36	0.6%	1	42	0.5%	1	60	0.6%
Jaipur, Rajasthan	0	1	0.0%	1	36	0.4%	1	37	0.3%
Kochi, Kerala	1	—	—	1	—	—	1	55	0.5%
Vijayawada, Andhra Pradesh	1	—	—	1	—	—	1	56	0.5%
Kozhikode, Kerala	0	—	—	0	—	—	1	25	0.2%
Mohali, Punjab	0	—	—	0	—	—	1	—	—
<b>Total Revenue</b>	<b>70</b>	<b>5,838</b>	<b>100%</b>	<b>85</b>	<b>8,306</b>	<b>100%</b>	<b>105</b>	<b>10,593</b>	<b>100%</b>

Source: IPO Prospectus, DevenChoksey Research

## IndiQube Spaces Ltd.

### Company Overview

#### Client Segments and Use Cases:

IndiQube caters to a diversified mix of clients spread across sectors and company sizes:

- **Startup and Growth-Stage Companies:** For early-stage companies, the ability to avoid upfront capital expenditure on office interiors, infrastructure, and long-term rentals is critical. IndiQube's co-working and plug-and-play private offices serve this segment well. These clients often begin with small teams and later graduate to larger spaces within the same building or network.
- **Mid-Sized Enterprises and Unicorns:** Many mid-sized tech and services firms use IndiQube's offices for their regional hubs, development centers, or secondary campuses. The flexibility to customize layouts, coupled with managed operations, allows these firms to scale rapidly without setting up real estate teams internally. This segment includes companies from fintech, enterprise software, logistics tech, and consumer internet.
- **Large Enterprises and MNCs:** Multinational corporations and large Indian companies often use IndiQube's built-to-suit or full-building models for outsourced campus operations. These tenants may include IT services firms, consulting organizations, and back-office operations for financial institutions. For many such clients, IndiQube also provides **compliance-aligned infrastructure** (e.g., data security, access control, and uptime guarantees) to meet regulatory or internal audit requirements.

#### Sector-wise Breakdown of Clients

Sector (%)	FY23	FY24	FY25
Information Technology / Information Technology Enabled Services	53	50	51
Banking, Financial Services and Insurance, Consulting	24	22	19
Manufacturing, Automotive, Engineering, Aviation	7	10	12
E-commerce and Education Technology	4	3	3
Logistics, Pharmaceutical and Healthcare	6	6	6
Others	7	8	9

Source: IPO Prospectus, DevenChoksey Research

#### Operational indicator (KPIs)

Particulars	FY23	FY24	FY25
Active Stock (Mn sq ft)	4.39	5.52	6.92
Number of seats (under active stock)	97,537	1,22,766	1,53,830
Centres (under active stock)	70	85	105
Cities (under active stock)	10	12	14
Rentable seats	94,410	1,18,530	1,39,183
Rentable area (Mn sq ft)	4.25	5.33	6.26
Occupied seats	79,002	95,076	1,18,467
Occupied area (Mn sq ft)	3.56	4.28	5.33
Occupancy (%)	84%	80%	85%
Steady state occupancy (%)	94%	90%	87%
Revenue - Multi-center clients (%)	35%	40%	44%
Average Monthly Net Churn Rate (%)	1.00%	-0.09%	-0.23%

Source: IPO Prospectus, DevenChoksey Research



**IndiQube Spaces Ltd.****Strategies:****Geographic Diversification**

- IndiQube is actively pursuing geographic expansion and diversification by entry into non-Tier I cities (present in seven non-Tier-I cities) to reduce over-reliance on a few key locations and tap into new hyper growth markets.
- Entry into a particular non-Tier-I market is based on demand for managed space and growth trend in a particular micro market and based on talent availability.

**Enhancing Integrated Services and Value-Added Offerings**

- The Company offers its managed office space along with diverse set of value-added services and offerings to both its small & large center clients, by deploying a hub-spoke model, thus efficiently utilizing the resources to generate higher revenue, lower capital outlay and more optimized idle time. Moreover, its VAS portfolio, IndiQube aims to increase customer stickiness, drive higher revenue per client, and diversify income streams.

**Leveraging Green Buildings and Smart Workspace Solutions**

- IndiQube emphasizes on obtaining green certifications for its renovated leased properties to provide a differentiated and sustainable offering to its client's, which focuses on their evolving preferences and aspirations to operate in office spaces deploying eco-conscious aspects to enhance their brand image, attract new clients, ensure long-term retention and support the organization's ESG initiatives.

**Maintaining "Enterprise-First" Focus**

- Continuously targeting large enterprises with scalable, customizable workspaces and securing long-term contracts will help ensure stable and recurring revenue streams, which is crucial for operational stability.
- IndiQube's overall weighted average lease and lock-in tenures are 42 months and 33 months, respectively.

**Optimizing Operational Efficiency**

- IndiQube utilizes its in-house developed MiQube platform to track real-time analytics, for streamlining overall facility management, for improving employee's engagement to drive customer satisfaction and service delivery, along with effective cost control.
- The company plans to expand beyond workspace solutions by offering SaaS products to help landlords and businesses streamline property management, cut costs, and boost revenue.

**Diversifying Client Portfolio**

- IndiQube focuses on maintaining a well-diversified base of clients spanning across industries, sectors and size, by attracting new clients through offering diverse range of VAS services along with office space requirement, to avoid client concentration risk.

**Risks:****Geographic Concentration and Regulatory Risks:**

- Bengaluru, Pune, and Chennai, cumulatively accounts for ~89% of revenue, with Bengaluru alone housing 65 centers. Overexposure to a particular region, prunes to vulnerability and higher risks with respect to demand slow down. Further, delays in permits, changes in government policies and real estate laws, or non-compliance can disrupt operations.

**High Fixed Costs may impact profitability:**

- Higher fixed expenses including lease on properties, maintenance of office spaces and other operating expenditure may impact the overall profitability of the company during business cycles prone to drop in overall occupancy.

**Intense Competition:**

- The Company operates in a highly fragmented industry, with both organized and unorganized players. Higher competitive intensity from organized players (including AWFIS, Smartworks Coworking and WeWork India) in selected micro markets may impact its realizations.

**Economic Sensitivity:**

- Demand for flexible workspaces is cyclical. Real estate inflation, interest rate volatility, and macroeconomic shocks (e.g., pandemics, geopolitical tensions) can hurt growth and margins.

## IndiQube Spaces Ltd.

### SWOT Analysis



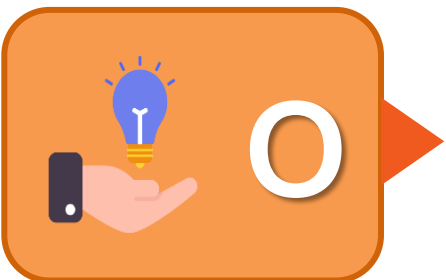
#### Strengths:

- **Market Leadership in Bengaluru:** IndiQube holds a dominant position in Bengaluru (with presence over 65 centers), which accounts for ~30% of Tier-I flexible workspace stock. Bengaluru is expected to witness strong demand for office space driven by budding startups, migrating Gen Z workforce, and lower vacancies.
- **Integrated Service Model:** IndiQube offers end-to-end tech enabled managed office space along with key solutions including customized interiors, subsidized F&B services for employees, shared board rooms, training rooms, entertainment areas and an integrated facility management, to improve client satisfaction and retention.
- **Diversified Client Base:** Has a diverse base of clients spanning across sectors including IT, BFSI, manufacturing, healthcare and others. Its client concentration is limited, with the top customer contributing ~3.5%, while the top five accounting for ~12% of the revenue.
- **Sustainability Initiatives and Green Certifications:** The Company leads in ESG initiatives, with over 29 properties (~37% of total base) possessing green certifications. It has won awards for ESG efforts, through strengthening its appeal among eco-conscious tenants, aspiring to occupy sustainable buildings to improve brand value and demonstrates a commitment to ESG trends.
- **High Occupancy and Lease Lock-ins:** The Company has maintained steady occupancy of 80-85% across its operational centers over the last three years. Moreover, its clients lock-in periods are well aligned with its average payback period, limiting asset-liability mismatches.



#### Weaknesses:

- **Concentration Risk in Key Markets:** IndiQube derives ~89% of its revenue from Bengaluru, Pune, and Chennai, making it vulnerable to demand slowdowns risks and local disruptions.
- **Higher fixed cost may impact profitability:** Business models with higher fixed cost structure, are prone to profitability risks impacted by decline in occupancies during down-cycles and recessionary pressures.



#### Opportunities:

- **Rising Demand for Flexible and Hybrid Workspaces:** "Core+Flex" strategies and return-to-office trends (75–80% occupancy in 2024) are boosting demand for agile, flexible workspace solutions, benefiting IndiQube.
- **Expansion into Non-Tier I Cities:** Cities like Coimbatore, Kochi, and Jaipur are seeing rising demand due to cost advantages and talent availability. IndiQube is well-positioned to expand and diversify its overall portfolio through entry into high growth cities.
- **Increase in Value-Added Services (VAS):** IndiQube's is focused on providing higher VAS offerings (interiors, F&B, facility management) to drive better realizations, improved client retention, revenue diversification and for standing out as a differentiated offering.
- **Outsourcing of Admin Operations:** Increase in demand for outsourced office spaces from organizations, to drive focus on their core-competencies and to avoid heavy capital outflows, will support growth for the flexible and managed office space providers.



#### Threats:

- **Intense Competition:** IndiQube operates in a highly fragmented industry of organized and unorganized office space providers. Higher competitive intensity from organized players (including Smartworks Coworking, WeWork India, and AWFIS) in key micro markets may impact its realizations and occupancy levels.
- **Economic Downturns:** General economic conditions, particularly downturns, can significantly reduce demand for office and flexible workspaces, as seen during the COVID-19 pandemic.
- **Changes in Commercial Real Estate Regulations:** Unfavorable changes or interpretations of laws, or the introduction of new regulations, can increase compliance burdens and costs, potentially restricting future growth. Delays in obtaining or retaining necessary approvals, registrations, permits, and licenses could also adversely affect operations.

## IndiQube Spaces Ltd.

### Peer Comparison

Peers	INR Mn			USD Mn	
	IndiQube Spaces	SMARTWORKS COWORK	AWFIS SPACE SOL	INTERN WORKPLACE G	SERVCORP
Market cap	49,771	52,306	46,217	3,011	372
Enterprise Value	51,936	82,463	59,268	9,997	515
Sales	10,593	13,741	12,075	3,690	206
Sales Growth (YoY)	27.5%	31.3%	42.3%	-4.6%	7.4%
EBITDA	6,165	8,602	4,024	1,825	112
EBITDA Margin (%)	58.2%	62.6%	33.3%	49.5%	54.4%
Net profit	-1,396	-632	679	20	26
Profit Margin (%)	-13.2%	-4.6%	5.6%	0.5%	12.4%
Total Equity (at the end last FY)	-31	1,079	4,592	93	130
ROE (%)	NM	NM	24.1%	NM	20.4%
P/E	-35.6x	-82.8x	68.1x	150.5x	14.6x
P/S	4.7x	3.8x	3.8x	0.8x	1.8x
EV/EBITDA	8.4x	9.6x	14.7x	5.5x	4.6x
EV/Sales	4.9x	6.0x	4.9x	2.7x	2.5x
Adj. Cash EBITDA	1,096	2,435	1,163	-1,122	-11
EV/Adj. EBITDA (TTM)	47.4x	33.9x	50.9x	-8.9x	-47.2x

Source: Factset, IPO Prospectus, DevenChoksey Research

## IndiQube Spaces Ltd.

### Outlook:

IndiQube Spaces, is one of the India's leading and organized, flexible managed office workspace provider. As of **March 31, 2025**, it **operated 115 centers spanning across 8 Tier I cities and 7 non-Tier I cities**, with a total **area under management of 8.4 Mn. Sq. Ft. and rentable area of 6.3 Mn. Sq. Ft. with occupancy ranging from ~80.0-85.0% over the last three years.**

It offers **quality and affordable office workspace** in **key micro markets** along with comprehensive set of **value-added services** including customized fit-outs and interiors, access to board rooms, meeting rooms and training rooms, cafeterias and F&B services to client's employees, access to entertainment and collaborative areas, end-to-end facility management through a centralized platform **at a comprehensive single pricing**, so that organizations can avoid hustle and pain to own and manage their own office space.

The Company has been able to scale its **revenue and EBITDA at 35.2% and 61.4% CAGR respectively**, over FY23-25, driven by **faster roll-out of additional properties**. Moreover, its **rentable area and total area under management has witnessed growth of 21.4% and 30.4% CAGR respectively, over FY23-25**. Despite a rapid scale-up of its operations it **maintained an EBITDA margin of ~58% compared to the domestic peer average of ~48%**, reflecting its cost-effective policies.

It aims to **raise INR 6.5bn** through issue of fresh equity in its initial issue, to **fund capital expenditure of INR 4.6bn** for establishing new centers, for **repaying borrowing to the tune of INR 0.9bn** and to fund other **corporate purpose to the tune of INR 0.9bn**.

IndiQube's initial issue is priced at **8.4x TTM EV/EBITDA**, compared to the domestic **peer average of 12.2x TTM EV/EBITDA**. Further, the issue is **priced at 47.4x FY25 EV/Adjusted Cash EBITDA**, compared to the **domestic peer average of 42.4x FY25 EV/Adjusted Cash EBITDA**.

On comparing the growth with peers, we believe the IndiQube's initial offering is fully priced in, and we assign a **"NEUTRAL"** rating to the issue.

### Relative Valuation

Company Name	CMP (INR/USD)	Market Cap	Revenue CAGR	EBITDA CAGR	EBITDA Margin (%)	EV/Sales		EV/EBITDA		ROE
			Last 2 FY	Last 2 FY	FY25	FY25	TTM	FY25	TTM	FY25
<b>IndiQube Spaces Limited</b>	237	49,771	35.2%	61.4%	58.2%	4.9x	4.9x	8.4x	8.4x	NM
<b>Domestic Peers</b>										
<b>AWFIS SPACE SOL</b>	648	46,217	48.8%	58.6%	33.3%	5.0x	4.9x	15.0x	14.7x	24.1%
<b>SMARTWORKS COWORK</b>	458	52,306	38.4%	39.9%	62.6%	NA	6.0x	NA	9.6x	NM
<b>International Peers</b>										
<b>INTERN WORKPLACE G</b>	3	3,011	1.8%	245.9%	49.5%	2.6x	2.7x	5.2x	5.5x	NM
<b>SERVCORP</b>	4	372	7.4%	3.5%	54.4%	2.4x	2.5x	4.3x	4.6x	20.4%
<b>Domestic Mean</b>			43.6%	49.3%	48.0%	5.0x	5.5x	15.0x	12.2x	24.1%
<b>International Mean</b>			4.6%	124.7%	51.9%	2.5x	2.6x	4.8x	5.0x	20.4%

Source: Factset, IPO Prospectus, DevenChoksey Research and Analysis

## IndiQube Spaces Ltd.

### Financials:

Income Statement (INR Mn.)	FY23	FY24	FY25	Cash Flow (INR Mn.)	FY23	FY24	FY25
<b>Revenue</b>	<b>5,797</b>	<b>8,306</b>	<b>10,593</b>	Net Cash Flow from Operating Activities	3,239	5,422	6,116
Operating Expenditure	3,431	6,042	4,427	Net Cash Flow from Investing Activities	-1,737	-1,927	-2,590
<b>EBITDA</b>	<b>2,367</b>	<b>2,263</b>	<b>6,165</b>	Net Cash Flow from Financing Activities	-1,493	-3,648	-3,375
<b>EBITDA Margin %</b>	<b>41%</b>	<b>27%</b>	<b>58%</b>	Net Increase/(Decrease) in Cash	10	-153	152
Other Income	215	371	436	<b>Cash &amp; Cash Equivalents at the Beginning</b>	<b>-182</b>	<b>-173</b>	<b>-326</b>
Depreciation	2,982	3,922	4,871	<b>Cash &amp; Cash Equivalents at the End</b>	<b>-173</b>	<b>-326</b>	<b>-174</b>
Interest	1,880	2,560	3,304				
<b>PBT</b>	<b>-2,280</b>	<b>-3,848</b>	<b>-1,573</b>				
Tax	(298)	(433)	(177)				
<b>PAT</b>	<b>-1,981</b>	<b>-3,415</b>	<b>-1,396</b>				
<b>PAT Margin (%)</b>	<b>-34%</b>	<b>-41%</b>	<b>-13%</b>				
<b>Adjusted EPS</b>	<b>-9.43</b>	<b>-16.26</b>	<b>-6.65</b>				

Balance sheet (INR Mn)	FY23	FY24	FY25
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3,923	4,944	6,477
Capital work-in-progress	211	736	1,143
Right-of-use assets	21,500	25,876	32,996
Other financial assets	1,293	1,506	1,917
Other non-current assets	1,665	1,944	2,218
<b>Current Assets</b>			
Trade receivables	332	593	787
Cash and cash equivalents	105	5	60
Other financial assets	203	210	175
Other current assets	460	866	1,078
<b>Total Assets</b>	<b>29,693</b>	<b>36,679</b>	<b>46,851</b>
<b>EQUITY AND LIABILITIES</b>			
Equity share capital	2	2	130
Instruments entirely equity in nature	0	10	72
Other equity	-3,083	1,294	-233
<b>Total Equity</b>	<b>-3,081</b>	<b>1,306</b>	<b>-31</b>
<b>Non-Current Liabilities</b>			
Borrowings	5,740	1,001	2,225
Lease liabilities	21,171	26,249	34,218
Other financial liabilities	1,394	1,671	1,990
Other non-current liabilities	189	239	373
<b>Current Liabilities</b>			
Borrowings	492	639	1,215
Lease liabilities	1,856	2,597	3,220
Other current liabilities	1,932	2,977	3,641
<b>Total Equity and Liabilities</b>	<b>29,693</b>	<b>36,679</b>	<b>46,851</b>

Source: IPO Prospectus, DevenChoksey Research



## **IndiQube Spaces Ltd.**

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