श्री LAKSHMISHREE
Gateway to your Financial Goals

IPO NOTE

WEWORK INDIA MANAGAMENT LTD. ‘SUBSCRIBE’ 03-10-2025 TO 07-10-2025

Industry: Workspace solutions / Co-working spaces
Recommendation: Subscribe for long term

Price Band: ₹615 to ₹648
Post Implied Market Cap: ₹8,242 Cr - ₹8,685 Cr

Key Data

Issue Size (₹ Cr)	₹3000.00
Fresh (₹ Cr)	-
OFS (₹ Cr)	₹3000.00
No of shares offered (total issue)	4,62,96,296
Face Value (₹ /share)	10
Bid Lot	23 Shares

Indicative Timetable

IPO Open Date	Fri, Oct 3, 2025
IPO Close Date	Tue, Oct 7, 2025
Tentative Allotment	Wed, Oct 8, 2025
Initiation of Refunds	Thu, Oct 9, 2025
Credit of Shares to Demat	Thu, Oct 9, 2025
Tentative Listing Date	Fri, Oct 10, 2025
Cut-off time for UPI mandate confirmation	5 PM on Tue, Oct 7, 2025

Shareholding (No. of shares)

Pre-Issue	13,40,23,259
Post-Issue	13,40,23,259

Issue Breakup

QIB	75%
NII	15%
Retail	10%

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters & Promoter Group	76.21%	49.80%
Public - Investor selling s/h	23.45%	15.32%
Public – Others*	0.34%	34.88%
Total	100%	100%

Other Details

BRLMs: JM Financial Limited, ICICI Securities Limited, Jefferies India Private Limited, Kotak Mahindra Capital Company Limited, 360 ONE WAM Limited
Registrar: MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Listing: BSE & NSE

Research Analyst

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About the company

WeWork India Management Ltd. is led by Karan Virwani, who serves as the Managing Director & CEO. Operating as a successful franchise, the company is majority-owned by the Embassy Group. This structure leverages Virwani's vision with the strong real estate backing of the Embassy Group, positioning WeWork India as a financially stable leader in India's flexible workspace market.

Investment Rationales

Stable, Localized Leadership: The company is led by Karan Virwani (MD & CEO), deeply integrated with the majority-owner, Embassy Group. This ensures stable, India-specific strategic focus, entirely independent of the past turbulence of WeWork Global.

Profitability Track Record: The current management successfully steered the company to net profitability, demonstrating operational efficiency and disciplined cost control compared to the former 'growth-at-all-costs' model.

Enterprise-First Strategy: Management focuses heavily on large, stable enterprise clients, who contribute the majority of membership revenue. This insulates the business from volatility and ensures high occupancy rates in mature centers (>80%).

Capital-Efficient Hybrid Model: The leadership utilizes a mix of long-term leases and capital-light managed office/revenue-sharing agreements. This strategic flexibility reduces fixed costs and debt obligations while supporting fast, scalable expansion.

Strong real estate backing: The backing and strategic insight from the Embassy Group (a major Indian real estate developer) provides unmatched access to Grade A properties in prime locations, securing a competitive advantage in the premium segment.

Risk

Adherence to covenants: There has been a breach of financial covenant in 2024 with regard to DSCR calculation.
The 68 operational centres are not owned, but leased posing risk of non-renewal/termination of leasing agreements.

Our views

We believe that WeWork India Management Ltd., led by a seasoned and strategically focused management team, offers a compelling investment proposition in the rapidly expanding flexible workspace market. The company is strategically positioned as a premium market leader to capitalize on the sustained shift towards hybrid work models in India.

WeWork India Management Ltd. exhibits a strong financial turnaround and operational excellence, highlighted by its transition to profitability with a Net Profit of ₹128 Cr in FY25 (vs. a Net Loss of ₹136 Cr in FY24). This positive momentum is built on robust revenue from operations of ₹1,949 Cr in FY25 and a solid EBITDA margin of over 60%.

WeWork India Management Ltd.’s strategy focuses on deepening presence in Tier-1 cities, catering to the growing demand from large enterprises and expanding their diverse product portfolio of flexible and managed solutions.

We recommend that investors seeking exposure to a market-leading, financially sound, and well-managed company poised for sustainable growth in the future of Indian real estate consider SUBSCRIBING for a medium-to-long-term perspective.

CONSOLIDATED FINANCIALS – BASIC FINANCIAL DETAILS

Financial Performance Indicators	Units	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total income	₹ in Cr.	1422.77	1737.16	2024.00
Total income growth	%	NA	22.10%	16.51%
Revenue from Operations	₹ in Cr.	1314.52	1665.14	1949.21
Revenue from Operation growth	%	NA	26.67%	17.06%
EBITDA	₹ in Cr.	795.61	1043.79	1239.95
EBITDA margin	%	60.52%	62.69%	63.41%
Adjusted EBITDA	₹ in Cr.	191.29	339.75	421.26
Adjusted EBITDA margin	%	14.55%	20.40%	21.61%
Profit/ (loss) for the period/year	₹ in Cr.	-146.81	-135.77	128.19
Profit/ (loss) for the period/year as a percentage of Total Income	%	-10.32%	-7.82%	6.33%
Total Equity	₹ in Cr.	-292.37	-437.65	200.46
Total Assets	₹ in Cr.	4414.02	4482.76	5391.67
Net Debt	₹ in Cr.	339.10	392.82	215.33
Adjusted Capital Employed	₹ in Cr.	630.93	628.62	1122.64
Return on Adjusted Capital Employed	%	30.32%	54.05%	37.52%
Operating Performance Indicators	**Units**	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
Cities	Number	6	7	8
Total Centers	Number	43	56	68
Total Leasable Area	Msf	5.54	6.71	7.83
Total Desks Capacity in all Centres	Number	78894	98310	117495
Operational Centres	Number	43	53	65
Leasable Area for Operational Centres	Msf	5.54	6.33	7.40
Desks Capacity in Operational Centres	Number	74240	89154	109572
Occupied Desks in Operational Centres	Number	62200	73139	84139
Occupancy Rate in Operational Centres	%	83.78%	82.04%	76.79%
Occupancy Rate in Mature Centres	%	88.18%	85.55%	80.69%
Number of Clients	Number	2315	2273	2198
Renewal Rate	%	79.24%	75.97%	74.66%

Source: Company RHP

WeWork India Management Ltd. IPO Peer Comparison

(As on March 31, 2025)

Company Name	EPS (Basic)	EPS (Diluted)	NAV (per share) (Rs)	P/E (x)	RoNW (%)
WeWork India Management Ltd.	**9.93**	**9.87**	**15.57**	**65.65**	**63.8**
Awfis Space Solutions Ltd.	9.75	9.67	64.71	59.38	14.78
Smartworks Coworking Spaces Ltd.	-6.18	-6.18	10.55		-58.76
IndiQube Spaces Ltd.	-7.65	-7.65	-0.24		

Notes:
All the financial information of our Company mentioned above has been derived as at and for the Fiscal 2025. All the financial information for industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ annual results/ Investor presentation as available of the respective company and submitted to the Stock Exchanges and Prospectus of the respective company as available publicly on the website of SEBI. Further, to the extent that the industry peers have published the above ratios or financial information in their regulatory filings/ website, the same have been disclosed on an as is basis and may not be comparable to the method of computation used by us.
P/E ratio has been computed based on the closing market price of equity shares on BSE on September 15, 2025 divided by the Diluted EPS for the year ended March 31, 2025.
Net Asset Value per Equity Share (₹) = Net Worth at the end of the year divided by the weighted average number of Equity Shares outstanding during the year.
Return on Net Worth (%) = Restated profit/(loss) for the year attributable to the owners of our Company divided by the Net Worth at the end of the year.
Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, debit or credit balance of profit and loss account, share based payment reserve and Instruments entirely in the nature of equity after deducting the aggregate value of the accumulated losses, debit or credit balance of common control adjustment deficit account, deferred expenditure, and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, if any, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. Net Worth represents equity attributable to owners of our company and does not include amounts attributable to non-controlling interest. Net Worth for peers represents the Total Equity excluding Non-Controlling Interest as mentioned in their annual reports for the relevant year submitted to the Stock Exchanges.
EV (Enterprise Value) = Market cap plus the Net Debt as of March 31, 2025.
Net Debt is calculated as Total Borrowings less Total Cash and cash equivalents and Bank Balance (including fixed deposits) and current investments less Bank deposit with more than twelve months maturity and Bank deposits with less than twelve months maturity, if any. Total Borrowings is the sum of current borrowings and non-current borrowings.
Market cap has been computed based on the closing market price of equity shares on BSE on September 15, 2025.
Adjusted EBITDA is EBITDA minus cash outflow for lease liabilities towards rent during the year.
EBITDA is calculated as restated profit/ (loss) for the year plus total tax expense plus depreciation & amortisation expense plus finance costs minus other income minus finance income plus exceptional item, if any for the year.
Tangible Assets = Sum of plant, property and equipment plus capital work in progress.
P/E Ratio of WeWork India Management Ltd. Is implied and not actual.

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