

Retail Research	IPO Note
Sector: Flexible Workspace Solution	Price Band (Rs): 615 – 648
01 st October 2025	Recommendation: NEUTRAL

WeWork India Management Ltd

Company Overview:

WeWork India Management Ltd. (WIML) is a leading premium flexible workspace operator in India. The company's business model involves leasing buildings from landlords, undertaking fit-outs and transforming these spaces into fully managed, modern, tech-enabled and productive offices for its clients/members. As of Jun'25, WIML had 68 operational centres across 8 cities in India, with an operational desk capacity of 1,14,077 desks.

Key Highlights:

1. Strong parentage: WIML is majority owned and promoted by Embassy Group, a leading real estate developer in India, having a portfolio of more than 85 million sq. ft. of real estate domestically and is the sponsor of Embassy REIT. WIML significantly benefits from Embassy Group's parentage through access to marquee buildings in Embassy Group's portfolio of office space and access to Embassy Group's portfolio of large tenants that seek additional, flexible workspace. WIML also benefits from its relationship with WeWork Global, a global flexible workspaces operator with ~600 wholly-owned and licensed locations in 35 countries. WIML is the exclusive licensee of the WeWork Brand in India.

2. Focus on Tier-1 cities and Grade A properties: The company has established multi-asset relationships with various prominent developers across major tier-1 cities such as DLF, Nesco, Prestige Estate Projects, Embassy Group, etc. WIML's centres are located in tier-1 cities in India such as Bengaluru, Mumbai, Pune, Hyderabad, Gurugram, Noida, Delhi and Chennai; with the company's largest presence held in Bengaluru, which has emerged as the largest commercial office and flexible workspace market in India, accounting for ~30% of the flexible workspace stock among tier-1 cities. As of Jun'25, Grade A properties accounted for ~94% (7.1 million sq. ft.) of the company's portfolio.

3. Diverse and sticky member base: Owing to the strength of its brand and offerings along with being the exclusive licensee of the WeWork Brand in India, WIML has been able to attract and develop long-term relationships with global marquee brands, including Amazon Web Services India, JP Morgan Services India, Discovery Communications India, Grant Thornton Bharat, among others. As of Jun'25, the company had 87,247 members. The company has maintained a weighted average membership tenure with members of ~26 months as of Jun'25. Additionally, the company's weighted average membership tenure with Large Enterprise Members was 31 months, as of Jun'25.

Valuation: WeWork India Mgmt Ltd. (WIML) is a leading premium flexible workspace operator in India with 68 operational centres across 8 cities in India, and an operational desk capacity of 1,14,077 desks. The company is the exclusive licensee of the WeWork brand in India and benefits from its relationship with WeWork Global, a global flexible workspaces operator with ~600 wholly-owned and licensed locations in 35 countries. Historically, the company's Revenue/EBITDA has grown at a CAGR of 21.8%/24.7% respectively, and achieved profitability in FY25 (Adj. PAT of Rs 173 cr vs Net loss of Rs 146 cr in FY23). At the upper price band of Rs 648, the issue is valued at FY25 P/E multiple of 50.1x based on the post-issue capital, which seems fairly valued. We maintain a NEUTRAL view on the company and would like to monitor the performance of the company post listing.

Issue Details	
Date of Opening	03 rd October 2025
Date of Closing	07 th October 2025
Price Band (Rs)	615 – 648
Offer for sale (Rs cr)	3,000 @upper price band
Fresh Issue (Rs cr)	-
Issue Size (Rs cr)	3,000 @upper price band
No. of shares	4,62,96,296
Face Value (Rs)	10.0
Post Issue Market Cap (Rs cr)	8,242 – 8,685
BRLMs	JM Financial Ltd, ICICI Securities Ltd, Jefferies India Pvt Ltd, Kotak Mahindra Capital Co. Ltd, 360 ONE WAM Ltd.
Registrar	MUFG Intime India Pvt Ltd
Bid Lot	23 shares and in multiple thereof
QIB shares	75%
Retail shares	10%
NII shares	15%

Shareholding Pattern		
Pre-Issue	No. of Shares	%
Promoter & Promoter Group	10,21,42,692	76.2
Public & Others	3,18,80,567	23.8
Total	13,40,23,259	100.0

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	6,67,39,902	49.8
Public & Others	6,72,83,357	50.2
Total	13,40,23,259	100.0

Selling shareholders through OFS	Classification	No. of shares
Embassy Buildcon LLP	Promoter	3,54,02,790
1 Ariel Way Tenant Ltd*	Public	1,08,93,506
Total	-	4,62,96,296

*Subsidiary of WeWork Global Inc.

Source: RHP, SSL Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from operations	1,315	1,665	1,949	535
EBITDA	796	1,047	1,238	336
Adj. EBITDA*	191	340	421	97
Adj. PAT	(146)	(136)	173	(14)
EBITDA Margin (%)	60.5	62.9	63.5	62.7
Adj. EBITDA Margin (%)	14.6	20.4	21.6	18.0
Adj. PAT Margin (%)	(11.1)	(8.2)	8.9	(2.6)
RoE (%)	49.9	31.1	86.8	-
RoCE (%)	138.1	199.0	95.9	-
Return on Adj. Capital Employed (%)^	30.3	54.1	37.5	-
P/E (x)**	-	-	50.1	-

*Adjusted EBITDA is EBITDA minus cash outflow for lease liabilities towards rent during the period/year.

^ Return on Adjusted Capital Employed is calculated as Adjusted EBITDA for the period/ year divided by Adjusted Capital Employed for the period/year

Adjusted Capital Employed is calculated as Total Equity plus Net Debt plus lease liabilities in the nature of finance lease plus Net Worth Erosion on account of Ind AS 116 (rent) as at the end of the period/year

**Note: Pre-issue P/E based on upper price band

Source: RHP, SSL Research

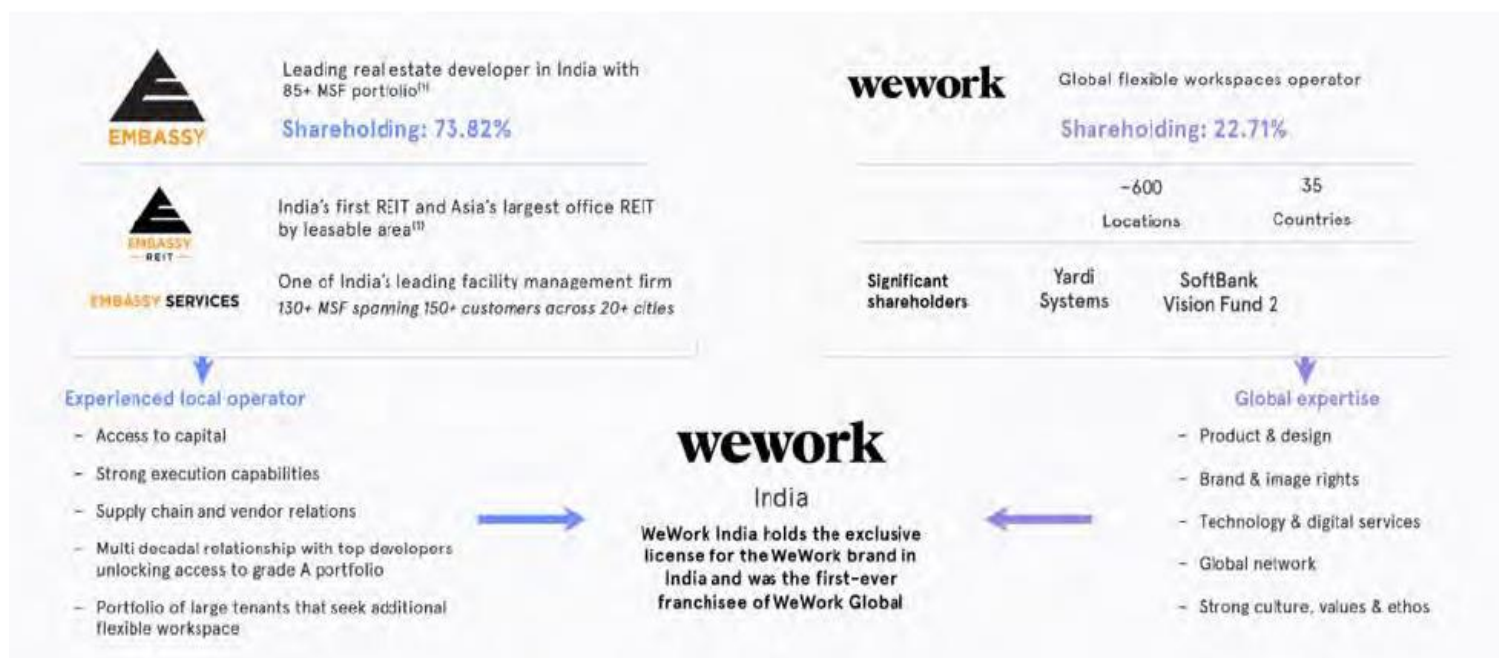
Risk Factors

- Restructuring of WeWork International:** During Nov'23, WeWork Inc. and other entities had filed for a chapter 11 bankruptcy in the U.S. for reorganizing and restructuring of its debts. While, WeWork Inc. has since exited chapter 11 bankruptcy, if existing or potential members, landlords or investors still associate the company with the bankruptcy filing or perceive it to be the same entity as WeWork Inc., its business and reputation could be adversely affected. Further, if WeWork Inc. files for a chapter 7 bankruptcy petition for its liquidation, as the WeWork Inc. group ultimately owns the trademark for the "WeWork" trade name, there is a risk that WIML may no longer be able to use the "WeWork" trade name, which would materially and adversely affect its business.
- Ongoing proceedings against promoter:** One of the company's Promoter was named as one of the respondents in proceedings initiated by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002 in 2014 in relation to allegations of corruption and irregularities in 2004 with respect to certain land development and housing projects awarded by the government. Any adverse outcome in this proceeding may adversely impact the company's operations.
- Dependency on WeWork International:** WIML's brand and reputation are among its most important assets, which helps in attracting clients to its centres. WIML depends on WeWork International for the use of the "WeWork" trade name, logo and trademark which are licensed on a non-transferable and exclusive rights basis to own and operate WeWork locations in India. Thus, any disruptions to the operations of WeWork International Ltd or any events that may cause adverse impacts on the WeWork Brand could have adverse impacts on the reputation and business of WIML.
- Failure to retain existing members and to attract new members:** The company primarily generates revenue by charging membership fees for the use of workspaces. It enters into agreements with members for periods that typically range from 1 to 3 years and extend up to 6 years. However, the company, in the past, has experienced premature termination of agreements by its members.

Growth Strategies

- Continue to deepen presence in existing cities and expand in key micro-markets.
- Continue to focus on unit economies
- Invest in new products and technology to diversify revenues through product innovation and inorganic expansion.

Corporate Structure



Source: RHP, SSL Research

Scale of Operations and Geographic Distribution



Source: RHP, SSL Research

Operational KPIs

Particulars	FY23	FY24	FY25	1QFY26
Cities	6	7	8	8
Total Centres	43	56	68	70
Total Leasable Area (mn sq. ft.)	5.5	6.7	7.8	8.1
Total Desks Capacity in all Centres	78,894	98,310	1,17,495	1,21,677
Operational Centres	43	53	65	68
Leasable Area for Operational Centres	5.5	6.3	7.4	7.7
Desks Capacity in Operational Centres	74,240	89,154	1,09,572	1,14,077
Occupancy Rate in Operational Centres	83.8%	82.0%	76.8%	76.5%
Renewal Rate	79.2%	76.0%	74.7%	70.1%
Net Average Revenue per Member / Billed Desk (Rs)	17,096	19,015	19,842	19,085
Revenue to Rent Multiple (x)	2.4	2.6	2.7	2.6

Source: RHP, SSL Research

Marquee Clients/Members



Source: RHP, SSL Research

Net Membership Fees Split – Enterprise vs Non-Enterprise

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of NMF*	Rs cr	% of NMF*	Rs cr	% of NMF*	Rs cr	% of NMF*
Enterprise Members	865	75.6%	1,112	76.2%	1,290	76.5%	348	75.7%
Fortune 500 Members	250	28.9%	343	30.9%	445	34.5%	116	33.3%
Other Enterprise Members	616	71.1%	769	69.1%	845	65.5%	232	66.7%
Non-Enterprise Members	279	24.4%	347	23.8%	397	23.5%	112	24.3%
Total	1,144	100.0%	1,459	100.0%	1,686	100.0%	460	100.0%

*Net Membership Fees.

Source: RHP, SSL Research

Net Membership Fees Split – Cities

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of NMF**	Rs cr	% of NMF**	Rs cr	% of NMF**	Rs cr	% of NMF**
Bengaluru	461	40.3%	600	41.1%	778	46.1%	220	47.7%
Mumbai	351	30.7%	404	27.7%	404	23.9%	85	18.5%
Other Cities*	331	29.0%	455	31.2%	505	30.0%	155	33.8%
Total	1,144	100.0%	1,459	100.0%	1,686	100.0%	460	100.0%

*Other cities comprise Gurugram, Pune, Hyderabad, Delhi, Noida and Chennai.

**Net Membership Fees

Source: RHP, SSL Research

Net Membership Fees Split – Sectors

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of NMF*	Rs cr	% of NMF*	Rs cr	% of NMF*	Rs cr	% of NMF*
Technology	382	33.4%	479	32.8%	577	34.2%	163	35.4%
Finance	177	15.5%	245	16.8%	285	16.9%	70	15.2%
Professional Services	82	7.1%	136	9.3%	157	9.3%	46	9.9%
Media	74	6.5%	93	6.4%	120	7.1%	34	7.4%
Manufacturing	70	6.1%	101	6.9%	97	5.7%	21	4.5%
Pharma	29	2.6%	52	3.5%	85	5.1%	24	5.3%
Consumer	97	8.4%	93	6.4%	79	4.7%	22	4.7%
Others	233	20.3%	261	17.9%	286	17.0%	81	17.5%
Total	1,144	100.0%	1,459	100.0%	1,686	100.0%	460	100.0%

*Net Membership Fees

Source: RHP, SSL Research

Breakup of no. of Centres Leased

Landlord	FY23	FY24	FY25	1QFY26
Embassy Group	2	2	2	2
Embassy REIT	5	7	9	10
Other landlords	33	39	46	48
Operational Centres leased	40	48	57	60

Source: RHP, SSL Research

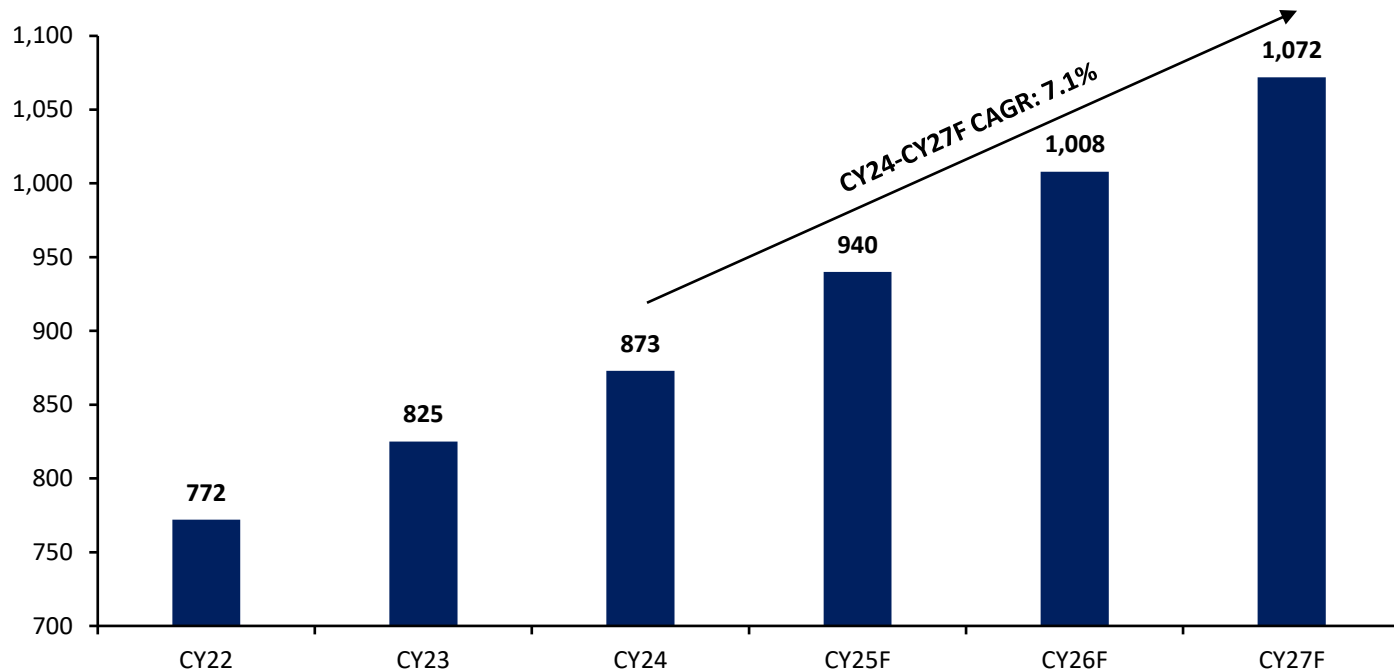
Weighted Average Membership Tenure across Clients (no. of months)

Client	FY23	FY24	FY25	1QFY26
Large Enterprise Members	28	28	30	31
Medium Enterprise Members	12	14	19	21
Small Enterprise Members	19	19	27	26
Non-Enterprise Members	11	12	15	16
All Members	22	23	26	26

Source: RHP, SSL Research

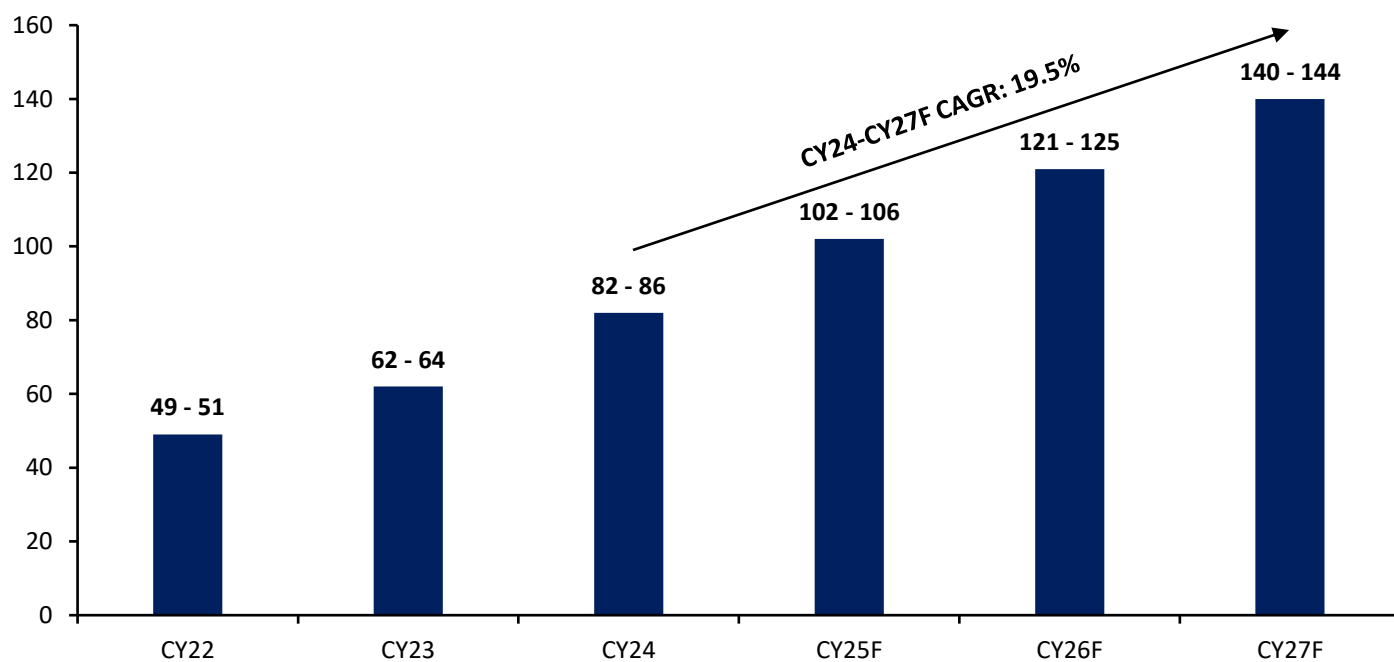
Industry Overview

Total Office Stock in Tier-1 cities, India (mn sq ft)



Source: Smartworks Coworking Spaces Ltd RHP, SSL Research

Flexible Workspace Stock in Tier-1 cities, India (mn sq ft)



Source: Smartworks Coworking Spaces Ltd RHP, SSL Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from Operations	1,315	1,665	1,949	535
YoY growth	-	26.7%	17.1%	-
COGS (incl. Stock Adj.)	1	2	3	0
Employee Cost	121	134	155	47
Other Operating Expenses	398	483	554	152
EBITDA	796	1,047	1,238	336
EBITDA margin	60.5%	62.9%	63.5%	62.7%
Adj. EBITDA	191	340	421	97
Adj. EBITDA margin	14.6%	20.4%	21.6%	18.0%
Other Income	108	72	75	10
Interest Exp.	414	508	598	136
Depreciation	637	744	824	223
PBT	(147)	(133)	(109)	(14)
Exceptional item	-	-	(46)	-
Tax	(0)	(0)	(285)	0
Adj. PAT	(146)	(136)	173	(14)
Adj. PAT margin	(11.1%)	(8.2%)	8.9%	(2.6%)

BALANCE SHEET				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Assets				
Net Block	569	675	908	939
Capital WIP	11	15	34	16
Intangible Assets	8	9	10	9
Intangible Assets under development	2	-	-	-
Right of use assets	2,999	2,917	3,395	3,297
Other Non current Assets	388	336	584	606
Current Assets				
Current Investment	57	164	31	31
Inventories	0	0	1	1
Trade receivables	70	80	83	124
Cash and Bank Balances	51	24	27	12
Short-term loans and advances	100	100	100	100
Other Current Assets	160	164	220	222
Total Current Assets	437	532	461	490
Current Liabilities & Provisions				
Trade payables	104	73	52	54
Other current liabilities	368	548	648	644
Short-term provisions	18	24	29	31
Total Current Liabilities	490	645	728	728
Net Current Assets	(52)	(114)	(267)	(238)
Total Assets	3,924	3,837	4,663	4,629
Liabilities				
Share Capital	55	55	134	134
Instruments entirely in the nature of equity	-	142	-	-
Reserves and Surplus	(347)	(635)	66	55
Total Shareholders Funds	(292)	(437)	200	189
Minority Interest	(0)	(0)	1	1
Total Debt	486	626	310	389
Long Term Provisions	5	6	9	9
Lease Liabilities	3,530	3,529	3,963	3,876
Other Long Term Liabilities	194	113	181	164
Net Deferred Tax Liability	1	1	-	-
Total Liabilities	3,924	3,837	4,663	4,629

Cash Flow Statement (Rs cr)	FY23	FY24	FY25	1QFY26
Cash flow from Operating Activities	942	1,162	1,290	323
Cash flow from Investing Activities	(386)	(393)	(304)	(161)
Cash flow from Financing Activities	(534)	(797)	(984)	(176)
Free Cash Flow	709	918	913	225

RATIOS			
Particulars	FY23	FY24	FY25
Profitability			
Return on Capital Employed	138.1%	199.0%	95.9%
Return on Adj. Capital Employed [#]	30.3%	54.1%	37.5%
Return on Equity	-	-	86.8%
Margin Analysis			
EBITDA Margin	60.5%	62.9%	63.5%
Adj. EBITDA Margin	14.6%	20.4%	21.6%
Adj. Net Profit Margin	(11.1%)	(8.2%)	8.9%
Short-Term Liquidity			
Current Ratio (x)	0.7	0.7	0.6
Quick Ratio (x)	0.7	0.7	0.6
Avg. Days Sales Outstanding	19	18	16
Avg. Days Inventory Outstanding [^]	114	30	88
Avg. Days Payables	73	43	26
Fixed asset turnover (x)	2.3	2.5	2.1
Debt-service coverage (x)	0.3	0.3	0.5
Long-Term Solvency			
Total Debt / Equity (x)	-	-	1.6
Interest Coverage Ratio (x)	0.6	0.7	0.8
Valuation Ratios*			
EV/EBITDA (x)	11.5	8.9	7.2
P/E (x)	-	-	50.1
P/B (x)	-	-	43.5
EV/Sales (x)	6.9	5.6	4.6
Mkt Cap/Sales (x)	6.6	5.2	4.5

[^]Inventory days metric is not relevant for this business

[#] Return on Adjusted Capital Employed is calculated as Adjusted EBITDA for the period/ year divided by Adjusted Capital Employed for the period/year

*Adjusted EBITDA is EBITDA minus cash outflow for lease liabilities towards rent during the period/year.

[^]Adjusted Capital Employed is calculated as Total Equity plus Net Debt plus lease liabilities in the nature of finance lease plus Net Worth Erosion on account of Ind AS 116 (rent) as at the end of the period/year

*Valuation ratios are based on pre-issue capital at the upper price band

Source: RHP, SSL Research

Peer Comparison – FY25

Particulars	WeWork India Management Ltd	Awfis Space Solutions Ltd	Smartworks Coworking Spaces Ltd	IndiQube Spaces Ltd
Financials (Rs cr)				
CMP (Rs)	648	570	565	230
Sales	1,949	1,208	1,374	1,059
EBITDA	1,238	402	857	617
Adj. EBITDA	421	NA	172	NA
Adj. Net Profit	173	43	(63)	(140)
Mkt Cap.	8,685	4,075	6,445	4,824
Enterprise Value	8,968	4,017	6,774	5,161
EBITDA Margin (%)	63.5	33.3	62.4	58.2
Adj. EBITDA Margin (%)	21.6	NA	12.5	NA
Net Profit Margin (%)	8.9	3.5	(4.6)	(13.2)
RoE (%)	86.8	9.3	(58.5)	-
RoCE (%)	95.9	37.1	50.8	52.1
Return on Adj. Capital Employed (%)	37.5	NA	NA	NA
P/E (x)	50.1	95.2	-	-
EV/EBITDA (x)	7.2	10.0	7.9	8.4
EV/Sales (x)	4.6	3.3	4.9	4.9
Key Operating Metrics (as of Jun'25)				
Number of Cities	8	18	15	15
Number of Centres	70	232	54	111
Total Leasable Area (mn sq.ft.)	8.1	7.8	10.1	7.4
Total Desks Capacity	1,21,677	1,55,490	2,31,548	1,64,278
Number of Operational Centres	68	220	48	NA
Leasable Area for Operational Centres	7.7	N/A	8.3	6.5
Operational Desks Capacity	1,14,077	1,40,000+	1,90,421	N/A
Occupancy Rate in Operational Centres	76.5%	73.0%	83.0%	85.3%
Number of Clients	2,215	3,200+	730	789

For WeWork India Management Limited, the Market Cap, P/E(x), EV/EBITDA (x), EV/Sales (x) are calculated on post-issue equity share capital based on the upper price band.

Return on Adjusted Capital Employed is calculated as Adjusted EBITDA for the period/ year divided by Adjusted Capital Employed for the period/year

Adjusted EBITDA is EBITDA minus cash outflow for lease liabilities towards rent during the period/year.

Adjusted Capital Employed is calculated as Total Equity plus Net Debt plus lease liabilities in the nature of finance lease plus Net Worth Erosion on account of Ind AS 116 (rent) as at the end of the period/year

RoE (%) and RoCE (%) are calculated on pre-issue capital

CMP for peer companies is closing price as on 29th September, 2025

Source: RHP, Exchange Filings, SSL Research

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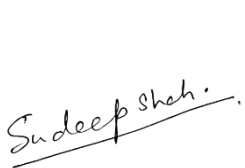
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