



IPO Note

01st October 2025

Company Overview

Launched in 2017, the company has established itself as a leading premium flexible workspace operator in India, as per the CBRE Report, and has consistently maintained the position of the largest operator by total revenue over the past three fiscals. The company has been instrumental in driving the growth of the flexible workspace sector in India and has played a pivotal role in shaping product and service evolution within the segment. Operating as the exclusive licensee of the globally recognized WeWork brand in India further strengthens its market positioning and brand equity. The company is a leading provider of integrated shipping and logistics solutions in India, specializing in dry bulk cargo handling at all-weather and seasonal ports. The company provides flexible, high-quality workspace solutions catering to a diversified customer base that includes large enterprises, SMEs, startups, and individual professionals. As per the CBRE Report, it has built strong multi-asset relationships with leading developers across major Tier 1 cities, enabling access to prime locations. The company predominantly leases Grade A office spaces and, in line with global standards, undertakes the design, build-out, and operations of these assets to deliver premium flexible workspace offerings. As of June 30, 2025, approximately 94% (7.1 million sq. ft.) of the company's portfolio was concentrated in Grade A developments, underscoring its focus on premium assets (CBRE Report). The company offers one of the most extensive product and service ranges in the flexible workspace sector, with adaptable membership terms that enable businesses to scale operations seamlessly. Leveraging the strength of its brand, premium offerings, and association with the global WeWork network, the company has successfully established long-term relationships with marquee multinational clients, including Amazon Web Services India, JP Morgan Services India, Discovery Communications India, Deutsche Telekom Digital Labs, CBA Services, and Grant Thornton Bharat LLP. Leveraging the strength of its brand, premium offerings, and association with the global WeWork network, the company has successfully established long-term relationships with marquee multinational clients, including Amazon Web Services India, JP Morgan Services India, Discovery Communications India, Deutsche Telekom Digital Labs, CBA Services, and Grant Thornton Bharat LLP.

Objects of the issue

The company will not receive any proceeds from the Offer..

Investment Rationale

Strong brand recognition and leadership in India and international presence is a driving competitive advantage

As a pioneer in the flexible workspace sector, WeWork India consistently recorded the highest search volume throughout October 2023 to December 2024 (being 4 times that of its closest competitor in the period of October 2023 to September 2024, and 3.5 times company's closest competitor in 2024), which underscores its strong brand recognition and leadership in India. For the period of October 2023 to September 2024, WeWork India had 0.9 times the search volume for "coworking", and 1.48 times the search volume for "office space". WeWork India has played a significant role in the growth of the flexible workspace sector in India and been a key contributor for the evolution of flexible workspace products and services. In terms of customer perception, the company consistently outperforms its competitors across all key parameters, especially excelling in brand name, global presence, flexible offerings, and community engagement, and is ranked first among competitor flexible workspace operators identified by AGR in terms of brand awareness (comprising top of mind awareness, spontaneous awareness, and aided awareness) across all members, non-members, and non-users of flexible workspaces, with top of mind awareness driven by its premium positioning, strategic locations and strong community engagement.

Issue Details

Offer Period	03rd Oct. 2025 - 07th Oct. 2025
Price Band	Rs. 615 to Rs. 648
Bid Lot	23
Listing	BSE & NSE
Issue Size (no. of shares in mn)	46.3
Issue Size (Rs. in bn)	30
Face Value (Rs.)	10

Issue Structure

QIB	75%
NIB	15%
Retail	10%

BRLM	JM Financial Ltd., ICICI Securities Ltd., Jefferies India Pvt. Ltd., Kotak Mahindra Capital Co.Ltd., 360 One
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Registrar	MUFG Intime India Pvt. Ltd.
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Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	73.6%	48.1%
Public	26.4%	51.9%
Total	100.0%	100.0%

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

WeWork India Management Ltd.

Presence in Grade A properties in top-tier micro markets and strong relationships with top developers

As per the CBRE Report, the company has built strong multi-asset relationships with leading developers across major Tier 1 cities, enabling access to premium locations. It designs, builds, and operates workspaces to global standards, with Grade A properties forming ~94% of its portfolio (7.1 million sq. ft.) as of June 30, 2025. The company's centres are strategically located across key Tier 1 markets Bengaluru, Mumbai, Pune, Hyderabad, Gurugram, Noida, Delhi, and Chennai where demand for office space remains resilient, supported by robust talent pools, infrastructure, and business growth potential. According to the CBRE Report, these Tier 1 markets recorded gross office absorption of 78.9 million sq. ft. in 2024, significantly outpacing new supply of 49.0 million sq. ft. For 2025, absorption is forecasted to rise further to ~85.5 million sq. ft., underscoring sustained demand momentum in the company's core operating geographies.

Valuation

WeWork, launched in 2017, provides flexible, high-quality workspace solutions catering to a diversified customer base that includes large enterprises, SMEs, startups, and individual professionals. As per the CBRE Report, it has built strong multi-asset relationships with leading developers across major Tier 1 cities, enabling access to prime locations. The company predominantly leases Grade A office spaces and, in line with global standards, undertakes the design, build-out, and operations of these assets to deliver premium flexible workspace offerings. Flexible workspaces are becoming an integral part of the commercial office market, with flexible workspace stock in the top nine Tier 1 cities growing from 35 million square feet at the end of 2020 to over 88 million square feet as at the first quarter of 2025. According to the CBRE Report, the demand for flexible workspaces has been fuelled further by an increasing focus by end users on flexibility, capital efficiency, cost optimization, hybrid / distributed working, employee well-being, and a focus on core business activity, amongst other things. According to the CBRE Report, the number of companies with over 10% of their office space being flexible is forecast to jump from 42% in the first quarter of 2024 to 59% by 2026, and total flexible workspace stock ranging, between 82 to 86 million square feet by the end of 2024, is forecasted to grow to approximately 140 to 144 million square feet across Tier 1 cities by the end of 2027 at a CAGR of approximately 18% to 20%. On the financial front, while revenues have grown at a healthy CAGR of 22% over the past three years, profitability remains under pressure with consistently declining PAT margins, largely impacted by high depreciation charges. The reported positive PAT in the current year is primarily attributable to a deferred tax gain of Rs. 2,857 million. Additionally, 100% of the issue comprises of Offer For Sale (OFS). **In light of these factors, we remain largely cautious of the listing. We, thus, recommend an AVOID rating for the issue and will reassess our rating in future following sustained business performance in upcoming quarters.**

Key Risks:

- ⇒ Proceedings had been initiated by the Enforcement Directorate against the Promoter and Chairman of the company, Jitendra Mohandas Virwani in 2014 under the Prevention of Money Laundering Act, 2002 and any adverse outcome in this proceeding may adversely impact company's business, reputation, financial condition and results of operations.
- ⇒ WeWork's Group Company, Embassy Office Parks Management Services Private Limited ("EOPMSPL") has received show cause notices under the Securities and Exchange Board of India Act, 1992 which may have adverse impact on the Company.
- ⇒ One of company's Promoters has pledged their Equity Shares with a security trustee under the promoter borrowing arrangements. Any exercise by lenders of such pledges would dilute the shareholding of the Promoters which may adversely affect company's business and the share price of the Equity Shares.

WeWork India Management Ltd.

Income Statement (Rs. in millions)

Particulars	FY23	FY24	FY25	Q1 FY26
Revenue				
Revenue from operations	13,154	16,651	19,492	5,353
Total revenue	13,154	16,651	19,492	5,353
Expenses				
Sub contracting cost	0	0	144	36
Cost of material consumed	7	16	27	4
Employee benefit expenses	1,206	1,339	1,550	473
Operating expenses	3,206	4,072	4,677	1,300
Other expenses	770	753	714	182
Total operating expenses	5,189	6,180	7,113	1,995
EBITDA	7,965	10,471	12,379	3,358
Depreciation & amortization expenses	6,367	7,442	8,237	2,235
EBIT	1,598	3,029	4,142	1,123
Finance costs	4,141	5,077	5,979	1,364
Other Income	772	183	283	6
Finance income	310	537	466	98
PBT and exceptional items	-1,460	-1,328	-1,089	-138
Share of loss in associate	0	-33	-20	-3
Exceptional items	0	0	-459	0
PBT	-1,460	-1,361	-1,567	-141
Tax expense				
Current tax	0	1	8	2
Deferred tax	-1	-3	-2,857	0
Total tax	-1	-3	-2,850	3
Net Profit	-1,459	-1,358	1,282	-144
Diluted EPS	-11.52	-10.73	9.87	-1.05

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in millions)

Particulars	FY23	FY24	FY25	Q1 FY26
Cash Flow from operating activities	9,419	11,619	12,900	3,227
Cash flow from/(used in) investing activities	-3,865	-3,934	-3,037	-1,614
Net cash flows (used in) / from financing activities	-5,338	-7,973	-9,838	-1,762
Net increase/(decrease) in cash and cash equivalents	217	-289	25	-148
Cash and cash equivalents at the beginning of the period	283	499	211	236
Cash and cash equivalents at the end of the period	499	211	236	88

Source: RHP, BP Equities Research

WeWork India Management Ltd.

Balance Sheet (Rs. in millions)

Particulars	FY23	FY24	FY25	Q1 FY26
ASSETS				
Non-Current Assets				
Property, plant and equipment	5,688	6,747	9,085	9,393
Capital work in progress	113	149	337	156
Right of use assets	29,988	29,168	33,947	32,974
Goodwill	22	22	22	22
Other Intangible assets	63	64	74	67
Intangible asset under development	17	0	0	0
Investment accounted for using equity method	0	127	107	103
Financial Assets				
(i) Investment	0	0	21	43
(ii) Other financial assets	2,736	2,544	2,153	2,231
Deferred tax assets (Net)	0	0	2,850	2,851
Income tax assets (Net)	798	514	575	615
Other Non-Current Tax Assets (Net)	343	177	134	217
Total Non-Current Assets	39,766	39,512	49,304	48,672
Current Assets				
Inventories	2	1	7	6
Financial Assets				
(i) Investments	566	1,635	307	312
(ii) Trade Receivables	697	802	832	1,244
(iii) Cash and cash equivalents	499	211	236	88
(iiii) Bank balances other than cash	10	29	32	32
(iv) Loans	1,000	1,000	1,000	1,000
(v) Other financial asset	612	847	1,403	1,520
Other current assets	987	791	797	696
Total Current Assets	4,374	5,316	4,613	4,899
Total Assets	44,140	44,828	53,917	53,571
Equity and Liabilities				
Equity Share Capital	548	548	1,340	1,340
Instruments entirely in the nature of equity	0	1,425	0	0
Other Equity	-3,469	-6,348	657	549
Non-controlling interest	-3	-2	8	7
Total Equity	-2,924	-4,376	2,005	1,897
Non-Current Liabilities				
Financial liabilities				
(i) Borrowings	3,889	4,964	2,095	2,543
(ii) Lease Liabilities	30,117	30,169	33,990	32,802
(iii) Other financial liabilities	1,680	1,008	1,619	1,496
Deferred Tax Liabilities (Net)	13	9	0	0
Provisions	51	62	87	91
Other non current liabilities	260	126	194	149
Total Non-Current Liabilities	36,010	36,339	37,985	37,081
Current Liabilities				
Financial Liabilities				
(i) Borrowings	967	1,294	1,008	1,350
(ii) Trade Payables	1,037	732	516	540
(iii) Lease Liabilities	5,188	5,118	5,637	5,963
Provisions	178	240	290	306
Other financial liabilities	2,930	4,551	5,713	5,763
Other current liabilities	753	931	756	664
Current tax liabilities (Net)	0	0	8	8
Total Current liabilities	11,054	12,865	13,927	14,593
Total Liabilities	47,064	49,204	51,912	51,674
Total Equity and Liabilities	44,140	44,828	53,917	53,571

Source: RHP, BP Equities Research

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil**Analyst (s) Certification:**

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