August 18, 2026

To,

BSE Limited,
20th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400001.
BSE Scrip Code: 544454

National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
NSE Scrip Symbol: INDIQUBE

Dear Sir/ Ma'am,

Subject: Submission of Transcript of the Earnings Conference Call held on August 13, 2026

This has reference to regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Transcript of the Earnings Conference Call held on Thursday, August 13, 2026, on the financial results for the quarter ended on June 30, 2026. Further, the transcript of the aforesaid Earnings Conference Call shall be made available on the website of the Company at the following link: https://indiqube.com/investor/financials/.

Kindly take the same on record.

Thanking You,

For **Indiqube Spaces Limited**

BHASKER DUBEY
Digitally signed by BHASKER DUBEY
Date: 2026.08.18 10:35:53 +05'30'

Bhasker Dubey
(Company Secretary and Compliance Officer)

"Indiqube Spaces Limited
Q1 FY27 Earnings Conference Call"
August 13, 2026

MANAGEMENT: **MR. RISHI DAS – CHAIRMAN, EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICE – INDIQUBE SPACES LIMITED**
MS. MEGHNA AGARWAL – EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER – INDIQUBE SPACES LIMITED
MR. PAWAN JAIN – CHIEF FINANCIAL OFFICER – INDIQUBE SPACES LIMITED
MR. VIKAS AGRAWAL – HEAD-INVESTOR RELATIONS – INDIQUBE SPACES LIMITED
MR. VAMSI CHATRATHI – AVP-MARKETING – INDIQUBE SPACES LIMITED

MODERATOR: **MR. SOURABH GILDA -- JM FINANCIAL SERVICES**

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY27 Indiqube Spaces Conference Call hosted by JM Financial Services. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sourabh Gilda from JM Financial Services. Thank you and over to you, sir.

Sourabh Gilda: Hi, on behalf of JM Financials, I welcome you all to the Q1 FY27 earnings call of Indiqube Spaces Limited. From the management, we have with us Mr. Rishi Das, CEO, Ms. Meghna Agarwal, COO, Mr. Pawan Jain, CFO, Mr. Vikas Kumar Agarwal, Head IR, and Mr. Vamsi Chatrathi, AVP Marketing. 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 question and answer session.

Thank you and over to you Rishi and Meghna.

Rishi Das: Yes, thank you, Sourabh. Good afternoon, everyone, and thank you for joining us for the Indiqube Spaces Limited Q1 FY27 earnings call. It is my pleasure to welcome our shareholders, analysts, investors and all participants joining us today.

Our earnings presentation has been uploaded on the stock exchanges and on our website, and we trust you have had the opportunity to go through it. Q1 27 marks a very strong start for the year with Indiqube delivering its highest ever quarterly revenue of INR428 crores representing growth of 37% year-on-year. This strong revenue performance was accompanied by healthy growth across profitability metrics.

Our EBITDA increased by 34% to INR87 crores, EBIT grew from 59% to INR55 crores, while PAT increased by 91% to INR35 crores. What is equally encouraging is the quality of this growth, with profitability strengthening as we scale. EBIT margin improved to 13% in Q1 FY27 from 11% in Q1 FY26, while PAT margin expanded to 8% from 6% during the same period last year. EBITDA margin remained healthy at 20%.

Together, these metrics demonstrate the operating leverage inherent in our platform and our ability to translate growth in scale with stronger profitability. On the operational front, we continue to expand our portfolio at a healthy pace.

During the year, we added 1.91 million square feet to our area under management, and we launched 17 new centers. This expansion continues to be guided by our follow the talent strategy, under which we build high density workspace clusters in talent rich micro-markets where enterprises are looking to establish and expand their operations.

Importantly, the strength of our platform is also reflected in the quality and composition of our customer base. So as of June 2026, we catered to 855 clients, and this was across a good diverse mix of Global Capability Centers, Indian conglomerates, unicorns and high growth startups.

GCCs contributed 53% of our revenue during the quarter and multi-center clients (clients who have taken more than one center) accounted for about 41% of our revenue.

Nearly 90% of our occupants come from clients who have taken more than 100 seats. So, these indicators clearly reflect the large size, long stay and enterprise focused nature of our portfolio. They also demonstrate our ability to grow alongside our customers as they expand across cities and micro-markets in India.

Alongside growth and profitability, sustainability continues to remain a very important pillar of our strategy. Nearly 30 megawatt of solar capacity is already operational, comprising capacity from our solar farms in Karnataka and Maharashtra, as well as rooftop installations across the country. These initiatives are an important step towards our long-term ambition of transitioning the Indiqube portfolio to 100% green power.

So, if we have to reflect back, the last decade was about building and evolving Indiqube. We expanded from Bangaluru to multiple cities, progressed from managed workspaces to an integrated managed spaces platform, broadened the range of services we offer to our customers and transitioned from being a private limited company to becoming a listed institution.

The next phase for us is about compounding what we have built. We believe the combination of our geographical expansion, deeper customer relationships, a growing contribution from value added services, strong operating leverage, and our sustainability initiatives create a solid foundation for the next phase of Indiqube growth.

With that, I will now hand over to my co-founder Meghna Agarwal who will take you through the key business highlights for the quarter.

Meghna Agarwal: Thank you, Rishi, and good afternoon, everyone. Firstly, I would encourage everyone to spend some time going through our annual report which is available on our website. I believe it provides a much better understanding of how we see Indiqube evolving into an integrated managed spaces platform. That evolution is reflected in the breadth of our offerings.

The first one is Grow, our core managed workspace proposition, DesignQube which is rebranded version of Bespoke. It enables us to participate in the design and creation of workspaces giving us a larger role in the customer's workspace journey. IndiCare, rebranded version of IndiQube One, allowing us to address broader operations, employee experience, and facility requirement.

And importantly, we are also extending the IndiCare proposition into retail where we see a significant opportunity to manage end-to-end stores and branches. Eco, helping customers build more sustainable and energy efficient commercial spaces. So, when we look at these offerings together, the opportunity becomes much larger than simply adding more square footage.

We have consistently said that we intend to add close to 2 million square feet every year and we remain committed to that growth trajectory. What is also changing however is what we can do with every square foot we add and every customer relationship we build. As DesignQube, IndiCare, and Eco scale up, we expect VAS to become an increasingly important component of our revenue mix.

Our VAS contribution has grown from 12% to approximately 15% and is currently around 17% of our total revenue. We expect this contribution to increase further over time. For us, the important point is that these opportunities allow us to create more value from the capabilities and platform we are already building. When we look at these offerings together, the opportunity becomes much larger.

So going forward, our growth will come from both expanding our managed workspace footprint and increasing the range of services we provide to each customer. Ultimately, our ambition is to become the total outsourcing solution for commercial spaces. That is the IndiQube platform we all are building. With that, we look forward to addressing your questions during the Q&A session. Thank you.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Shamit Ashar with Ambit Capital. Please go ahead.

Shamit Ashar: Hi. Thanks for the opportunity. And couple of questions from my side. So, you've reiterated your guidance of 2 million square feet of area addition annually, but if we look at quarter one of FY27, there is no change in your operational area addition. So how do you think the remaining supply additions will be distributed across Q2 to Q4 to meet this guidance? Are you seeing some sort of a slowdown in supply or increased competition? That's my first question.

Secondly, on VAS, you recognized INR 39 crores as one-time VAS revenues this quarter. So, what led to jump in the one-time revenue and how do you see this segment on a steady basis for remaining of FY27? And my last question is on your solar. I think you can take the two and then I'll take the third one.

Meghna Agarwal: Thank you Shamit. I'll try to answer the first two questions, okay. And it will be a mix, so I'll try to combine everything. So, when you said why no rent paying area increase in what is it, right? So just to give an idea, as you rightly said that we have added close to 2 million square feet annually which translates to approximately 44,000 seats per year. And we definitely intend to continue operating within the same range forward.

But if you see in the rent paying area, our expansion is on annual basis rather than on the quarter-on-quarter because the timing of the new center addition can actually vary significantly from one quarter to another. And in H2 FY26, we've added approximately 1.14 million square feet.

So therefore, the sequential movement in this rent paying area in this quarter you are seeing the relatively flat. But the growing forward in the current year and all, you would see the additions in the rent paying area increasing and reaching close to 2 million square feet. The overall annual basis we would be as per our guidance, and we are seeing no more no slowing here.

We already have a headroom of about 3.9 million square feet which is about 97,000 seat which is already signed and is in the kitty. So, in that ways we are absolutely fully covered, in that area. Quarter-on-quarter, as I said, there would be certain changes which we cannot because of the timings of the ramp up of the building, okay?

And even in the occupancy for those perspectives, we would maintain that 80% to 85% occupancy at the corporate level, 85% to 90% on the mature centers. So, these are the numbers which we you would see on an annual basis. Few percentages here and there on a quarter would come. This is the way this model performs, Okay. So, this is your first question.

The second question was about your VAS. Now the VAS is definitely has contributed, as I mentioned earlier also, from 12% to 15% and further to 17%. And it would always remain integral part of our strategy and client offering. And so, VAS we track at on a consolidated basis. So, for your first time revenue when you mentioned, it is because of all the three under other services which is your DesignQube, IndiCare, and Eco.

So, although this would be like a one-time affair, but we have mentioned in our presentation also that you have to consider as reoccurring kind of a nature because this kind of a growth will keep coming. We expect the contribution of VAS revenue in fact to increase further from 17% by 2% to 4% approximately.

These quarterly percentage may fluctuate, but the structural computation of VAS will increase, and you will see continuing over time. So structurally you might see one-time going up and down, but overall, the contribution of the VAS you would see is increasing. I hope I've been able to answer both questions.

Shamit Ashar: Yes, understood. That was helpful. And second and lastly on your solar, so can you just lay down how much of capex have you earmarked for solar till date and what kind of IRR are you expecting from your solar investments? That's it from my end.

Rishi Das: Yes, thank you Shamit. So as mentioned, we have now 30 megawatt of operational capacity and this year we intend to add another 25 to 30 megawatts worth of capacity translating into a requirement of about one about INR100 crores to INR120 crores capital expenditure. That is there and our solar IRR has been very healthy, typically it has been between 18% going up to 22% kind of an IRR wherever we have invested in solar, our paybacks have been extremely good on that.

So, we will continue to doubling down because as we are expanding and our clients a lot of green transition is happening. So, they are expecting us to provide a full-blown sustainability solution. So yes, we will add for us, and we'll also do a small part for our clients as and when they require green transition.

Moderator: Thank you. The next question comes from the line of Yashas Gilganchi with BOB Capital Markets Limited. Please go ahead.

Yashas Gilganchi: Good afternoon, team. Thank you for taking my questions. I would like to know what proportion of rents was contributed by IT tenants over the quarter and what percentage of these tenants are GCCs?

Rishi Das: So, thank you, Yash. So, if you look at what our revenue, about 52% of our revenue is coming from Global Capability Centers and 28% comes from the startups, sorry, 23% comes from startups and unicorns, and about 28% comes from Indian enterprises.

Now these Indian enterprises basically cover our IT services companies also, the likes, the midcaps and all that which are Indian origin IT companies and then we have other companies like say Mahindra Logistics or TVS kind of companies are also there. So basically, the Indian IT services companies are a part of this 28%. We don't have the exact breakup on this 28%, but you can imagine about 10% to 12% will be that the large percentage being the Global Capability Centers.

Yashas Gilganchi: Okay, understood. And I see that interest expense on your outstanding debt seems to have gone up. Please help me understand what drove this increase?

Moderator: Can you repeat the question please?

Yashas Gilganchi: I noticed that interest expense on your outstanding debt seems to have gone up, just please help me understand what drove the increase?

Vikas Agarwal: Hi Yash, Vikas here. So, our debt has increased because as Rishi sir told that we have increased the solar plant and all and for that purpose we have taken the debt for the solar purpose, not for our normal business, leasing business.

Yashas Gilganchi: Okay, understood. And just following up on a question my colleague asked a while earlier, just to confirm my understanding, so even growth in rentable area would be close to 2 million square foot each year although with a lag, is my understanding correct?

Meghna Agarwal: So rentable area, I think we've just kind of simply the definition. It is rent paying area, rentable area. And that is the right matrix to look at, the right rent paying area and the rent yielding area. The rent paying area could be the rentable area, yes, as I mentioned it is about 2 million square feet, close to 2 million every year we would be adding.

Yashas Gilganchi: Got it. Thank you very much.

Moderator: Thank you. The next question comes from the line of Yog Rajani with Omega Portfolio Advisors. Please go ahead.

Yog Rajani: Hi, thank you for taking my question. My first question was again with regards to the difference between the area under management and the rent paying area. So, we have around say 2.8 million square feet of area that would come under rent paying, so could you tell us what the timeline for that would be?

Meghna Agarwal: So, our current area is 10.61, so if you go to the slide number in our presentation 15. If you go there, you will see the breakup of that 10.61. The 10.61 in that 7.8 is the rent paying area and the 6.74 is the rent yielding area. And the balance is either getting operational and the LOI has been signed. And this would get to operations about 12 to 16 months.

Yog Rajani: Okay, would it be possible to get a more granular breakup in terms of every quarter how much would be added?

Meghna Agarwal: Every quarter, this is the quarterly numbers. So, what I have given what we have provided you 10, okay, the quarter-wise, yes, so we have done on the yearly. So we will take a note of it, in future, but as of now we would have just this number.

Yog Rajani: Okay, fair enough. My next question was again on the profitability of newer centers. So, our steady state occupancy is already at 90%, so going forward with the growth coming in do we see the same level of profitability to be maintained or do we see the profitability to be slightly neutral or lower given that newer centers might take a while to break even?

Meghna Agarwal: Yes, I mean, the thing is as we've always maintained that there would be a certain range quarter-on-quarter. So, the occupancy for the corporate level would be always in the range of between 80% to 85%. Some time it goes 81% to 82%, sometimes it will be 85%, to 86%. And for the mature centers which is more than 12 months, it would be in the range of 88% and 90%.

And even for that matter, even EBITDA margin would range from 19% to 21%, my EBIT margins would be in the range of 11% to 13%, and my PAT margin would be in the range of 8% to 10%. So annually, you would see this range happening and whether my occupancy is 1% down here and there, but my margins would remain exactly in the same range, and you would see that seeing in the coming quarters and years.

Yog Rajani: Yes, my point was more with regards to the growth, so assuming the steady state occupancy remains what it is, the newer area the newer footprint that we plan to add would not break even quite soon, it would take say around 36 months to break even. So, wouldn't that have an impact on our overall profitability?

Meghna Agarwal: I tell you what our new centers typically take five to six months to reach operating break-even, which is approximately about 52% to 57% of occupancy. And from there the center continues to ramp up and we typically reach around 90 percent occupancy within 9 to 12 months. So, this is the number.

So, it's not about 36 months. 36 months is the full capex recovery we are talking about. But my break-even is within five to six months. That is also clear in my slide 17, if you see. The operational break-even is only 6 months and a steady state is 12 months, so very well we have mentioned in there also.

So, it would even with the growth, there will be no pressure on the margin if I may say so in a simpler term. It will be in the same ranges which I mentioned before.

Yog Rajani: All right, thank you.

Moderator: Thank you. The next question comes from the line of Sourabh Gilda with JM Financial Services. Please go ahead.

Sourabh Gilda: Yes, hi. My first question is on the recent new center addition that we have done in Noida. Congrats on signing a large center. I think it's not just largest in NCR but among the largest across our entire portfolio.

So just wanted to get a sense in terms of timeline of operational for this center and what's giving you confidence to add such, you know, large centers although since we have been you know focusing on decent sized centers till now. So just wanted to get a sense how much of this is demand backed?

Rishi Das: Thank you. So, this will go live by middle of next year. So, you see that Q2 FY28 or maybe Q3, that's the timeline in which the building should go operational. And we have been present in the NCR, we already have two centers in Noida, and we have few centers in Gurgaon.

So we have a fair amount of recce done in that market and we believe that the timing was right to basically do a large center where we can create a basically a very high quality product and showcase and provide a very like tech park grade experience for our occupiers so and then as you know we are seeing a lot of tides turning in Noida especially because of the better administration, law and order, as well as the Jewar airport starting, all these things, I think, are culminating and we are quite bullish on that.

So that gave us the confidence that let's look at picking up a larger supply and doing a high-quality product and taking it up over there. So yes, but it is not like any demand backed or as such because as you will know most of the buildings that we pick up we proactively pick them up.

We don't do too much on back-to-back, but once in a while if there is a customer requirement we do that, but a large part of our supplies have been because we believe in the market and our philosophy of basically land expand and build scale that is what exactly is playing out in Noida where we landed few years back we basically got the confidence and now we are in that expand phase. And hopefully you will see the same strategy playing out in other cities also soon.

Sourabh Gilda: Sure, so just as a follow up I know in Bangalore being that market being supply constrained it's difficult to sign such large centers, but as you expand beyond Bangalore is that the strategy that you want to follow, the strategy of taking large centers and any new market that you're looking at for similar size centers in near term?

Rishi Das: So, our philosophy has always been Follow the Talent Strategy, to be honest with you because if you are operating in say Nariman Point or a very dense micro-market say in Bombay, you can't expect to have a product that we are signing up in Noida. So, there we will be going with a mix of smaller buildings or looking at renovated buildings.

But when we are going on say a Navi Mumbai kind of location or a Noida Expressway kind of location, these tend to be more tech park centric, large occupier kind of locations and the supply also favors picking up a larger product. So, our strategy will continue to be more micro-market centric, depending upon what micro-market we are getting in, what is the customer profile, what is the availability of supply, real estate in that micro-market, and accordingly we will keep adjusting.

We are not married to one size. For example, if you look at, we have been picking up a lot of supply tech parks also of late and our tech park presence has reached almost 20% of our portfolio. So, it's a function of what type of demand pattern, what micro-market characteristics are, and accordingly we play it out.

Saurabh Gilda: Sure, thank you for the elaborated answer. Thank you so much.

Moderator: A reminder to all participants, you may press "*" and "1" to ask a question. The next question comes from the line of Jainam Sanghvi with Dhamma Capital. Please go ahead.

Jainam Sanghvi: Hey Yes, thank you so much for taking my question. I was actually curious on the supply side of things. What is the breakdown of institutional supply and non-institutional supply from Bangalore? You have about 76 centers in Bangalore and also your newer Noida lease, what is that institutional or non-institutional?

Rishi Das: So, it is a non-institutional supply, even though the supply size is very large. It is a property owned by an ultra large HNI family group. But if you look at about 20%of our supply is from institutional which is like typically the listed REITs or a large fund kind of a thing and the remaining is from the ultra HNI landlords and definitely we are seeing the share of institutional supply is growing in our portfolio. This used to be about 12% couple of years back and now it is about 20% of our overall portfolio.

Jainam Sanghavi: Okay and to follow up on that, how does pricing differ between these institutional supply and the HNI supply?

Management: So obviously it depends upon the quality of the product and as you can guess the institutional supply products typically tends to be of a better grade, so definitely their pricings are higher on an average, their common area maintenance cost tends to be also higher, but at the same time the profile of the customers that we are able to attract are also a large percentage of them are Global Capability Centers.

So, they tend to pay a higher price as well. So, we have not seen like even though we are paying higher in the institutional grade, I think from a margin perspective we are fairly consistent whether it is an institutional supply or it is an ultra HNI driven supply.

Jainam Sanghavi: Okay got it. Thank you so much.

Management: Thank you, Jainam.

Moderator: The next question comes from the line of Jay Kant Beria with IIFL Capital. Please go ahead.

Jay Kant Beria: Yes, hi. Thanks for the opportunity. I just wanted to get some sense of the cash flows for the quarter, so what's the kind of OCF that we have generated for the quarter and what has been the capex? And if you could also provide some sort of capex guidance for the balance of the year?

Meghana Agarwal: Thank you for this question. And you know, let me be super candid with you for both capex deployment and for the cash flow. So, capex deployment, you know, how we define capex, it is a combination of the capex on the interiors, it is Design and Build project, the solar investment, and vendor payment cycles. And all these are reoccurring in nature. So, thus, you know capex cannot be viewed as a directly proportional to your area addition every period.

You it's always a combination of these four-five factors which I just mentioned. And both capex and cash flow both, you know, we internally really calculated but we prefer not to give the provisional number at this stage since the number will be subject to the H1 audit and review.

And you know just to give a clear picture rather than giving an estimate and then subsequently change it, I think our H1 numbers would you know we will completely detail out both capex and cash flow. But since it was not audited as of now, so you know I would refrain from talking about the numbers because it might change here and there a little bit.

Jay Kant Beria: Sure. Thank you.

Moderator: The next question comes from the line of Yog Rajani with Omega Portfolio Advisors. Please go ahead.

Yog Rajani: Hi, I had another question. So, our overall revenue to rent ratio is 2.2. Could you please give us a bit more detail on it, on a city basis. Are there cities that are materially higher and cities that are materially lower and what would the range be?

Meghna Agarwalent: So, revenue to rent ratio, we calculate on a corporate level, you know, so and we have not done this kind of a study city-wise or a building-wise and all. I mean, it is overall corporate level, so we do not calculate the revenue ratio like that, unfortunately.

Yog Rajani: All right, thank you.

Management: Thank you.

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

Vikrant Kashyap: Hi, good afternoon. You've reported a very strong set of performance this quarter again. My question is regarding we have added a lot of area in last half and even since till this quarter we have added a very significant size. So, Meghna or Rishi just to understand when these additions will add into the operational area? What are the timelines for that and in which micro-markets they are situated?

Rishi Das: So, Vikrant can you repeat the last two-three lines of your question sorry?

Vikrant Kashyap: So, my point was, we have added I think over 1.14 million square feet last half and this quarter we have added significant size into the AUM. My question is what are the timeline for those that we added in the last half and in which micro-markets they are?

RishiDas: Thank you, Vikrant. Most of the supply that we have signed up will get delivered between 12 to 18 months. And you will see an incremental delivery of those projects happening. Also, I would like to highlight that the typical pattern if you see in real estate in our industry at least what we have seen has been that our leasing uptake is higher from say February, March going up till say October because the festive season and all that starts coming in and then Christmas holidays and all come in, New Year holidays come in.

So leasing is slow. So normally what we try doing is that most of the delivery of the buildings, the rent paying area, that addition happens pretty much at the at the beginning of you can say Jan-Feb kind of a time frame so that we get sufficient time to market that inventory. So that is how things have been.

That is the reason you have not seen a lot of addition in our RPA, like RPA has remained flat even though our AUM has increased. So yes, so that has been the cycle and that's how we try to time it. Having said that, there is no perfect match to that. So, you will keep seeing additions happening and from a micro-market point of view as you will know that a lot of our supply is into the key micro-markets.

Typically, the micro-markets where occupancy levels are say like 85% and above kind of a thing. For example, if you look at Bangalore, like lot of our supplies are on the Outer Ring Road kind of area which is the best performing large scale micro-market and to give you another example say North Bangalore.

North Bangalore we see a lot of oversupplies, the vacancy levels are high, lot of new additions is coming in so we are not even when we are about more than 6.5 million in Bangalore, our exposure to North Bangalore is not even half a million square feet.

So, I think we will be quite micro-market focused because cities are too big, Bombay is a too big a city or Delhi Bangalore is a too big a city so depending us of most of the supplies we have signed up are all into the key performing micro-markets. And that reflects in our occupancy numbers also. If you look at overall occupancy or steady state occupancy, we have been range bound all throughout. Yes.

Vikrant Kashyap: Another thing is in past earnings calls you had highlighted that Hyderabad and Mumbai are kind of area of interest for you and the attraction you have seen during the expansion sign-up has been very strong. So, are we still looking at expanding our portfolio in these two markets in immediate next couple of quarters as part of our original goal?

Rishi Das: Yes, very rightly highlighted Vikrant, like because post-COVID we started expanding in both the cities aggressively and we are at a good place now and we are very hopeful that in this financial year we should be able to sign up larger spaces in both the cities.

Vikrant Kashyap: And Meghna my last question to you since we are going very strongly on the VAS as you highlighted that we can expand by 200 to 400 basis points by end of year. So that will have a positive impact on our overall margins or EBITDA margins.

So, to add this I think the total revenue per seat per month that we are making from our clients average out at corporate level do we see most of the margin expansion will come from VAS or the occupancy pick up and current escalation will also factor in margin expansion in the second half of '27 or maybe early '28 as the new areas start to ramp up?

Meghna Agarwal : Your voice is a little muffled Vikrant, but whatever I have understood that you're talking about the margin of the VAS versus our core workspace, right?

Vikrant Kashyap: Yes,

Management: So, the thing is the VAS revenue as I mentioned before we would structurally it would be increasing, it would be increasing by 2% to 4% you would see in the next coming years also. In terms of margin right now we think and we believe that with DesignQube, IndiCare and Eco, the next couple of years is the priority to focus on the growth and scale because there's a significant demand opportunity we see.

So, the focus is to scale and grow more than the margin expansion. So, our margin in my VAS revenue would be around about 15% and you know and this is going to be like this for the next one or two years at least, you know, because at the expense of the scale, you at the expense of this margin we would not compromise on our growth.

Right now, is just to kind of tap the demand, you know, that has been the focus. So, margin expansion as I said, you know, we would continue with the similar margin both put together. But VAS only VAS is about 15%.

Vikrant Kashyap: Thank you very much and wish you best of luck.

Meghna Agarwal: Thank you.

Moderator: The next question comes from the line of Dhairya Trivedi with DJT Investments. Please go ahead.

Dhairya Trivedi: Hi, thanks for taking my question and congratulations on a robust set of numbers. If I see over the last 12 months, the bulk of our center addition has come from Tier-2 towns. So, if you could just give some insight on how these centers are performing compared to the centers in the metros?

And subsequently my next question was around the concentration in the city of Bangalore, so about 63%, 64% of our seats are just in one city. So, is there a plan to increase diversification and take up more space in say some of the well performing markets like Hyderabad or Chennai?

Rishi Das: Yes. So basically, the Tier-2 cities I must say that the occupancy the profitability the unit economics is pretty much similar to Tier-1 cities. Of course, the scale is very, very different in these cities so we have not seen any significant deterioration. Of course, the real estate is cheaper also in these cities, most of the time the real estate that we pick up here is between INR50 to INR70 per square feet and correspondingly our seat pricings are also aggressive. Like we will be offering seats between INR6,500 to INR7,500 per seat in those locations.

So that way we are you can say that we are able to acquire real estate at a cheaper price and offer the same thing at a cheaper rate. So, but there is no margin hit as such or there's nothing very significantly different in these locations.

The second question was with regards to the Bangalore concentration. So, you're right that 60% of the area that we have is Bangalore. But if you look at Chennai for example, Chennai is about 10% of our portfolio now and NCR and all these are contributing now. So, we are seeing that

Bangalore share is coming down and as I mentioned in the earlier question, we have added Noida, we have plans to add larger supplies in Hyderabad, Mumbai.

So, these cities we certainly see that will have an increasing share going forward. The growth rate in those cities will be much faster for us. But nevertheless, I always say this that if you look at the total absorption in India during the first six months of the calendar year was about 45 million square feet and the share of Bangalore was about 12.7 million about 28%.

So about 28% to 30% of the total country's real estate is Bangalore. So, if that be the case then you can imagine if you look at the percentage of growth which Bangalore is getting of Global Capability Centers, unicorns, startups, those tend to be higher than the national average for us.

So, Bangalore will continue to be a dominant thing for us because of Bangalore being the largest market, fastest growing market, but at the same time you will see a lot of addition in NCR in West as well as in Hyderabad. These three cities will add further in addition to Chennai and Bangalore where we have been quite dominant.

Dhairya Trivedi: And how is the supply addition coming up in the micro markets of Bangalore where we operate?

Management: So, it is quite spread out over here. Like a lot of supply, we have signed up on the Outer Ring Road stretch, which is if you are familiar, this is between say Silk Board going up to Marathahalli kind of stretch which is the best IT corridor. So, we have a lot of supply in those locations. We also have supply in Whitefield.

Yes. So pretty much I would say the CBD and the SBD. As I mentioned earlier, we have not picked up a lot of supply in North Bangalore over there. So mostly it is in the Southeastern and the Northeastern part. That is where bulk of our supplies are coming in.

Dhairya Trivedi: Sure, thank you. And since our occupancies are already at 86%, could you give some insight on you know at what levels do occupancies peak out? And then I mean the further growth will it come from revenue growth for every seat basically?

Rishi Das: So as Meghna had mentioned, our steady state centers which are more than 12 months the occupancy ranges between say 86% going up to 90%- 91% like that kind of a range. And that is what even forget about future if you were to look at last three years data, you will see we have been pretty much in that range, and the overall occupancy is about 81% going up to 84%- 85% and currently it stands at 86%.

So, there will be some fluctuation in that. So, I think it's better to pick up a range which is 86% going up to 90% for a steady state center and 82% going up to say 85%- 86% for the overall occupancy.

So, the way, as I mentioned, like the high quality supply, the good micro-markets that we have in the coming pipeline we are very, very hopeful that we should be able to maintain our occupancies in this range and so far we maintain occupancies in this range, we don't see any margin pressure like this 90% becomes 88% or 89% we don't see that that will result in a fall in the overall EBITDA margins. Good part is that our sensitivity to this is not very, very high.

Dhairya Trivedi: Sure, thank you and all the best.

Rishi Das: Thank you.

Moderator: The next question comes from the line of Hitaindra Pradhan with Maximal Capital. Please go ahead.

Hitaindra Pradhan: Yes, hi sir. Thanks for the opportunity. I hope I'm audible. I'm referring to slide 19, I see that you know the GCCs account for 50% and Indian enterprises account for about 30%. So, my question is I mean what kind of growth we are expecting from the GCC side, I mean they adopting the flex space going forward at an industry level and at our company level?

And the same goes for the Indian enterprises. And for GCCs in terms of the geography, maybe you partly answer this, but you know which specific cities you expect that growth to materialize more and do we have the supply to, you know, cater to that?

Management: Yes. So, as you rightly mentioned in the in the slide our area mix by sector is quite distributed. And I would like to remind basically that if you look at 2020-21 scenario when GCCs were not so much in the news, I think the flavor of the season at that time were the startups, the unicorns.

So, they were very, very dominant. Indian enterprises which also constitute small percentage of IT that was booming very heavily. The Indian companies, the likes of Mahindra Logistics or TVS, they continue to grow as per our GDP numbers over there and certainly in the last two-three years we have seen the GCCs have picked up what used to be about 42% today has come down of 49%-50% but the good part is that it is quite spread out.

And this is not just true for us this is true for the India growth story. So once something or the other has been cranking for the real estate segment. And that is why you see India is today now almost touching 1.1 billion square feet.

So, if you look at a 25 years data of commercial real estate in India absorption, the absorptions have been very, very secular like typically a growth-wise. 6%, 7% real estate growth in India continues to happen and that is how we look at it. So, we see that certainly the GCCs from 49% today may grow to 54%-55%, typically but we don't see that changing very, very drastically. And we want to keep it that way.

Now if you look at the second part of the question definitely Bangalore being the largest, we have a very substantial amount of GCCs over here. But the other big city that we see is Hyderabad where the GCC activity is very, very robust which we see. So, these are the two cities where we see the bulk of the action happening and as I mentioned earlier, we have already signed up Noida.

You will see hopefully us picking up larger spaces in Mumbai as well as Hyderabad. And there the focus will be Global Capability Centers plus we are also doubling down on our institutional supply. That's what I mentioned earlier today our institutional supply is about 20% of our portfolio. Now a lot of institutional supply gets picked up by Global Capability Centers. So, our supply is quite well aligned I must say with the with the Global Capability Centers.

Hitaindra Pradhan: Okay, Thank you, sir. And the second question is related to slide 15. I mean the steady state occupancy is 90% and you have guided like you know to expect higher 80s sort of occupancy from the mature portfolio.

So my question is the like can you give us some color on the renewal that is due this year, I mean what happens when you know there is clients which are up for renewal and you know if you can give us some sense of you know what are the renewal rate there and if what sort of you know pricing step-up that we can expect or whenever those things are triggered what happens basically you know what's curious to know more about that.

Rishi Das: So, the good part has been that our attrition if you see has been negative. Now when I say attrition has been negative means basically that if you take on say 31st December if there are a certain number of customers and if some customers leave on 1st January and some customers decide to grow typically from on 1st January overall the customers who are with us on 31st December the more seats that they have taken vis-a-vis the people leaving that number is a positive number.

And the other factor I will highlight is that 41% of our revenue is coming from clients who have taken multiple centers so there that is very stable, and our renewal rate has been 90% with the customers over there. Plus, our top five customers contribute only 12% of our revenue. So, our client base is very, very diverse. And most of the properties maybe with the exception of a single digit of them are all multi-tenanted properties.

So, if one tenant is leaving that doesn't mean the building is fully becoming vacant there is another set of clients which are willing to take up that so we have to be very honest with you we have not seen any significant impact even post-COVID happening because of any one client moving out over there.

Hitaindra Pradhan: What is the notice period, sir? I mean do we get any leeway from the landlord if a client vacates and or do we get this option notice period and we kind of fill it up during that period I mean.

Rishi Das: Our client notice periods are between 60 going up to 90 days. If the clients are smaller size clients maybe 60 days, larger ones are 90 days. And with landlords we have straight leases so there is no like occupancy link back-to-back arrangement with the landlords over there.

But yes, so that is the notice period and I think that we have been able to find prospective clients within that time frame, most of the time.

Hitaindra Pradhan: Thank you, sir. Best of luck.

Management: Thank you, sir.

Moderator: Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for the closing remarks.

Rishi Das: So, thank you very much, thank you JM, thank you Saurabh for organizing this and I really appreciate all the investors, analysts taking out time to come on the call and asking very candid questions. We have tried, our level best, to answer them. If they have any further questions, they can always write back to us or reach out to our IR and we'll be very happy to answer them to the best of our ability.

Thank you very much and look forward to your continued support.

Meghna Agarwal: Yes, thank you, thank you very much, appreciate the time, thank you.

Moderator: Thank you, sir. Thank you, ma'am. Ladies and gentlemen on behalf of JM Financial Services that concludes this conference call. Thank you for joining us and you may now disconnect your lines.