

Q4FY25 Quarterly Results Review

Real Estate- Flexible Workspace Market

Recommendation			
Company	CMP (INR)	TP (INR)	Rated
EFC (I)	316	465	Buy
Awfis Space Solutions	660	750	Add

*CMP as on 19th June 2025

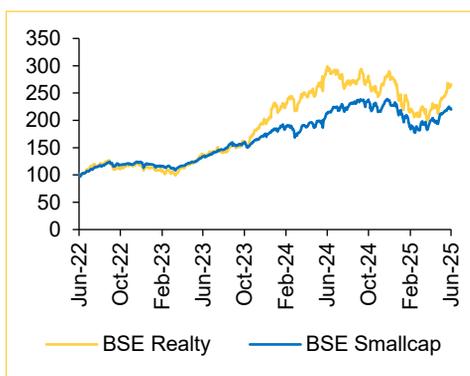
Results in line with high expectations: Companies under our coverage (2) reported seat addition of 43,451 (-26% YoY). Revenue growth for rental/design & build came in at 64/90% YoY. Revenue/EBITDA/PAT growth came in at 69/89/102 % YoY. Flex space operators leased approximately 5 msft during the quarter, marking a 28% YoY increase and the highest-ever quarterly uptake for this category. Notably, co-working spaces made up 83% of all flex space deals, significantly above the eight quarter average of 63%.

Result Review

Company Name	Q4FY25 Result Update	View
EFC (I) (EFCIL)	<p>Office Rental /Design & Build/ Furniture (FY25 Revenue Mix:57%/40%/3%).</p> <p>In the Office Rental Segment, EFCIL recorded revenue growth of 71% YoY and 24% QoQ. EFCIL added 3,000 seats, taking the total seat capacity to 60,000 with blended occupancy level of 90%. EFCIL's D&B (Design and Build) Vertical revenue increased 259% YoY and 24% QoQ to INR 835 Mn.</p>	<p>As we factor in: 1) 20k seat addition in FY26/27/28E taking the total stock of seats leased 2) Backward integration into Design & Build segment as well as Furniture Manufacturing segments helps keep margins healthy 3) Design and Build segment to grow at a CAGR of 50% over FY25-28E given EFCIL's first mover advantage 4) Furniture Manufacturing to grow at a CAGR of 93% (on a very low base) over FY25-28E and an EBITDA margin of 30%, we have a Buy rating on the stock with a TP of INR 465/sh which implies an upside of 45%.</p>
Awfis Space Solutions (AWFIS)	<p>Co-working space on rent and allied services/ Construction and fit-out projects/Others (FY25 Revenue Mix: 76%/23%/1%)</p> <p>AWFIS recorded revenue growth of 46% YoY and 7% QoQ to 3,397 Mn, led by 60% YoY growth in the Office Rental vertical. AWFIS added 12,389 (+10% QoQ) seats in Q4FY25. The Construction and Fitout segment recorded growth of 21% YoY and degrew by 5% QoQ. .</p>	<p>We downgraded AWFIS from BUY to ADD as we see slowing growth in seat addition (FY25-28E CAGR of 12% vs FY22-FY25 of 43%). We see a threat from the long tail of competitors and from developers.</p>

Relative Performance (%)			
YTD	3Y	2Y	1Y
BSE Realty	158.7	89.5	-10.9
BSE Smallcap	117.6	62.2	2.2

Rebased Price Chart



Company, CEBPL

Review Table

INR Bn	Sales			EBITDA			PAT			Seating Capacity		
	4QFY 25	YoY %	QoQ %	4QFY25	YoY %	QoQ %	4QFY 25	YoY %	QoQ %	4QFY25	YoY %	QoQ %
EFCIL	2,110	126.4	19.1	1,093.1	108.9	18.0	308	10.0	(18.8)	60,000	77.4	5.3
AWFIS	3,397	46.2	6.9	1,159	72.7	8.1	112	717.0	(26.0)	1,34,121	21.3	10.2

Company, CEBPL