
Avendus Capital advises WeWork India on its INR 550 crore growth capital raise from BPEA Credit

Mumbai, December 26, 2022

WeWork India, the country's leading flexible workspace provider, has tied up INR 550 crores from funds managed by BPEA Credit, one of the largest private credit platforms in India. The financing comes close to WeWork India's bullish outlook towards expansion and its robust performance in FY23.

Avendus Capital was the exclusive financial advisor to WeWork India on the transaction.

Commencing operations in India in 2017 with 100K sq ft and 2,200 members, WeWork India, over the last five years, has progressed to 62K+ members and over 6 Mn sq ft across 41 locations and six cities in India - Bengaluru, Mumbai, Gurugram, Noida, Hyderabad, and Pune. WeWork India's member portfolio comprises 70% of enterprises such as 3M, Khaitan & CO, Honeywell, Dyson and KIA, while 30% includes startups, freelancers, and SMEs.

Earlier this year, the company announced its first profitable quarter, followed by new leasing announcements across its major operational cities. Following WeWork India's strong performance in providing the best workspace solutions and supporting India Inc, the funding will further strengthen WeWork India's position as a revolutionary brand reshaping the future of work.

"Flexibility is paramount in today's workforce and the investment by BPEA Credit stands testament to the massive growth opportunity for flex workspaces in India and validates WeWork India's strong fundamentals and healthy business model. We are laser-focused on fuelling growth opportunities and fortifying our position as the leading flexible workspace brand with customizable and innovative solutions for all businesses," said **Karan Virwani, CEO, WeWork India**.

Prateek Jhavar, Executive Director and Head, Infrastructure & Real Assets Investment Banking, Avendus Capital said, "This fundraise by WeWork India strongly underscores the increasing confidence of the investment community in the growth prospects of India's flex workspace sector. We are proud to have advised the visionary team at WeWork India, who have successfully curated a premium flex workspaces model to suit the rapidly evolving needs of large and small organizations alike. This would be one of the largest transactions in this sector and we are confident that it will open up many such investment opportunities."

In 2020, WeWork India raised INR 750 crores via funding from WeWork Global which played an instrumental role in stabilising the business during the pandemic. WeWork India turned profitable this year and locked a revenue of INR 1300 crore this year end. At present, the EBITDA jump is 250% from a loss of INR 120 crore in CY21 to a profit of INR

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Contact: Lynette D'souza

Tel: +91 99208 47823

Email: lynette.dsouza@avendus.com

Avendus Capital

Regd. Office: The IL&FS Financial Centre, 6th Floor,

C & D Quadrant, Bandra-Kurla Complex, Bandra (E),

Mumbai-400 051, India

175 crore in CY22. The company also recently made its first investment in the Bengaluru-based conferencing and collaboration platform Zoapi to reinforce its commitment to offering innovative and immersive solutions to businesses.

With India Inc transitioning towards a hybrid work model, there has been a growing demand for flexibility and a sense of community among today's workforce. Prompted by companies' evolving requirements and the feasibility of their existing business models, WeWork India remains prudent about its overall business strategy. With a commitment towards meeting the industry's increasing demands, the brand intends to offer a superior workspace experience built upon its core principles of flexibility, accessibility and community.

About Avendus

Avendus Group is a leading financial services firm with presence in the areas of Investment Banking, Institutional Equities, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 11 cities across India, US, UK and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

Avendus Capital Inc, located in New York, is an Avendus Group entity offering M&A and Private Equity syndication services to clients in the US.

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