

Retail Research - IPO Note	1 st May 2026
Sector: Real Estate - REIT	Price Band (Rs): 95 - 100

Bagmane Prime Office REIT

Company Overview:

Bagmane Prime Office REIT (Bagmane REIT) owns and operates a premium Grade A+ office portfolio in Bengaluru, India's largest office market. The REIT was established in May'25 to own and manage income-generating commercial real estate assets in line with SEBI REIT Regulations. As of Dec'25, the portfolio comprises 6 large business parks with a total area of 20.3 msf, including 19.6 msf of leasable area (16.6 msf completed, 1.0 msf under construction and 2.0 msf of future development). The portfolio also includes 2 under-construction hotels (607 keys) and solar assets with 164.4 MW (DC) capacity. All assets are located in Bengaluru, primarily in the ORR and SBD City micro-markets. The portfolio has a committed occupancy of 98.8% and a Weighted Average Lease Expiry (WALE) of 7.4 years, providing stable and predictable cash flows. The tenant base includes 60+ marquee tenants across 11 sectors. Foreign-headquartered multinational (MNC) and Global Capability Centre (GCC) tenants accounted for 98.7% and 88.5% of Gross Contracted Rentals for the month of Dec'25. About 42.8% of the completed area is developed as built-to-suit (BTS) space. Bagmane REIT is sponsored by the Bagmane Group, a leading Bengaluru-based office developer, and benefits from a ROFO pipeline of ~47.1 msf, supporting future growth.

Investment Objectives of the Bagmane REIT

- To raise funds in line with applicable laws to meet the objectives of the Bagmane REIT.
- To make investments or reinvestments as permitted under the Trust Deed.
- To distribute income to unitholders in accordance with the Trust Deed.
- To hold funds pending investment or distribution, or as reserves for the Bagmane REIT's obligations.

Competitive Strength:

- High-quality Grade A+ office portfolio concentrated in ORR and SBD City, Bengaluru, among the best-performing office micro-markets in India.
- One of the highest occupancies among Indian office REITs, with 98.8% committed occupancy and a long WALE of 7.4 years, providing strong cash-flow visibility.
- Strong and diversified tenant base, dominated by leading global MNCs and GCCs, including several Fortune 500 companies.
- High share of built-to-suit (BTS) assets, supporting long-term tenant retention and stable rental income.

Key Financial highlights

Financials (Rs cr)	FY23	FY24	FY25	9MFY26
Revenue from operation	1,979	2,205	2,371	1,943
Other Income	23	32	20	17
Total Income	2,003	2,237	2,391	1,960
PAT	759	809	897	829
Cash flow from operation	1,073	1,215	1,596	1,248
Net worth	1,295	1,230	1,586	2,683
Net Debt	3,231	3,727	3,519	2,732
Adj. D/E (x)	2.7	3.1	2.4	1.1

(Rs cr)	FY27	FY28	FY29	FY30
Projected cash flow from operations	2,136	2,291	2,563	2,777

Source: RHP, SSL Research

Issue Details	
Date of Opening	5 th May 2026
Date of Closing	7 th May 2026
Price Band (Rs)	95 – 100
Issue Size (Rs cr)	3,405
Fresh Issue (Rs cr)	2,390
No. of fresh units (in cr)	23.9 (at Upper Price band)
Face Value (Rs)	10
Post Issue Market Cap (Rs cr)	32,300 - 34,000
BRLMs	SBI Capital Markets Ltd., JM Financial Ltd., Kotak Mahindra Capital Co.Ltd., Axis Capital Ltd., IIFL Capital Services Ltd., 360 One WAM Ltd., HDFC Bank Ltd.
Registrar	KFin Technologies Ltd.
Sponsor	Bagmane Realty and Infrastructure LLP
Manager	Bagmane Realty Investment Manager Private Ltd.
Trustee	Axis Trustee Services Ltd.
Bid Lot	150 units and in multiple thereof
Institutional Investor	Not more than 75% of the issue
Non-Institutional Investor	Not less than 25% of the issue

Issue Break-up (Rs cr)	
Total Issue Size	3,405.0
Strategic Investors	850.0
Institutional Investors	1,916.2
Non-Institutional Investors	638.8

Objects of Issue	
	Total amount to be funded from Net Proceeds
Part funding of acquisition by BDPL of Luxor @ Bagmane Capital Tech Park [#]	1,420.0
Part funding of acquisition by BDPL of 93.00% of the issued and paid-up equity share capital of BRPL [#]	820.0
General purposes*	-
Total proceeds from fresh issue	2,390.0

*The amount utilized for general purposes shall not exceed 10% of the Net Proceeds and to be finalized upon determination of Offer Price and updated in the Final Offer Document.

[#]Pursuant to the Formation Transactions.

Source: RHP, SSL Research

Note: SBI Capital Markets Ltd. is the BRLM to the issue and hence as per compliance led restrictions, SBI Securities Ltd. cannot assign any rating to the issue. IPO note can be used to understand the business model and

Risk Factors

- All portfolio assets are entirely concentrated in Bengaluru. Any slowdown or adverse developments in the Bengaluru commercial real estate market may adversely affect occupancy levels, rentals and business performance.
- It has a concentrated tenant base, with the top 10 tenants contributing 63.0% of Gross Contracted Rentals and a dominant exposure to foreign MNCs (98.7%) and GCCs (88.5%) for the month ended Dec'25. Any downsizing or early exit by these tenants could adversely impact rental income and cash flows.
- Tenant leases across the portfolio are subject to the risk of non-renewal, early termination, default or delays in tenant replacement, which may lead to vacancies and lower rental income.
- The tenant mix is largely exposed to technology-led sectors, including IT, GCCs, semiconductors and e-commerce. Any prolonged slowdown in these sectors could impact leasing demand.
- Under-construction assets such as office space, hotels and solar projects, any delay in construction, cost overruns or regulatory approvals may affect cash flows and returns.

Estimated Payout and Yield to the Unitholders

Particulars (Rs cr)	FY27	FY28	FY29	FY30
Projected NDCF	2,096	2,186	2,348	2,534
NDCF to be distributed to the Unitholders - Assuming 100% payout	2,095.6	2,185.5	2,348.0	2,533.7
Total number of units (cr)	340.0	340.0	340.0	340.0
Likely Payout to the Unitholders (Rs/unit)	6.2	6.4	6.9	7.5
Payout Yield at Upper Price Band of Rs 100/unit ⁽¹⁾	6.2%	6.4%	6.9%	7.5%

Source: RHP, SSL Research

Kindly Note:

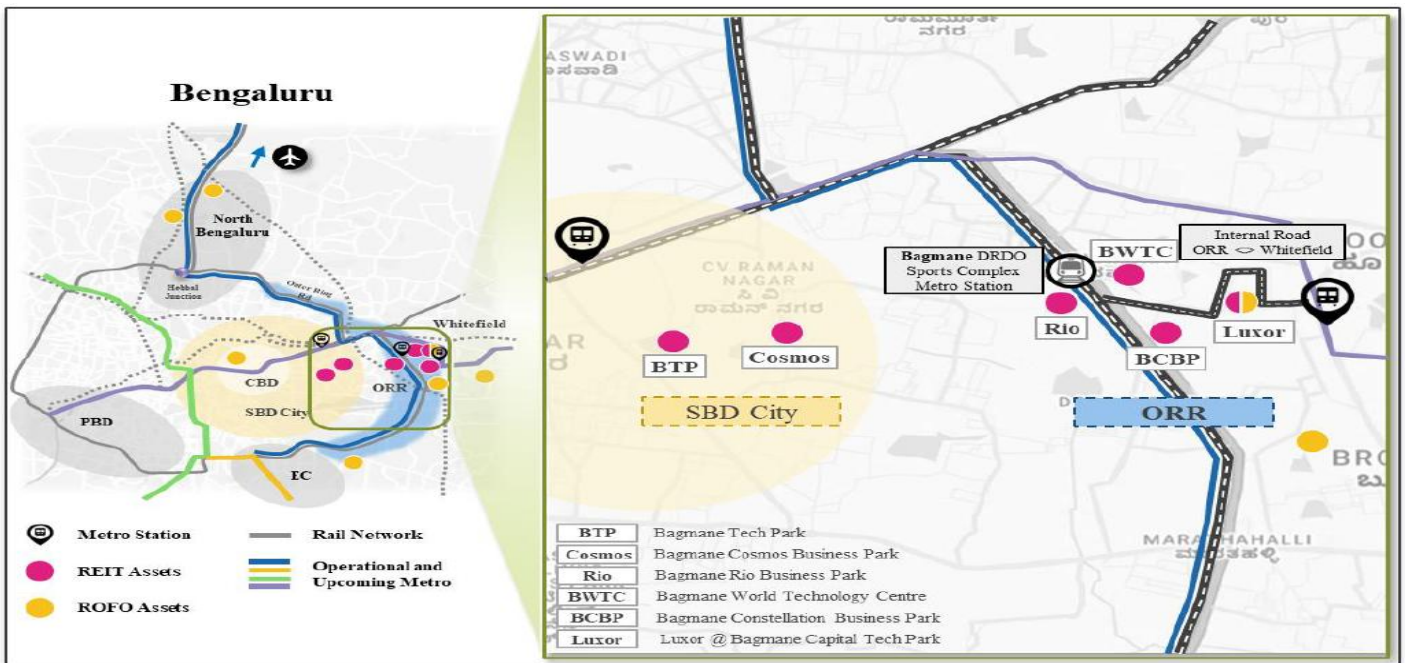
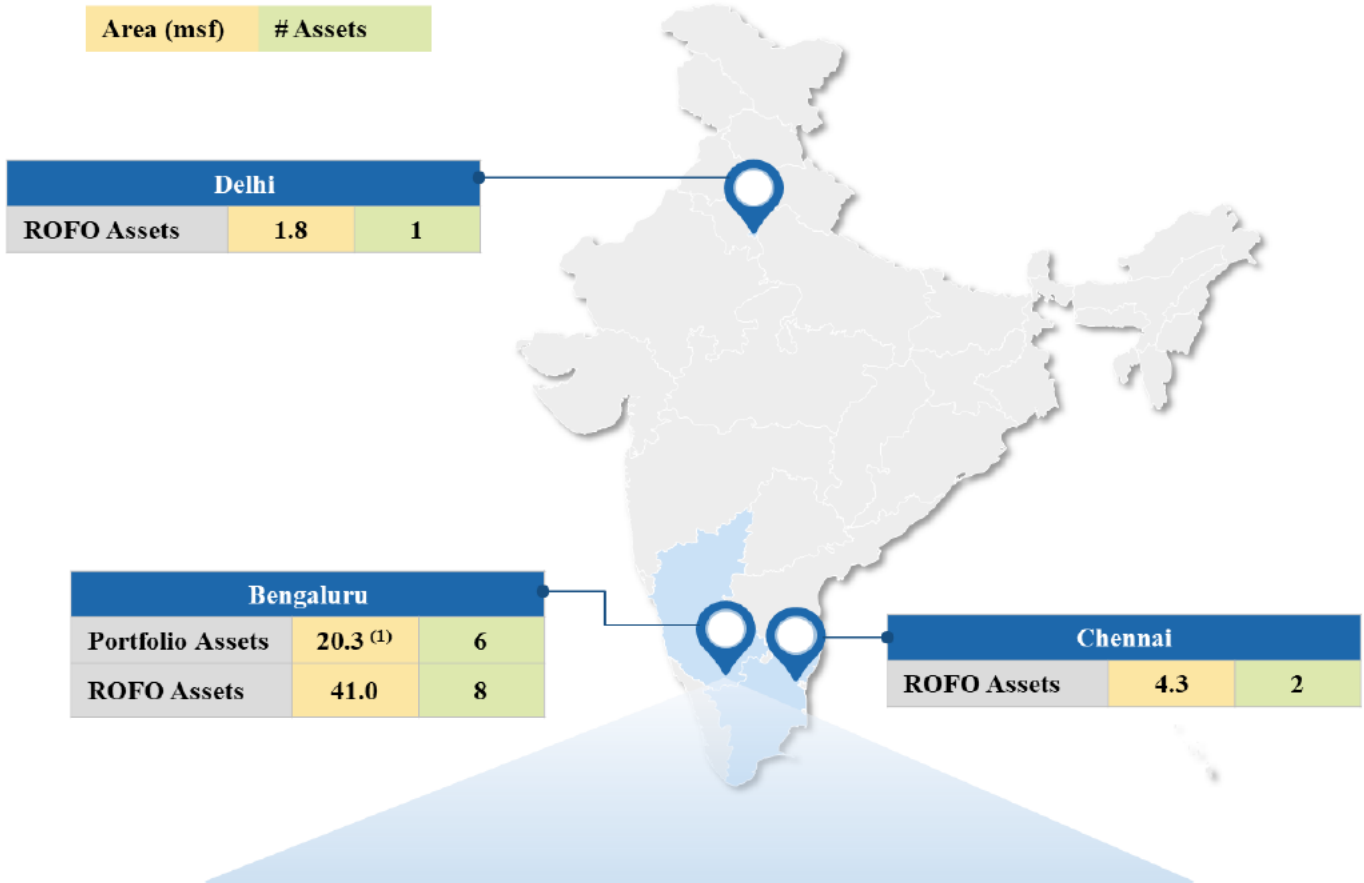
(1) We have not assumed the impact of compounding in case the payout is quarterly or half yearly.

About Sponsor

Bagmane Prime Office REIT is sponsored by Bagmane Realty and Infrastructure LLP, part of the Bagmane Group, one of Bengaluru's largest pureplay Grade A+ office owner and developer.

Bagmane Group has nearly three decades of experience in developing and operating office assets and has delivered over 29.7 msf of commercial real estate as of Dec'25. The sponsor has an additional 6.5 msf under development and a future pipeline of 42.1 msf, primarily across Bengaluru, with select presence in Chennai and Delhi.

Portfolio Overview – As of Dec'25

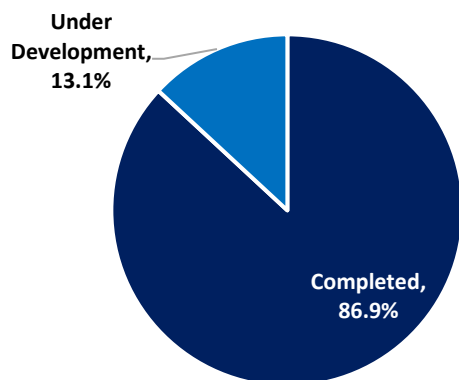


Source: RHP, SSL Research

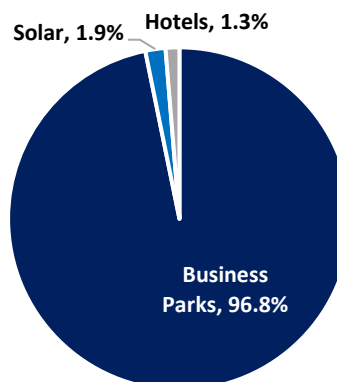
Note 1: Comprises 19.6 msf of Leasable Area (16.6 msf of Completed Area, 1.0 msf of Under Construction Area and 2.0 msf of Future Development Area) and 0.7 msf of Built-up Area for 2 under-construction hotels totaling 607 keys as of Dec'25.

Portfolio Market Value Split – As of Dec'25 (%)

Market Value by Construction Status



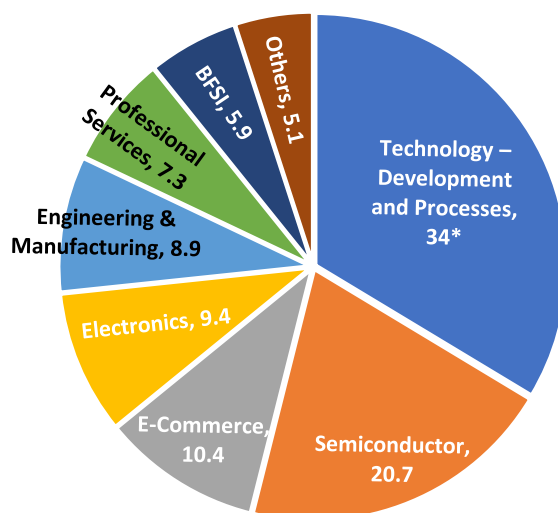
Market Value by Asset Type



Source: RHP, SSL Research

Note: Includes the Market Value of our under-construction Hotel Assets and Solar Assets. Market Value for Bagmane Rio Business Park as of Dec'25 represents the company's 93.00% interest in it.

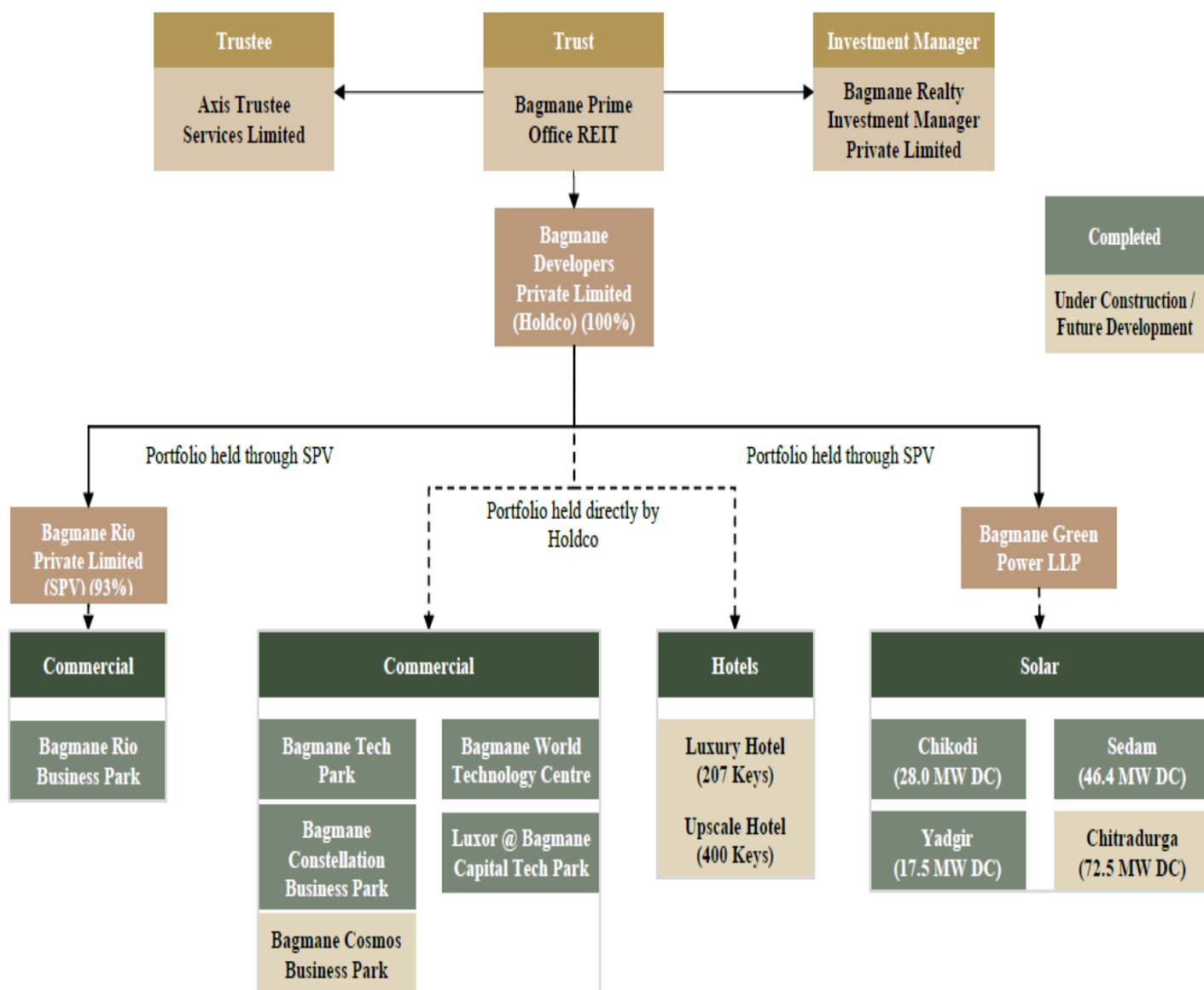
Portfolio Sectoral Split - Gross Contracted Rentals for Dec'25 (%)



Source: RHP, SSL Research

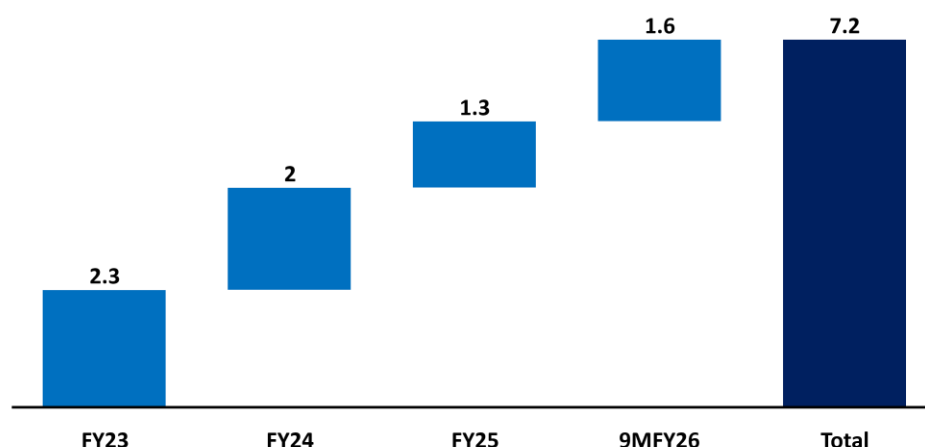
*Comprises Gross Contracted Rentals from technology - development (29.0%) and technology-processes (5.3%) for the month ended Dec'25.

Corporate Structure - Bagmane Prime Office REIT



Source: RHP, SSL Research

Gross leases signed - FY23-9MFY26 (In msf)



Source: RHP, SSL Research

Key Operational Metrics

Particulars (as of Dec'25)	
Total Area (msf)	20.3
Leasable Area (msf)	19.6
Completed Area (msf)	16.6
Under Construction Area (msf)	1.0
Proposed Development Area (msf)	2.0
Occupancy (%) / Committed Occupancy (%)	95.7% / 98.8%
MTM Potential (%)	17.6%
In-place Rents (Rs / psf per month)	107.5
WALE (years)	7.4
Number of Business Parks	6
Number of Tenants*	63
Number of Hotels (Proposed)#	2
Completed	-
Under Construction	2
Number of Hotel Keys	607
Completed	-
Under Construction	607
Built-up Area for Hotels (msf)	0.7
Market Value (Rs cr)**	40,263.5

Source: RHP, SSL Research

* Excludes F&B, retail and other amenity tenants

The company expects these hotels to be managed by internationally-recognized hotel operators, upon the execution of their respective hotel operator agreements.

**Includes the Market Value of under-construction Hotel Assets and Solar Assets. Market Value for Bagmane Rio Business Park as of Dec'25 represents the company's 93.00% interest in it.

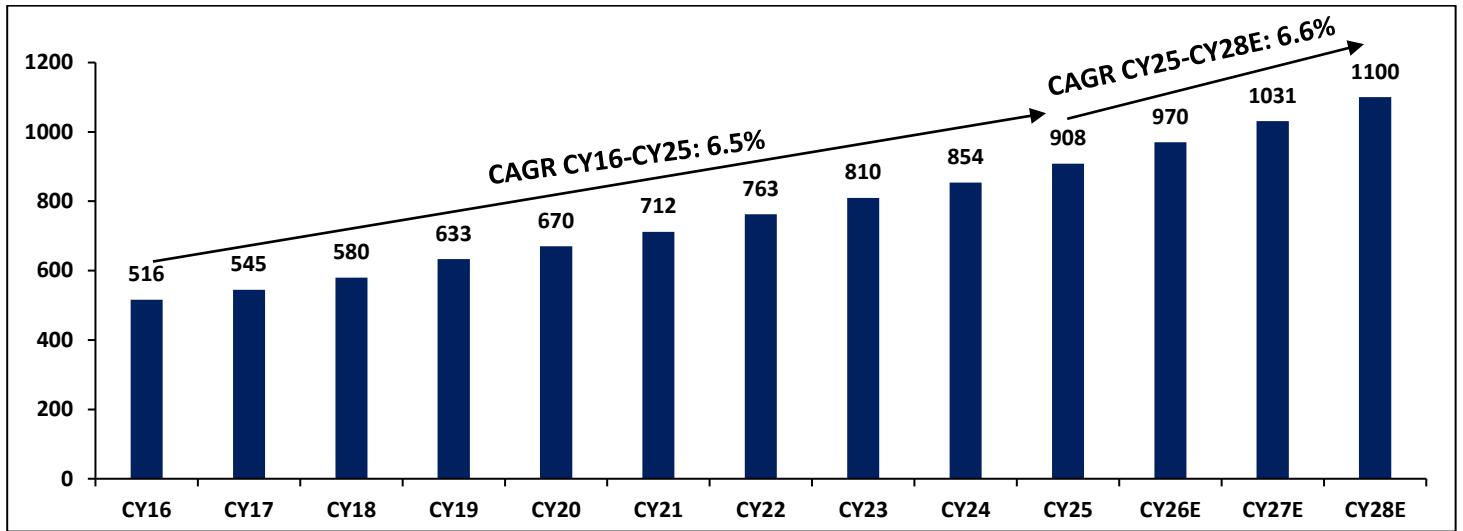
Revenue Split

Particulars (Rs cr)	FY23		FY24		FY25		9MFY26	
	(In Rs cr)	(% of Rev.)	(In Rs cr)	(% of Rev.)	(In Rs cr)	(% of Rev.)	(In Rs cr)	(% of Rev.)
Income from leasing operation (A)	1603	81.0%	1785	80.9%	2001	84.4%	1642	84.5%
Revenue from contracts with customers (B)	376	19.0%	420	19.1%	370	15.6%	301	15.5%
Construction services	38	1.9%	18	0.8%	17	0.7%	8	0.4%
Real estate development – joint development	13	0.6%	28	1.3%	-	-	-	-
Property maintenance services	229	11.6%	238	10.8%	257	10.8%	211	10.9%
Other operating revenues	97	4.9%	135	6.1%	96	4.0%	82	4.2%
Power charges income	94	4.8%	129	5.9%	86	3.6%	73	3.7%
Water charges income	2	0.1%	6	0.3%	9	0.4%	8	0.4%
Others	0	0.0%	0	0.0%	1	0.0%	1	0.0%
Revenue from Operations (A+B)	1,979	100.0%	2,205	100.0%	2,371	100.0%	1,943	100.0%

Source: RHP, SSL Research

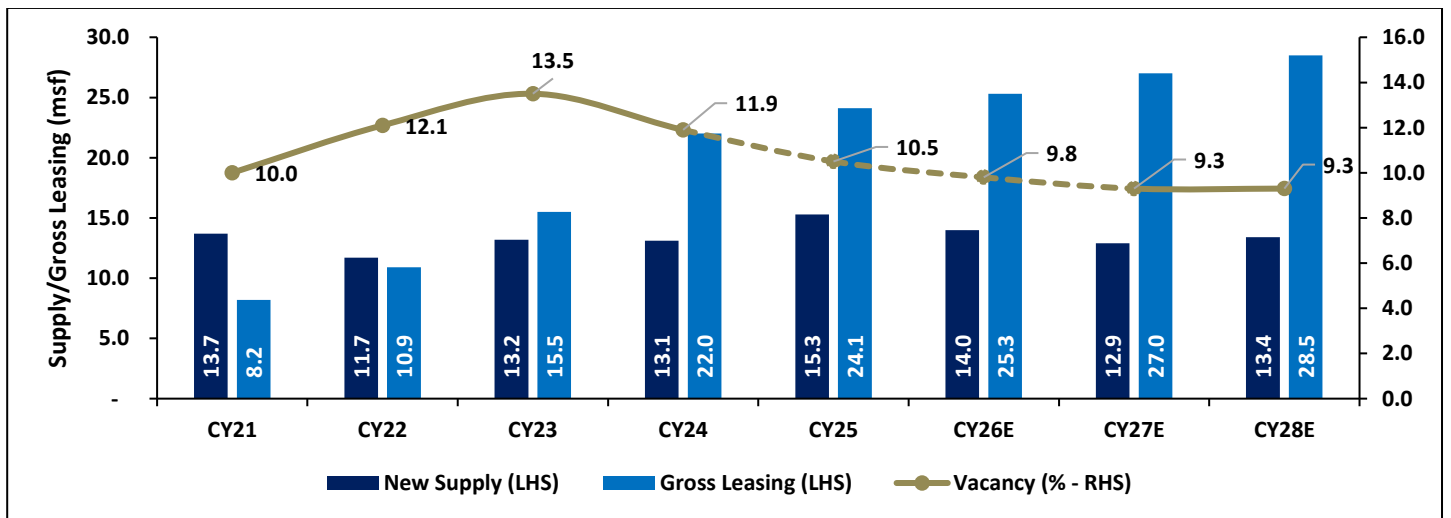
Industry Overview

India - Total Grade A Office Stock in Top Seven Markets (CY16-CY28E, msf)



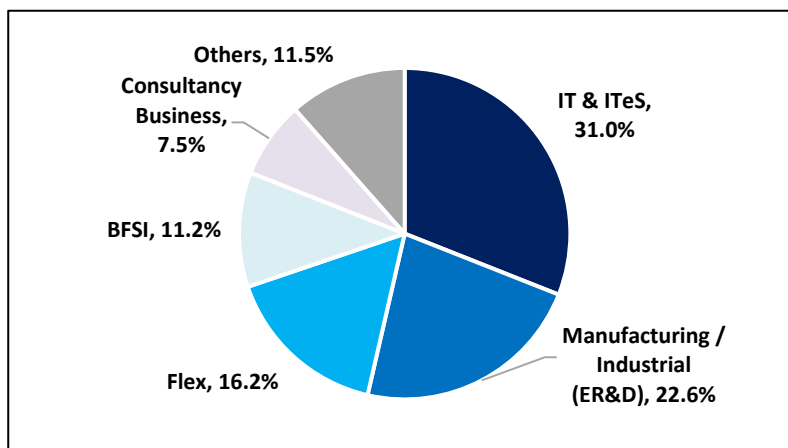
Source: RHP, SSL Research

Bengaluru - New Supply, Gross Leasing, and Vacancy Trends (CY21-CY28E)



Source: RHP, SSL Research

Bengaluru - Sector-Wise Share of Gross Leasing (CY21-CY25)



Source: RHP, SSL Research

Peer Comparison

Particulars	Bagmane REIT (Proposed)	Embassy REIT	Mindspace REIT	Brookfield India REIT	Knowledge Realty Trust
Sponsor	Bagmane Group	Blackstone & Embassy	K Raheja Corp.	Brookfield	Blackstone & Sattva
Total Leasable Area (msf)	19.6	51.6	38.3	37.0	46.4
Completed Leasable Area (msf)	16.6	41.1	31.2	32.4	37.2
Committed Occupancy (%)	98.8	90.0	92.8	92.0	92.0
Net Operating Income (Rs cr - FY25)	2,084	3,284	2,062	1,953	3,432
Net Operating Income (Rs cr - 9MFY26)	1,759	2,784	1,922	1,548	2,995
MTM Potential (%)	17.6	11.0	16.6	13.0	22.0
WALE (years)	7.4	8.4	7.3	6.5	7.9
GAV (Rs cr)	40,263* (Dec'25)	59,576*** (Sept'25)	44,130^ (Sept'25)	53,463^^ (Dec'25)	64,551 (Sept'25)
Loan to Value (Dec'25 - %)	~5.0**	32.0	24.9	31.5	18.0
ROFO Asset in REITs (Dec'25 - msf)	47.1	NA	1.9	~1.5^^^	6.7
Dividend Component (3QFY26 - %)	65.0-75.0#	25.0	53.5	17.0	69.0
In-place Rents (Rs psf pm)	107.5	94.0	74.7	101.0	95.0

Source: RHP, SSL Research

*The Market value of Bagmane Rio Business Park as of Dec'25, represents 93% interest of the Bagmane REIT in it.

**Expected following the completion of the Offer.

***GAV for Office Properties.

^This excludes area which is converted or applied for conversion.

^^GAV basis for 100% of portfolio assets including north commercial where the REIT owns 50%. Including GAV of Ecoworld acquisition which was completed in Dec'25.

^^^ Brookfield Group's 100% owned properties in Mumbai.

#Projected for the period FY27-FY29E

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