

PRESS RELEASE

UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2025

Reports AUM of INR 12,081 Cr, up 31% (YoY); Total Income of INR 421.8 Cr, up 40% (YoY); and PAT of INR 34.1 Cr, up 12% (YoY)

EMBEDDED FINANCE AUM CROSSES INR 1,000 CR; EMERGING MARKET FOOTPRINT EXPANDS; PROGRESS ON THE PROPECTUS ACQUISITION AND CAPITAL RAISE STRENGTHENS THE NEXT LEG OF GROWTH

Key Highlights:

- **AUM** of INR 12,081 Cr, up 31% YoY
- **Total Income** stood at INR 421.8 Cr in Q1'FY26, up 40% YoY
- **Net Total Income** at INR 216.5 Cr, up 31% YoY
- **GNPA/NNPA** at 2.5%/1.7% on total AUM
- **Embedded Finance Growth:** Reached INR 1,011 Cr AUM with INR 582 Cr disbursed in Q1'FY26 through MSL platform
- **Emerging Market Business Growth:** Reached INR 2,772 Cr AUM with 309 branches operational; ~346 branches to be operational by Sep'25
- **CRAR** at 22.4%, provides strong capital headroom above the regulatory minimum, supporting calibrated growth
- **Strategic actions:** Profectus Capital acquisition (INR 1,400 Cr, all-cash) advancing; INR 381 Cr rights issue completed and INR 911 Cr preferential issue in process

Mumbai, August 11, 2025: UGRO Capital Limited ("UGRO" or "the Company"), a DataTech NBFC focused on MSME lending, announced its financial performance for the quarter ended June 30, 2025 (Q1'FY26). The Company sustained healthy year-on-year growth and a stable risk profile, while reinforcing structural growth engines of branch expansion in Emerging Markets, scale in Embedded Finance, and progress on the Profectus Capital acquisition and ongoing equity raise. Continuing its journey toward becoming the largest small business financing institution driven by data and technology, the Company reported Assets Under Management (AUM) of INR 12,081 crore as of June 30, 2025, reflecting a 31% YoY growth.

The Emerging Market Business continued to scale with 309 operational branches and a path to ~346 branches by September 2025, supported by improving branch-vintage profitability. The Embedded Finance platform crossed INR 1,000 Cr AUM; Q1 disbursements were INR 582 Cr, with strong contributions from partners such as PhonePe and BharatPe. In parallel, the Company advanced the INR 1,400 Cr all-cash acquisition of Profectus Capital

(shareholder approval received; change-of-control and allied approvals in process) and continued its capital raise programme (INR 381 Cr rights issue completed; INR 911 Cr preferential issue in progress), further strengthening the balance sheet for quality growth.

UGRO Capital continued to diversify liabilities and improve the cost of funds during the quarter. Total debt stood at INR 7,586 Cr as of June 30, 2025, with CRAR at 22.4%, and the off-book share at 42% supported by co-lending and

Brief Financial Snapshot

Particulars	(INR in Cr)				
	Q1'FY26	Q1'FY25	Growth (Y-o-Y)	Q4FY25	Growth (Q-o-Q)
AUM	12,081	9,218	31%	12,003	1%
Loans originated / Disbursement	1,599	1,146	39%	2,436	(34%)
Total Income	421.8	301.6	40%	412.4	2%
Interest Expense	205.4	136.1	51%	181.2	13%
Net Total Income	216.5	165.4	31%	231.2	(6%)
Operating Expenses	120.6	89.4	35%	119.7	1%
Credit cost	47.7	33.2	44%	54.3	(12%)
PBT	48.2	42.8	12%	57.2	(16%)
Tax	14.0	12.5	13%	16.7	(16%)
PAT	34.1	30.4	12%	40.5	(16%)

UGRO CAPITAL LIMITED

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direct assignment flows. The partner ecosystem remains deep and data linked with 17 Co-lending partners, 50+ lenders and 770+ GRO partners and Green anchor partners, enabling tailored credit for over 2 lakh MSMEs across India.

In terms of financials, Total Income for Q1'FY26 stood at INR 421.8 Cr, up 40% YoY and 2% QoQ; Net Total Income was INR 216.5 Cr, up 31% YoY and PAT was INR 34.1 Cr, up 12% (YoY). Portfolio quality remained stable with GNPA/NNPA at 2.5%/1.7% on total AUM.

UGRO reported Disbursement of INR 1,599 Cr in Q1'FY26. First Quarter of any Financial Year is seasonally softer, and by design, the Company prioritized discipline over pace. Underwriting filters were tightened particularly on borrower leverage resulting in calibrated originations. Draft co-lending guidelines issued in April weighed on volumes temporarily; the effect was cushioned by higher direct assignments and continued liability diversification. With the Emerging Market network nearing full rollout and embedded-finance funnels strengthening, momentum is expected to improve from Q2 while keeping asset quality at the center.

Speaking on the performance, **Mr. Shachindra Nath, Founder and Managing Director of UGRO Capital**, said, *"Q1 was a quarter of discipline. In line with our risk guardrails, we tightened underwriting and moderated originations wherever borrower leverage was elevated. Even so, the portfolio remained resilient across our nine focus sectors, and we delivered 31% YoY AUM growth with stable asset quality. We stayed focused on building our next engines of Emerging Market distribution, Embedded Finance partnerships and the Profectus acquisition. With capital actions underway and approvals progressing, we are well placed for the next phase of high-quality growth. While the industry is seeing relatively higher stress in unsecured segments, UGRO's exposure there is limited and ring-fenced; our book is predominantly secured, and our filters are sharper than before. As seasonal effects fade and partner funnels ramp up, we expect growth to pick up while staying firmly disciplined on unit economics."*

About UGRO Capital Ltd (NSE: UGROCAP | BSE: 511742)

UGRO Capital Limited is a DataTech Lending platform, listed on NSE and BSE, pursuing its mission of "Solving the Unsolved" for the small business credit gap in India, on the back of its formidable distribution reach and its Data-tech approach.

The Company's prowess in Data Analytics and strong Technology architecture allows for customized sourcing platforms for each sourcing channel. GRO Plus module which has uberized intermediated sourcing, GRO Chain, a supply chain financing platform with automated end-to-end approval and flow of invoices, GRO Xstream platform for co-lending, an upstream and downstream integration with fintechs and liability providers, and GRO X application to deliver embedded financing option to MSMEs.

The credit scoring model GRO Score (3.0) a statistical framework using AI / ML driven statistical model to risk rank customers is revolutionizing the MSME credit by providing on-tap financing like consumer financing in India.

UGRO has executed Co-lending model in India which is prevalent in the West through Co-Lending relationships with total of 17 Banks and NBFCs and built a sizeable off-balance sheet asset of 42% of its AUM through its Co-lending and Co-originating partners and GRO Xstream platform.

The Company is backed by marquee institutional investors (raised INR 900+ Cr of equity capital in 2018, INR ~340 Cr in 2023, INR ~258 Cr in 2024 and INR ~1300 in 2025). For more information, please visit: <http://www.ugrocapital.com/>

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