

PRESS RELEASE

UGRO CAPITAL ACQUISITION OF PROPECTUS CAPITAL RECEIVES RBI APPROVAL

Mumbai, September 18, 2025: UGRO Capital Limited (NSE: UGROCAP | BSE: 511742), a leading DataTech NBFC focused on MSME lending, today announced that its proposed acquisition of 100% shareholding of Profectus Capital Private Limited (“Profectus”) received approval from the Reserve Bank of India (RBI) on September 17, 2025.

Pursuant to this approval and subject to customary closing conditions under the Share Purchase Agreement, the transaction is expected to close by October 31, 2025. Upon completion of transaction, Profectus Capital will become a subsidiary of UGRO Capital Limited and an application for merger will be immediately filed, through which Profectus will be merged into UGRO Capital Limited with an effective date of April 1, 2025.

This acquisition will deliver immediate scale with a 29% growth in AUM, strengthen UGRO’s secured asset mix, and diversify the portfolio through expansion in high-yield Emerging Markets and Embedded Finance. It also unlocks incremental opportunities of over ₹2,000 crore in school financing, while creating strong alignment in Secured LAP, Machinery Finance, and Supply Chain Finance. These synergies are expected to generate ₹115 crore in cost savings and add approximately ₹150 crore of incremental profitability, enhancing ROA by 0.6–0.7% post-merger.

Commenting on the development, **Mr. Shachindra Nath, Founder and Managing Director, UGRO Capital**, said, *“The RBI’s approval is a critical milestone that validates our strategy and accelerates our mission of solving India’s small business credit gap. Profectus’ complementary portfolio, combined with UGRO’s DataTech underwriting capabilities, will enable stronger profitability, higher secured lending, and inclusive growth across the MSME ecosystem.”*

The ₹1,400 crore all-cash acquisition, partially funded through UGRO’s recent equity raise, is expected to add approximately ₹150 crore of annualized profit and deliver cost synergies of ₹115 crore post-integration. Together, UGRO and Profectus will have a combined AUM of over ₹15,000 crore, serving more than 2 lakh MSMEs across India.

UGRO Capital expects to complete the transaction in the coming months following fulfilment of all closing conditions.

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

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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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