

PRESS RELEASE

UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED 31st MARCH 2023 Reports AUM of INR 6,081 Cr, up 105% YoY, PBT rises 315% YoY to INR 83.8 Cr

- Announced **Equity Capital Raise of INR 340 Cr** in April 2023 - Private Placement Offering of INR 240 Cr to IFU (Investeringsfonden for Udviklingslande) through its Danish Sustainable Development Goals Investment Fund K/S and QIP of INR 100 Cr from marquee domestic investors like SBI Life, GoDigit and SBI General
- **Disbursement** of INR 2,314 Cr, up 140% YoY and 23% QoQ
- **Net Total Income** stood at INR 126.8 Cr, up 101% YoY and 17% QoQ
- **GNPA/NNPA** at 1.6%/0.9% on total AUM
- Achieved **off-book AUM** of 40%
- Launched first brand campaign 'UGRO Capital - Fund Island' to introduce GRO X App to provide **on-tap credit** to small businesses.

Mumbai, May 15, 2023: The Board of Directors of UGRO Capital Limited approved the financial results for the Quarter and Financial Year ended 31st March 2023 at its meeting held on Monday, 15th May 2023.

UGRO Capital, a DataTech NBFC and India largest Co-lender in the MSME segment continued its growth momentum in the last quarter of FY23. The company's AUM was INR 6,081 Cr (as of Mar'23), up 105% from Mar'22. Total Income for Q4'23 was INR 217.2 Cr (up 92% YoY and 15% QoQ) and INR 683.8 Cr for FY23 (up 119% from FY22). In Q4'23, UGRO Capital reported a 131% increase in consolidated net profit to INR 14.0 Cr, up from INR 6.1 Cr the prior year. The Company has efficiently leveraged the co-lending partnerships, with off-book AUM at 40%, higher than its FY23 guidance of 35%.

UGRO Capital has collaborated with ten co-lending partners, over 65 lenders, 35 fintechs, and 1,200 GRO partners to provide data-backed customized finance solutions to over 46,000 MSMEs across India.

Brief Financial Snapshot (INR in Cr.)

Particulars	Q4'FY23	Q3'FY23	Growth (Q-o-Q)	FY23	FY22	Growth
AUM	6,081	5,095	19%	6,081	2,969	105%
Gross loans originated / Disbursement	2,314	1,874	23%	7,200	3,138	129%
Total Income	217.2	189.6	15%	683.8	312.1	119%
Interest Expense	90.4	81.6	11%	293.3	137.3	114%
Net Total Income	126.8	108.0	17%	390.5	174.9	123%
Operating Expenses	75.7	69.1	10%	249.9	125.3	99%
Credit cost	17.5	16.7	5%	56.8	29.4	93%
PBT	33.7	22.2	51%	83.8	20.2	315%
Tax	10.4	4.9	113%	23.5	5.6	317%
PAT – Adjusted	23.2	17.3	34%	60.4	14.6	315%
Deferred Tax write-off	9.2	4.2	-	20.6	-	-
PAT	14.0	13.1	7%	39.8	14.6	173%

UGRO CAPITAL LIMITED

Registered Office Address: Equinox Business Park, Tower 3, 4th Floor, LBS Road, Kurla (West), Mumbai - 400070

CIN: L67120MH1993PLC070739

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Commenting on the results, **Mr. Shachindra Nath, Vice Chairman and Managing Director of UGRO Capital** said, *“UGRO Capital is India’s first data driven underwriting platform which uses the power of GST, Banking, and repayment behavior on Bureau for credit decisioning. Over the last four years, the company has served over 48,000 customers in 4,000 different pin codes, analyzed over 93,000 bank statements, 34,000 GST records, and processed over 63,000 GRO Score logins. Despite broader challenges to the lending industry, UGRO Capital has successfully built an AUM of INR 6,000+ Cr and with a monthly net disbursement of more than INR 500 Cr. Our increasing off book AUM of 40% demonstrates that our credit scoring model and underwriting framework are widely accepted across the banking industry.*

Our FY23 performance demonstrates our unwavering commitment to growth, the company’s core profitability, and we intend to gain a 1% market share with 1 million small businesses as our customers over the next three years. We have recently announced our second equity capital raise of INR 340 Cr from marquee institutional investors and this capital raise will further enhance UGRO’s strong capital position and strengthen the balance sheet.”

UGRO Capital has recently launched its first brand campaign, a one-of-its-kind 3D animation film, Fund Island for the launch of its most awaited digital solution for small businesses. UGRO Capital’s newly launched GRO X App enables MSMEs across India to obtain collateral-free instant credit for immediate working capital requirements and to manage their financial liquidity.

Key performance highlights for Q4’FY23

a) Growth, Expansion and Portfolio quality

- AUM of INR 6,081 Cr (up 105% YoY and 19% QoQ)
- INR 7,200 Cr of Gross Loans originated in FY23 (up 129% compared to FY22) and INR 2,134 Cr of Gross Loans originated in Q4’FY23 (up 140% YoY and 23% QoQ).
- Total Income stood at INR 217.2 Cr for Q4’FY23 (up 92% YoY and 15% QoQ) and INR 683.8 Cr for FY23 (up 119% compared to FY22)
- Net Total Income stood at INR 126.8 Cr for Q4’FY23 (up 101% YoY and 17% QoQ) and INR 390.5 Cr for FY23 (up 123% compared FY22)
- PBT increased to INR 33.7 Cr in Q4’FY23 (up 319% YoY and 51% QoQ) and INR 83.8 Cr in FY23 (up 315% compared to FY22)
- GNPA / NNPA as on Mar’23 stood at 1.6% /0.9% (as a % of Total AUM)
- Over 46,000 customers as on Mar’23
- 98 branches (as on Mar’23)

b) Liability and Liquidity Position

- Total lender count stood at 66 as on Mar’223
- Total Debt stood at INR 3,149 Cr as on Mar’23, and overall debt to equity ratio was 3.2x
- Healthy capital position with CRAR of 20.23% (as on Mar’23)

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

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

Company’s prowess of 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 Xapplication 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 pioneered the "Lending as a Service" (LaaS) model in India and has effectively operationalized Co-lending relationship with 10+ Large Public Sector Banks and large NBFCs and built a sizeable LaaS book of more than 10% of its AUM through the GRO Xstream platform.

The Company is backed by marquee institutional investors (raised INR 900+ Cr of equity capital in 2018 and INR 340 Cr in 2023) and aims to capture 1% market share over the next three years.

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