

## PRESS RELEASE

### UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE 2022

**U GRO Capital's AUM crosses INR 3,500 cr and continues its leadership position in Co-lending / Co-origination. It plans to double its AUM by March 2023 on the back of Co-lending and Co-origination partnerships**

The Board of Directors of UGRO Capital Limited approved the financial results for the Quarter ended 30<sup>th</sup> June 2022 at its meeting held in hybrid mode on Friday, 22<sup>nd</sup> July 2022.

**UGRO Capital continues its growth momentum with AUM of 3,656 cr as of June 2022 (+166% compared to June 2021). Effectively leveraging the co-lending partnerships with off-book AUM at 21% (up from 16% as on Mar'22) and pioneering Lending as a Service (LaaS) model**

UGRO is revolutionizing MSME lending through its Data analytics prowess and robust technology architecture, as a testimony to the same UGRO's proprietary scoring model (GRO Score) has successfully processed 21,000+ applications, 67,000+ Bureau records, 45,000+ bank statements and 14,500+ GST records since Jul-21.

#### Key performance highlights for Q1FY23

##### a) Loan and Income Growth, Portfolio quality

- AUM of INR 3,656 Cr (+166% compared to Jun'21 and +23% compared to Mar'22)
- INR 1,359 Cr of Gross Loans originated in Q1'FY23 (+311% compared to Q1'FY22 and +41% compared to Q4'FY22).
- Total Income stood at INR 123.8 Cr (+141.4% compared to Q1'FY22 and +8.4% compared to Q4'FY22).
- Net Total Income for Q1'FY23 stood at INR 70.7 Cr (+144.6% compared to Q1'FY22 and +9.6% as compared to Q4'FY22)
- PBT increased to 10.4 Cr (+340.6% compared to Q1'FY22 and +29.3% as compared to Q4'FY22).
- GNPA / NNPA as on Jun'22 stood at 1.7% /1.2% (As a % of Total AUM)

##### b) Liability and Liquidity Position

- Total lender count increased to 63 as on Jun'22, added 8 new lenders during Q1'FY23
- Total Debt stood at INR 2,208 Cr as on Jun'22, and overall debt to equity ratio was 2.26x
- Healthy capital position with CRAR of 28% (as on Jun'22)

##### c) Branch, Customer Network and Employee Strength

- 25,000+ customers as on Jun'22 (+5,000 customers in Q1FY23)
- 96 branches (as on Jun'22), addition of 5 new branches during the quarter
- 1,275+ Employees as on Jun'22, Net employee addition of 165+ during Q1'FY23

#### UGRO CAPITAL LIMITED

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

CIN: L67120MH1993PLC070739

Telephone: +91 22 48918686 | E-mail: yougrow@ugrocapital.com | Website: www.ugrocapital.com

## Brief Financial Snapshot

Particulars	Q1'22	Q4'22	Q1'23	Growth (Q-o-Q)
Total Income	51.3	114.2	123.8	8.4%
Interest Expense	22.4	49.7	53.1	6.9%
<b>Net Total Income</b>	<b>28.9</b>	<b>64.5</b>	<b>70.7</b>	<b>9.6%</b>
Operating Expenses	21.6	47.3	51.0	7.9%
Impairment on Financial Instruments	4.9	9.3	9.4	1.0%
<b>PBT</b>	<b>2.4</b>	<b>8.0</b>	<b>10.4</b>	<b>29.3%</b>
<b>PAT</b>	<b>1.7</b>	<b>6.1</b>	<b>7.3</b>	<b>20.7%</b>

Commenting on the results, **Mr. Shachindra Nath, Vice Chairman and Managing Director of U GRO Capital** stated, "U GRO is at the forefront of using Data Analytics and Technology to serve the underserved MSME segment. We have been pioneers of "Lending as a service" by harnessing the power of Co-lending / Co-origination models and steering the company towards transitioning into a lending platform through off - balance sheet AUM approach. Operational efficiencies have started to kick in with improving profitability with each passing quarter. The Company is on track to achieve AUM of INR 20,000 Cr by 2025 as we achieved our highest ever disbursement in Q1FY23."

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### **About U GRO Capital Ltd**

U GRO Capital limited is a listed (NSE, BSE), MSME lending fintech platform. U GRO Capital's mission is 'Solve the Unsolved' – Small Business Credit Need with its omnichannel distribution model combining physical and digital journey of the customer. The Company envisions to spearhead India's transition of MSME lending market to the new age of on-tap financing. It uses the emerging Data Tripod of GST, Banking and Bureau coupled with its sectoral analysis to solve the problem of credit for small businesses.

U GRO aspires to serve one million small businesses with an asset book of 1% of outstanding MSME credit of India as its first milestone.

Technology underpins every aspect of U GRO's lending process, from API integrations, sectoral and sub-sectoral statistical scorecards, state-of-the-art AI/ML credit underwriting engine combining bank, bureau and GST statement analyzers, automated policy approvals, and machine learning OCR technology. Company's GRO Extreme platform empowers fintech and other institutional platforms to deepen their distribution reach through a plug and play API driven seamless integration with U GRO. The company has developed full tech stack to fully automate the complete life cycle of a loan right from origination to collection during the entire customer journey.

The Company has raised ~₹ 3,000+ crore of equity & debt capital from marquee Private Equity Investors, Family Offices, Banks and other Financial Institution over last 3 years.

### **Contact Details**

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