

PRESS RELEASE

UGRO CAPITAL LIMITED ANNOUNCES ITS CAPITAL RAISE OF INR 1,332.66 CR FROM EXISTING AND NEW INSTITUTIONAL INVESTORS & MARQUEE FAMILY OFFICES

Mumbai, May 2, 2024: UGRO Capital Limited (NSE: UGROCAP | BSE: 511742), a leading DataTech NBFC focused on MSME lending, today announced that its Board of Directors have approved an equity capital raise of INR 1,332.66 Cr through Compulsory Convertible Debentures (CCD) and Warrants. The equity fund raise is subject to shareholder approval.

UGRO raised this capital through an innovative combination of Compulsorily Convertible Debentures with Warrants, ensuring that the capital required for both the current year's growth and next year's growth is effectively locked in today.

This capital raise received strong commitment from Samena Capital, one of the Company's existing private equity investors, which committed INR 500 Crores through Warrants.

In addition to institutional investor like Aregence, some of India's marquee family offices have committed in CCD and Warrants.

UGRO's founder, board members and management team together committed INR 16.25 Crores in Warrants. UGRO's founder, on 9th August 2023, had invested his entire first bonus received from the Company in buying UGRO's shares.

Reflecting on these pivotal developments, **Mr. Shachindra Nath, Founder and Managing Director of UGRO Capital**, said, *"The capital raise marks a significant milestone in our journey. We have always wanted to create an Institutionally Owned, Independently Supervised and Professionally Managed FinTech in the listed world so that the opportunity is available to the large universe of Public Market Investors. We believe that we are at a pivotal moment where our potential of being a financial institutional is serving the need of small businesses of India. Today, India needs more financial institutions like ours, to fulfil the credit gap of more than 90 Lac crores and I am thankful to all the investors, lenders, co lending partners and more importantly all UGROites to make this dream come true."*

This is the third capital raise by UGRO Capital. In 2018, Mr. Shachindra Nath acquired control of a small listed NBFC 'Chokhani Securities Limited' and simultaneously raised institutional equity capital of INR 914 Crores from the likes of TPG - NewQuest, PAG, ADV Capital, Samena Capital and other domestic family offices and public market investors. This in 2018 was one of the largest capital raises for a listed company at a startup stage.

Last year, U GRO Capital continued its trajectory of strategic expansion, raising INR 340.5 Crores. Of this, INR 240 Crores was garnered through preferential allotment to IFU (Investeringsfonden for Udviklingslande) via its Danish Sustainable Development Goals Investment Fund K/S. Additionally, INR 100.5 Crores was secured from long-term shareholders, including insurance companies, AIFs, and other

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financial institutions, through a Qualified Institutions Placement (QIP). These successive capital raises reflect U GRO Capital's unwavering commitment to innovation, growth, and fostering sustainable development in the Indian MSME landscape.

This equity capital raise was advised by InCred Capital, the Investment Banking arm of Incred Group.

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 10+ Large Public Sector Banks and large NBFCs and built a sizeable off-balance sheet asset of more than 46% 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, INR 340 Cr in 2023 and INR 900 Cr in 2024) and aims to capture 1% market share over the next three years. For more information, please visit: <http://www.ugrocapital.com/>

Contact Details

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