

PRESS RELEASE

UGRO Capital Completes Equity Capital Raise

Raises Capital Commitment of INR 1,265 crores through CCDs & Warrants Demonstrating Strong Investor Confidence

Mumbai, June 18, 2024: UGRO Capital Limited (NSE: UGROCAP | BSE: 511742), a leading DataTech NBFC focused on MSME lending, today announced the successful completion of its equity capital raise and the allotment of Compulsory Convertible Debentures (CCD) and warrants worth INR 1,265 Crore. The Company's Board of Directors had approved an equity capital raise of INR 1,332.66 Crore during a board meeting on 2nd May 2024, coinciding with the peak of the Indian general elections.

UGRO Capital received Shareholders' approval on 1st June 2024, a period filled with the uncertainty surrounding the election results and the resultant market fluctuations. However, investor commitment in UGRO remained robust. All investors, except the ones who became ineligible for regulatory reasons, invested full money in UGRO. The company successfully allotted CCDs worth INR 258 crores and warrants worth INR 1,007 crores, with strong backing from existing private equity investor Samena Capital, which committed INR 500 Crores through Warrants. Other significant commitments came from institutional investors such as Aregence and several of India's marquee family offices. UGRO's founder, board members, and management team also subscribed to the Warrants issue.

These warrants can be exercised within 18 months from the date of allotment, with subscribers paying 25% of the issue price now and the remaining amount payable 18 months later. This capital raise marks the third for UGRO Capital.

Mr. Shachindra Nath, Founder and Managing Director of UGRO Capital, said *"Securing this capital raise amidst market ups and downs speaks volumes about the sheer trust our investors have in us. Our aim has always been to build a DataTech driven lending institution that is institutionally owned, independently supervised, and professionally managed, accessible to public market investors. We're now closer to our goal of helping all small businesses in India, and I have an overwhelming sense of gratitude towards all our investors, partners, and the entire UGRO team for making it happen."*

In 2018, Mr. Shachindra Nath envisaged and executed the concept of India's first listed start-up by acquiring a 40 Crores net worth listed NBFC, 'Chokhani Securities Limited', and raised institutional equity capital of INR 914 Crores from investors including TPG - NewQuest, PAG, ADV Capital, Samena Capital, and other domestic family offices and public market investors. Continuing its strategic expansion, UGRO Capital raised INR 340.5 Crores last year, including INR 240 Crores from Denmark Government owned IFU via its Danish Sustainable Development Goals Investment Fund K/S, and INR 100.5 Crores from other institutional shareholders through a Qualified Institutions Placement (QIP).

UGRO Capital, since its inception, has raised total equity capital commitment of INR 2,700 Crores, has an outstanding total debt of INR 4,643 Crores from domestic and global institution, and has partnered with

UGRO CAPITAL LIMITED

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13 Banks and other Financial Institution for doing 3,295 Crores of Co-Lending. It has extended data-driven customized finance solutions to over 78,000 MSMEs across India.

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 1332 Cr in 2024) and aims to capture 1% market share over the next three years. For more information, please visit: <http://www.ugrocapital.com/>

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