

## PRESS RELEASE

### UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER 2023

Reports AUM of INR 7,592 Cr, up 74% and PAT of INR 54.1 Cr up 329% (YoY)

*Advances on its Journey of Creating the Largest Small Business Financing Institution Driven by Data and Technology*

#### Key Highlights

- **Disbursement** of INR 4,543 in H1'24, up 51% and INR 2,506 Cr in Q2'24, up 23% QoQ.
- AUM of INR 7,592 Cr, up 74% YoY and 12% QoQ.
- **Net Total Income** for H1'24 stood at INR 273.9, up 76% YoY and for Q2'24 INR 148.2 Cr, up 18% QoQ.
- **GNPA/NNPA** at 1.9%/1.1% on total AUM.
- **Lending as a Service (LaaS)** – a reality: achieved **off-book AUM** of 45%.
- UGRO Capital is steadily marching towards its target to gain a **1% market share with 1 million small businesses as our customers over the next three years.**

**Mumbai, October 26, 2023:** UGRO Capital, a DataTech NBFC and India's largest Co-lender in the MSME segment, today announced its robust financial performance for the Second Quarter and Half Year ended 30th September 2023. The Company continued its growth momentum in the second quarter of FY24 with AUM of INR 7,592 Cr (as on Sep'23), up 74% compared to Sep'22. This surge can be attributed to its strategic investments in distribution channels, expansive lender base, and a data-centric underwriting model, which together ensure consistent monthly disbursements of over INR 500 Cr.

Financially, UGRO Capital highlighted a Total Income of INR 472.0 Cr for H1'24, up 70% YoY, while the figure stood at INR 253.6 Cr for Q2'24, up 63% YoY and 16% QoQ. Furthermore, the PAT for H1'24 scaled up to INR 54.1 Cr, up 329% YoY and was INR 28.9 Cr for Q2'24, indicating an increase of 448% YoY and 14% QoQ. The robust quarterly

#### Brief Financial Snapshot

| Particulars                            | Q2'FY24      | Q1'FY24      | Growth (Q-o-Q) | H1'FY24      | H1'FY23      | Growth      |
|--|--------------|--------------|----------------|--------------|--------------|-------------|
| <b>AUM</b>                             | 7,592        | 6,777        | 12%            | 7,592        | 4,375        | 74%         |
| <b>Loans originated / Disbursement</b> | 2,506        | 2,036        | 23%            | 4,543        | 3,012        | 51%         |
| Total Income                           | 253.6        | 218.3        | 16%            | 472.0        | 277.0        | 70%         |
| Interest Expense                       | 105.4        | 92.7         | 14%            | 198.1        | 121.3        | 63%         |
| <b>Net Total Income</b>                | <b>148.2</b> | <b>125.6</b> | <b>18%</b>     | <b>273.9</b> | <b>155.7</b> | <b>76%</b>  |
| Operating Expenses                     | 82.9         | 69.1         | 20%            | 152.0        | 105.1        | 45%         |
| Credit cost                            | 24.6         | 20.9         | 17%            | 45.5         | 22.6         | 101%        |
| <b>PBT</b>                             | <b>40.8</b>  | <b>35.6</b>  | <b>14%</b>     | <b>76.4</b>  | <b>27.9</b>  | <b>174%</b> |
| <b>Tax</b>                             | <b>11.9</b>  | <b>10.4</b>  | <b>14%</b>     | <b>22.3</b>  | <b>15.3</b>  | <b>46%</b>  |
| <b>PAT</b>                             | <b>28.9</b>  | <b>25.2</b>  | <b>14%</b>     | <b>54.1</b>  | <b>12.6</b>  | <b>329%</b> |

performance, alongside the optimal GNPA/NNPA metrics of 1.9%/1.1% on the total AUM, reiterates the sterling quality of UGRO's portfolio, underscoring a well-structured risk management approach.

UGRO Capital's distinctive 'Lending as a Service' approach combined with the strategic use of co-lending partnerships with off-book AUM accounting for 45% has significantly propelled this growth trajectory. Further solidifying its reputation in the sector, UGRO Capital's proprietary underwriting model, GRO Score 3.0, has demonstrated its efficacy. This strategic model, along with collaborations with over 10 co-lending partners, 60 lenders, 45 fintechs, and 500 GRO partners, facilitates data-driven, tailored financial solutions for more than 59,000 MSMEs across India.

## UGRO CAPITAL LIMITED

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

**CIN:** L67120MH1993PLC070739

**Telephone:** +91 22 41821600 | **E-mail:** info@ugrocapital.com | **Website:** www.ugrocapital.com

Commenting on the results, **Mr. Shachindra Nath, Vice Chairman and Managing Director of UGRO Capital** said, “At UGRO Capital, we are committed to boosting India's economic growth through the empowerment of small businesses. We envision building a large institution dedicated to small business financing, and this vision is closer to reality now more than ever. We have set ambitious goals for FY24, and through innovative financial strategies, dynamic collaborations, and our unwavering commitment to foster sustainable entrepreneurship, we're strategically poised to meet these targets. As UGRO Capital strides towards enduring growth, it presents an attractive proposition for investors eyeing long-term value and robust returns.”

#### **Key performance highlights for Q2' and H1'FY24**

##### **a) Growth, Expansion and Portfolio quality**

- AUM of INR 7,592 Cr as on Sep'23 (up 74% YoY and 12% QoQ)
- INR 2,506 Cr of Gross Loans originated in Q2'FY24 (up 52% YoY and 23% QoQ) and INR 4,543 Cr of Gross Loans originated in H1'FY24 (up 51% compared to H1'FY23).
- Total Income stood at INR 253.6 Cr for Q2'FY24 (up 63% YoY and 16% QoQ) and INR 472.0 Cr in H1'FY24 (up 70% compared to H1'FY23)
- Net Total Income stood at INR 148.2 Cr for Q2'FY24 (up 71% YoY and 18% QoQ) and INR 273.9 Cr in H1'FY24 (up 76% compared to H1'FY23)
- PBT increased to INR 40.8 Cr in Q2'FY24 (up 132% YoY and 14% QoQ) and INR 76.4 Cr in H1'FY24 (up 174% compared to H1'FY23)
- PAT increased to INR 28.9 Cr in Q2'FY24 (up 448% YoY and 14% QoQ) and INR 54.1 Cr in H1'FY24 (up 329% compared to H1'FY23)
- GNPA / NNPA as on Sep'23 stood at 1.9% /1.1% (as a % of Total AUM)
- Over 59,000 customers as on Sep'23
- 104 branches (as on Sep'23)

##### **b) Liability and Liquidity Position**

- Total lender count stood at 60 as on Sep'23
- Total Debt stood at INR 3,798 Cr as on Sep'23, and overall debt to equity ratio was 2.8x
- Healthy capital position with CRAR of 24.84% (as on Sep'23)

#### **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.

The 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 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 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.

### **UGRO CAPITAL LIMITED**

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

**CIN:** L67120MH1993PLC070739

**Telephone:** +91 22 41821600 | **E-mail:** info@ugrocapital.com | **Website:** www.ugrocapital.com

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.

#### Contact Details

|  |   |
|--|---|
| <b>U GRO Capital</b><br>Ankit Chothani<br>E: <a href="mailto:ankit.chothani@ugrocapital.com">ankit.chothani@ugrocapital.com</a><br>M: +91 9833370569 | <b>Concept PR</b><br>Archana Pradhan<br><a href="mailto:archana.p@conceptpr.com">archana.p@conceptpr.com</a><br>M: +91 9820330505 |
|--|---|

### UGRO CAPITAL LIMITED

---

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

**CIN:** L67120MH1993PLC070739

**Telephone:** +91 22 41821600 | **E-mail:** [info@ugrocapital.com](mailto:info@ugrocapital.com) | **Website:** [www.ugrocapital.com](http://www.ugrocapital.com)