

PRESS RELEASE

UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED 31st MARCH 2024

Reports AUM of INR 9,047 Cr, up 49%, and PAT of INR 119.3 Cr, up 200% (YoY)

Key Highlights

- Net disbursement of INR 5,867 Cr in FY24, up 26% YoY and INR 1,554 Cr in Q4'FY24.
- AUM of INR 9,047 Cr, up 49% YoY and 8% QoQ.
- Net Total Income stood at INR 638.8 Cr in FY24, up 64% YoY and INR 202.2 Cr in Q4'FY24, up 24% QoQ.
- GNPA/NNPA at 2.0%/1.1% on total AUM.
- Off-book AUM of 45%.

Mumbai, May 2, 2024: UGRO Capital, a DataTech NBFC and India's largest Co-lender in the MSME segment, today announced its robust financial performance for the Quarter and Financial Year ended 31st March 2024. Advancing on its journey of creating the Largest Small Business Financing Institution Driven by Data and Technology, the Company reported its Assets Under Management (AUM) of INR 9,047 Cr as of March 2024, marking a 49% year-on-year increase. 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 about INR 500 Cr.

In terms of financials, Total Income for Q4'FY24 stood at INR 330.4 Cr (up 52% YoY and 18% QoQ), with FY24 reporting INR 1,081.7 Cr (up 58% from FY23). Additionally, the Company reported a Profit After Tax (PAT) of INR 119.3 Cr for FY24, marking an impressive 200% year-on-year increase. For Q4'FY24, PAT was reported at INR 32.7 Cr, indicating a substantial 133% year-on-year growth. These robust quarterly figures, along with optimal GNPA/NNPA metrics of 2.0%/1.1% on the total AUM, underscore the sterling quality of UGRO's portfolio, highlighting a well-structured risk management approach. UGRO Capital's distinctive co-lending approach, combined with the strategic use of co-lending partnerships, accounting for 45% of off-book AUM, has significantly propelled this growth trajectory.

| Particulars | Q4FY24 | Q3FY24 | Growth (Q-o-Q) | FY24 | FY23 | Growth (Y-o-Y) |
|--|--------------|--------------|----------------|--------------|--------------|----------------|
| AUM | 9,047 | 8,364 | 8% | 9,047 | 6,081 | 49% |
| Loans originated / Disbursement | 1,554 | 1,552 | 0% | 5,867 | 4,642 | 26% |
| Total Income | 330.4 | 279.3 | 18% | 1,081.7 | 683.8 | 58% |
| Interest Expense | 128.1 | 116.7 | 10% | 442.9 | 293.3 | 51% |
| Net Total Income | 202.2 | 162.6 | 24% | 638.8 | 390.5 | 64% |
| Operating Expenses | 105.2 | 86.5 | 22% | 343.7 | 249.9 | 38% |
| Credit cost | 41.1 | 29.7 | 38% | 116.3 | 56.8 | 105% |
| PBT | 55.9 | 46.4 | 21% | 178.8 | 83.8 | 113% |
| Tax | 16.4 | 13.8 | 18% | 52.5 | 23.5 | 124% |
| PAT – Adjusted | 39.6 | 32.5 | 22% | 126.2 | 60.4 | 109% |
| Deferred Tax write-off | 6.9 | - | | 6.9 | 20.6 | |
| PAT | 32.7 | 32.5 | 0% | 119.3 | 39.8 | 200% |

UGRO Capital has extended data-driven bespoke finance solutions to over 78,000 MSMEs across India, in collaboration with over 13 co-lending partners, over 55 lenders, 45 fintechs, and 500 GRO partners.

UGRO CAPITAL LIMITED

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

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Mr. Shachindra Nath, Founder and Managing Director of U GRO Capital said, “At UGRO Capital, our FY24 results reflect our unwavering commitment to reshaping small business financing. Surpassing INR 9,000 crores in AUM demonstrates our dedication to delivering unmatched financial solutions. With ambitious goals for FY25, we’re poised to innovate and expand our footprint in MSME lending.”

Key performance highlights for Q4’ and FY24

a) Growth, Expansion and Portfolio quality

- AUM of INR 9,047 Cr (up 49% YoY and 8% QoQ)
- INR 1,554 Cr of Net Loans originated in Q4’FY24 (up 6% YoY) and INR 5,867 Cr of Net Loans originated in FY24 (up 26% compared to FY23).
- Total Income stood at INR 330.4 Cr for Q4’FY24 (up 52% YoY and 18% QoQ) and INR 1,081.7 Cr in FY24 (up 58% compared to FY23)
- Net Total Income stood at INR 202.2 Cr for Q4’FY24 (up 60% YoY and 24% QoQ) and INR 638.8 Cr in FY24 (up 64% compared to FY23)
- PBT increased to INR 55.9 Cr in Q4’FY24 (up 66% YoY and 21% QoQ) and INR 178.8 Cr in FY24 (up 113% compared to FY23)
- PAT increased to INR 32.7 Cr in Q4’FY24 (up 133% YoY) and INR 119.3 Cr in FY24 (up 200% compared to FY23)
- GNPA / NNPA as on Mar’24 stood at 2.0% /1.1% (as a % of Total AUM)
- Over 78k customers as on Mar’24
- 150 branches (as on Mar’24)

b) Liability and Liquidity Position

- Total Debt stood at INR 4,653 Cr as on Mar’24, and overall debt to equity ratio was 3.2x
- Healthy capital position with CRAR of 20.8% (as on Mar’24)

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/>

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