

PRESS RELEASE

INDIA'S FIRST LISTED FINTECH START UP: UGRO CAPITAL LIMITED ANNOUNCES ITS EQUITY CAPITAL RAISE OF INR 340 CRORE FROM MARQUEE INSTITUTIONAL INVESTORS *Private Placement Offering of INR 240 Cr and QIP of up to INR 101 Cr*

Mumbai, April 11, 2023: UGRO Capital Limited (NSE: UGROCAP | BSE: 511742), which was formed as a lending FinTech in July 2018 as a listed entity by raising approximately INR 900+ Cr of Equity Capital, today announced its second capital raise since inception. UGRO Capital's Board of Directors have approved a preferential allotment of INR 240 Cr to IFU (Investeringsfonden for Udviklingslande) through its Danish Sustainable Development Goals Investment Fund K/S. The equity fund raise is subject to customary closing conditions, including regulatory and shareholder approvals.

UGRO Capital is simultaneously raising up to INR 101 Cr from long term shareholders like insurance companies, AIF, and other financial institutions through a Qualified Institutions Placement (QIP) of up to INR 101 Cr.

Preferential Allotment: UGRO Capital has entered into a definitive investment agreement with IFU. IFU is an independent Denmark government-owned fund offering risk capital to companies in developing countries and emerging markets is the Danish Development Finance Institution and an impact investor which invests to support sustainable development in developing countries and contribute to the realization of the SDGs by creating better opportunities for people in low and middle-income countries. The growth capital from the funds raised will primarily be used for onward lending, this shall assist the MSME segment and take credit to the last mile. This capital raise will further enhance UGRO Capital's strong capital position and strengthen the balance sheet.

Commenting on the fund-raising announcement, Mr. Shachindra Nath, Vice Chairman and Managing Director, UGRO Capital said, *"We have seen multiple FinTech and NBFCs which were created as private ventures and then being floated in Public Market at significant premium, it was our desire 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 Institutional Investors, HNIs, AIFs, PMS and Retail Investors."*

We intent to gain 1% market share with 1 million small businesses – it has been our endeavour to change the life of small businesses and having a global development financial institution like IFU as a partner would help us achieve our mission with an accelerated pace."

UGRO Capital Raise Background: UGRO Capital was envisaged to be built as India's largest small business financing platform combining the power of Data & Tech and was uniquely created as India first listed startup. In 2018, its founder Mr. Shachindra Nath, acquired control of a small listed NBFC 'Chokhani Securities Limited' and simultaneously raised capital institutional equity capital from likes of TPG –

UGRO CAPITAL LIMITED

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NewQuest, PAG, ADV Capital, Sameena 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.

UGRO Capital, over the last 4 years in spite of broader challenges to the lending industry has successfully built an AUM of INR 6,000+ Cr and with a monthly disbursement of more than INR 500 Cr as of March 2023. It has truly demonstrated the power of Lending as a Service (LaaS) by being one of the most preferred partners for Banks for Co Lending. Its unique Data driven GRO Score is a leading platform for accessing the credit for small businesses in India and have recently launched GRO X platform for a fully digital credit through UPI platform.

About UGRO Capital Ltd

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. (NSE: UGROCAP | BSE: 511742).

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 (2.0) 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 15% of its AUM through the GRO Xstream platform.

The Company is backed by marquee Private Equity funds and family offices (raised INR 900+ Cr of equity capital in 2018).

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