

PRESS RELEASE

UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTH PERIOD ENDED 31st DECEMBER 2023 ACHIEVES LANDMARK MILESTONE: ENTERS THE BILLION DOLLAR AUM CLUB

Reports AUM of INR 8,364 Cr, up 64% and 9M'FY24 PAT of INR 86.7 Cr up 237% (YoY)

Key Highlights

- **Net disbursement** of INR 4,311 Cr in 9M'FY24, up 35% YoY and 1,552 Cr in Q3FY24, up 5% QoQ.
- **AUM** of INR 8,364 Cr, up 64% YoY and 10% QoQ.
- **Net Total Income** stood at INR 436.5 Cr in 9M'FY24, up 66% YoY and INR 162.6 Cr in Q3FY24, up 10% QoQ.
- **GNPA/NNPA** at 2.0%/1.1% on total AUM.
- **Off-book AUM** of 45%.
- Advances on its journey of creating the **Largest Small Business Financing Institution Driven by Data and Technology**.

Mumbai, January 23, 2024: U GRO Capital, a DataTech NBFC and India's largest Co-lender in the MSME segment, today announced its robust financial performance for the Quarter and Nine-month Period ended 31st December 2023, marking a historic achievement as the company enters the prestigious Billion Dollar AUM Club.

The Company continued its growth momentum in the third quarter of FY24 with AUM of INR 8,364 Cr (as on Dec'23), up 64% compared to Dec'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, U GRO Capital highlighted a Total Income of 751.3 for 9M'24 (up 61% compared to 9M'23), while the figure stood at INR 279.3 Cr for Q3'24, up 47% YoY and 10% QoQ. Furthermore, the PAT for 9M'24 scaled up to

INR 86.7 Cr, up 237% YoY and was INR 32.5 Cr for Q3'24, indicating an increase of 148% YoY and 13% QoQ. The robust quarterly performance, alongside the optimal GNPA/NNPA metrics of 2.0%/1.1% on the total AUM, reiterates the sterling quality of UGRO's portfolio, underscoring a well-structured risk management approach.

U GRO Capital's distinctive co-lending 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, U GRO 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, 55 lenders, 40 fintechs, and 500 GRO partners, facilitates data-driven, tailored financial solutions for more than 67,000 MSMEs across India.

Brief Financial Snapshot

Particulars (Rs cr)	Q3'FY24	Q2'FY24	Growth (Q-o-Q)	9M'FY24	9M'FY23	Growth
AUM	8,364	7,592	10%	8,364	5,095	64%
Net loans originated / Disbursement	1,552	1,476	5%	4,311	3,183	35%
Total Income	279.3	253.6	10%	751.3	466.6	61%
Interest Expense	116.7	105.4	11%	314.8	202.9	55%
Net Total Income	162.6	148.2	10%	436.5	263.7	66%
Operating Expenses	86.5	82.9	4%	238.5	174.2	37%
Credit cost	29.7	24.6	21%	75.2	39.3	91%
PBT	46.4	40.8	14%	122.8	50.2	145%
Tax	13.8	11.9	16%	36.2	24.4	48%
PAT	32.5	28.9	13%	86.7	25.7	237%

UGRO CAPITAL LIMITED

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Mr. Shachindra Nath, Founder and Managing Director of U GRO Capital said, “At U GRO Capital, our journey is defined by continuous innovation, dedicated to reshaping financial sector standards. Today, we proudly announce surpassing INR 8300 crores in AUM, entering the Billion Dollar AUM Club. This accomplishment reflects our unwavering commitment to innovation and delivering unmatched financial solutions. Committed to boosting India's economic growth, we aspire to build a significant institution for small business financing. With ambitious FY24 goals, we are strategically poised to achieve them through innovative strategies, collaborations, and a steadfast commitment to sustainable entrepreneurship. U GRO Capital offers an attractive opportunity for investors seeking enduring growth and robust returns.”

Key performance highlights for Q3' and 9M'FY24

a) Growth, Expansion and Portfolio quality

- AUM of INR 8,364 Cr as on Dec'23 (up 64% YoY and 10% QoQ)
- INR 1,552 Cr of Net Loans originated in Q3'FY24 (up 33% YoY and 5% QoQ) and INR 4,311 Cr of Net Loans originated in 9M'FY24 (up 35% compared to 9M'FY23).
- Total Income stood at INR 279.3 Cr for Q3'FY24 (up 47% YoY and 10% QoQ) and INR 751.3 Cr in 9M'FY24 (up 61% compared to 9M'FY23)
- Net Total Income stood at INR 162.6 Cr for Q3'FY24 (up 51% YoY and 10% QoQ) and INR 436.5 Cr in 9M'FY24 (up 66% compared to 9M'FY23)
- PBT increased to INR 46.4 Cr in Q3'FY24 (up 109% YoY and 14% QoQ) and INR 122.8 Cr in 9M'FY24 (up 145% compared to 9M'FY23)
- PAT increased to INR 32.5 Cr in Q3'FY24 (up 148% YoY and 13% QoQ) and INR 86.7 Cr in 9M'FY24 (up 237% compared to 9M'FY23)
- GNPA / NNPA as on Dec'23 stood at 2.0% /1.1% (as a % of Total AUM)
- Over 67k customers as on Dec'23
- 104 branches (as on Dec'23)

b) Liability and Liquidity Position

- Total lender count stood at 58 as on Dec'23
- Total Debt stood at INR 4,173 Cr as on Dec'23, and overall debt to equity ratio was 3.0x
- Healthy capital position with CRAR of 22.3% (as on Dec'23)

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 45% of its AUM through the GRO Xstream platform.

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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. For more information, please visit: <http://www.ugrocapital.com/>

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