4th August 2026

To

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001

Scrip Code – 511742

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block Bandra, Kurla Complex, Bandra (East) Mumbai 400051

Symbol – UGROCAP

Subject: Press Release – "UGRO Capital's Embedded Lending Engine Scales Sharply in Q1'FY27; GROx Disburses Rs 1,853 Crore and Crosses 3.4 Lakh Active Customers"

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Press Release issued by the Company dated 4th August 2026, titled *"UGRO Capital's Embedded Lending Engine Scales Sharply in Q1'FY27; GROx Disburses Rs 1,853 Crore and Crosses 3.4 Lakh Active Customers".*

This is for your information and records.

The aforesaid information is being made available on the Company's website at www.ugrocapital.com

Thanking You,

For UGRO Capital Limited

SATISH KUMAR CHELLADURAI
Digitally signed by SATISH KUMAR CHELLADURAI
Date: 2026.08.04 15:32:22 +05'30'

Satish Kumar
Company Secretary and Compliance Officer
Encl: a/a

PRESS RELEASE

UGRO Capital's Embedded Lending Engine Scales Sharply in Q1'FY27; GROx Disburses Rs 1,853 Crore and Crosses 3.4 Lakh Active Customers

60,000+ LOANS DISBURSED EVERY MONTH · 317-BRANCH EMERGING MARKET NETWORK NOW FULLY BUILT AND STABLE · STRATEGIC REALIGNMENT DELIVERING A SELF-SUSTAINED, ANNUITY-LED EARNINGS PROFILE

Mumbai, August 4, 2026: UGRO Capital Limited (NSE: UGROCAP | BSE: 511742) today reported its financial results for the quarter ended June 30, 2026 (Q1'FY27) - a quarter defined by the rapid scale-up of its embedded merchant finance platform, sustained customer acquisition, the completion of its Emerging Market branch build-out, and continued progress against the strategic realignment announced in February 2026.

Embedded Merchant Finance scales at pace: GROx disburses Rs 1,853 crore in a single quarter

UGRO's technology-led embedded merchant finance platform, **GROx (formerly MyShubhLife)**, was the key growth driver during the quarter, disbursing **Rs 1,853 crore** in Q1'FY27 with over **60,000 loans disbursed every month**. GROx AUM increased to **Rs 3,003 crore** as of June 30, 2026, up **32% quarter-on-quarter** from Rs 2,280 crore as of March 31, 2026 and nearly four times higher than five quarters ago.

The GROx portfolio continues to maintain strong asset quality alongside growth, with a portfolio yield of approximately **26%** and **GNPA of 2.1%**. Delivered through partnerships with payment ecosystems, digital platforms and e-commerce partners, GROx embeds formal credit at the point of business need, reinforcing UGRO's scalable, technology-led lending model.

A rapidly widening customer base: 3.4 lakh active customers and counting

GROx now serves approximately **3.4 lakh active customers**, with tens of thousands of borrowers added every month through a fully digital, straight-through lending journey. This expanding base of granular, small-ticket borrowers supports recurring income generation and advances UGRO's objective of reaching **4.5 lakh active customers by FY29**.

Across the Company, **net disbursements increased to Rs 2,551 crore**, up **59% year-on-year** and **19% quarter-on-quarter**, reflecting broad-based growth across lending businesses.

A stable, fully built branch network powering the Emerging Market business

UGRO has completed the expansion of its Emerging Market branch network, which now comprises **317 branches across 13 states**, supported by more than **2,500 workforce**. With the build-out complete, no further incremental branch investments are planned, allowing future growth to be driven through higher productivity from the existing network.

The Emerging Market business disbursed **Rs 592 crore** during the quarter, taking AUM to **Rs 3,896 crore**, up **9% quarter-on-quarter**, with a portfolio yield of approximately **18.5%** and **GNPA of 2.1%**. Branch productivity is expected to improve from **Rs 0.62 crore** in Q1'FY27 to **Rs 0.80–0.85 crore** as the network matures. Together, Emerging Market LAP and GROx portfolio now account for **46% of total AUM mix**, up from **32% in December 2025**.

Quarterly performance: profitable growth on a leaner base

Overall, the Company reported **Profit Before Tax (PBT) of Rs 61.5 crore, up 28% year on year**, with PAT of Rs 67.9 crore (including the benefit of a one-time deferred tax reversal following the transition to the new tax regime). Return on Assets improved to 2.8% and Return on Equity to 9.2%. Total AUM stood at **Rs 15,013 crore, up 24% year on year**, with overall GNPA stable at 2.6%, collection efficiency of 98%, and blended portfolio yield rising to 18.1%. The balance sheet remains robust, with CRAR of 21.0%, leverage of 3.6x, and a strong liquidity buffer of Rs 1,864 crore in cash and cash equivalents - sufficient to fund continued growth.

The momentum witnessed during the quarter culminated in UGRO Capital achieving its highest ever monthly disbursement of over ₹1,000 crore in July 2026, marking a significant milestone in the Company's growth journey. More importantly, it validates the Company's strategic focus on two complementary growth engines, its Emerging Markets branch network and the GROX embedded merchant finance platform. Together, these businesses combine physical reach with digital scale, strengthening UGRO Capital's ability to expand formal credit access for underserved MSMEs while delivering sustainable and profitable growth.

Strategic realignment: Announced in February 2026

In February 2026, UGRO announced a strategic realignment by discontinuing fresh disbursements in the lower-yielding Prime lending business sourced through third-party intermediaries. The Company has redirected capital towards two higher-yielding, scalable businesses it owns end-to-end—**Embedded Merchant Finance Lending through GROx** and **branch-led Emerging Market LAP**.

UGRO expects both businesses to grow at around **25% CAGR**, while the lower-yield Prime portfolio continues to run down at approximately **20% annually**, steadily improving portfolio mix, yields and profitability.

Q1'FY27 represents the first full quarter of execution against this strategy. Focused businesses now constitute **46% of AUM**, moving toward the **85% FY29 target**. The planned **Rs 220 crore annualised cost optimisation** has been fully achieved, with quarterly operating expenses declining **42% to Rs 118.5 crore**. The Prime book reduced by **14% during the quarter**, and the Company continues to expect **no requirement for additional equity through FY29**.

While total AUM is expected to remain broadly stable during the transition period, profitability continues to improve meaningfully. ROA increased from **2.1% in Q4'FY26 to 2.8% in Q1'FY27**, with a steady-state target of **3.0–3.5%** by FY29. ROE improved from **7.1% to 9.2%**, while PBT rose **28% year-on-year**. The Company believes the transformation is improving the earning power of every rupee of assets, even with a relatively stable balance sheet.

With **CRAR of 21.0%** and growth funded through internal accruals, UGRO expects to continue improving shareholder returns without equity dilution. The Company has transitioned from dependence on non-recurring co-lending and direct-assignment income towards a recurring, annuity-led earnings model built on higher-yielding, secured and granular lending. During the quarter, UGRO also received stock exchange approval for the **Profectus Capital merger** and remains on track to achieve all milestones outlined in February 2026.

Shachindra Nath, Founder and Managing Director, UGRO Capital, said *"Q1'FY27 shows our strategy compounding exactly where we said it would. Our embedded merchant finance lending platform, GROx, disbursed over Rs 1,850 crore in a single quarter and now serves more than 3.4 lakh active customers - a tech-led, high-yield book scaling ahead of plan without compromising asset quality. Our Emerging Market network of 317 branches is fully built and stable, and every maturing branch is now adding earnings without adding cost. These two focused verticals are the growth engines the February realignment was designed to unleash. With the heavy lifting on cost and portfolio mix behind us, a balance sheet that needs no further equity, and a self-sustained, annuity-led return profile taking hold, we are confident of reaching our FY29 target of a 3.0 to 3.5 percent steady-state ROA, and of building UGRO into an institution that serves the true credit needs of Bharat's MSMEs, responsibly and at scale."*

About UGRO Capital Ltd (NSE: UGROCAP | BSE: 511742)

UGRO Capital is India's MSME DataTech lending platform, listed in July 2018 as India's first listed NBFC startup. The Company addresses the ₹30 lakh crore MSME credit gap through its 317 Emerging Market branches across 13 states, the GROx -embedded merchant finance platform, and GRO Score 3.0 AI/ML underwriting. UGRO's embedded merchant finance model delivers credit to MSMEs at the point of business need through partnerships with PhonePe, BharatPe and other payment ecosystems. Backed by marquee institutional investors with over ₹2,400 crore raised since inception. www.ugrocapital.com

Contact Details

UGRO Capital
Ritu Prakash Singh
E: ritu.singh@ugrocapital.com
M: +91 9818669651