Ref No.: NACL/06/NOV/2026-27 November 04, 2026

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 544260	To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Scrip Symbol: NORTHARC

Sub: Press Release titled "Northern Arc Diversified Debt Fund raises ₹400 Crore+; Northern Arc India Impact Fund matured with 14.59% Gross XIRR".

With reference to the above, we hereby submit the press release with respect to Northern Arc Investment Managers Private Limited (NAIM), a Wholly Owned Subsidiary of the Company, on the following:

- Northern Arc Diversified Debt Fund targets ₹1,500 Crore corpus, with an additional ₹500 Crore greenshoe option; aims to deliver 16% XIRR through investments in performing credit opportunities and holds an AA(SO) rating from CareEdge ratings.
- The Northern Arc India Impact Fund (India Impact Fund), delivered a return of 14.59% Gross XIRR, in line with targeted returns, marking a significant milestone in NAIM's private credit journey since FY2014–15 NACL

The detailed press release is enclosed along with this disclosure.

This intimation is also being uploaded on the Company's website at www.northernarc.com.

For Northern Arc Capital Limited

PRAKASH CHANDRA PANDA

Digitally signed by PRAKASH CHANDRA PANDA
Date: 2026.11.04 18:03:05 +05'30'

Prakash Chandra Panda
Company Secretary & Compliance Officer

Press Release

Northern Arc Diversified Debt Fund raises ₹400 Crore+; Northern Arc India Impact Fund matured with 14.59% Gross XIRR

- *Northern Arc Diversified Debt Fund targets ₹1,500 Crore corpus, with an additional ₹500 Crore greenshoe option; aims to deliver 16% XIRR through investments in performing credit opportunities and holds an AA(SO) rating from CareEdge ratings.*
- *The Northern Arc India Impact Fund (India Impact Fund), delivered a return of 14.59% Gross XIRR, in line with targeted returns, marking a significant milestone in Northern Arc Investment Managers Private Limited's private credit journey since FY2014–15*

Mumbai, November 04, 2026: Northern Arc Investment Managers Private Limited ("Northern Arc Investment Manager"), the asset management subsidiary of Northern Arc Capital Limited, a diversified financial services platform has announced the first close of its **Northern Arc Diversified Debt Fund**, with **commitments exceeding ₹400 crore** from institutions, family offices, ultra-high-net-worth individuals (UHNIs) and high-net-worth individuals (HNIs). This fund is Northern Arc Investment Manager's **15th private credit fund, a sector-agnostic Category II Alternative Investment Fund (AIF)** focused on performing private credit opportunities. **Rated AA (SO) by CareEdge Ratings**, the fund targets a corpus of ₹1,500 crore, with an additional greenshoe option of ₹500 crore, taking its potential size to ₹2,000 crore, **with a tenure of five years, the fund targets 16% XIRR.**

The announcement coincides with the maturity of **Northern Arc India Impact Fund**, which channelled global capital into financial inclusion opportunities across India. Over its tenure, the **fund supported 60 businesses across credit cycles**, with gross deployment of over ₹1398 crore at fund Level, backed by investments from ultra-high-net-worth individuals (UHNIs), family offices, and domestic and global institutional investors.

Commenting on the announcements, **Ashish Mehrotra, Managing Director and Chief Executive Officer, Northern Arc Capital**, said, *"The first close of the Northern Arc Diversified Debt Fund reflects continued investor interest in private credit and its evolving role in sophisticated investment portfolios. The maturity of our Northern Arc India Impact Fund further demonstrates our experience in managing private credit investments across credit cycles. Together, these milestones reinforce our focus on disciplined credit selection, portfolio diversification and risk management. Over the past decade, we have built a diversified private credit platform that has deployed over ₹16,500 crores across 15 AIFs and two PMS offerings and served more than 1,500 investors across institutional and wealth segments. As private credit becomes an increasingly strategic allocation for investors, we remain focused on connecting capital with businesses across sectors while creating opportunities for risk-adjusted returns."*

Since its inception in 2014, Northern Arc Investment Manager has launched 15 funds, of which **seven have fully matured delivering returns to the investors at a weighted average XIRR of over 14.5%**, in line with targeted returns, without any extension or principal loss to the investors. Northern Arc Investment Manager has **cumulatively distributed over ₹10,000 crore** of principal and coupon since inception and manages private credit funds and investment mandates.

About Northern Arc:

Northern Arc Capital Limited (NACL) is a diversified financial services platform focused on expanding the flow of credit to individuals and businesses across India. The Company operates a differentiated credit model that combines Direct-to-Customer (D2C) lending with a Credit Solutions for Origination Partners.

Under its D2C lending business, NACL lends directly from its balance sheet to end customers across the MSME, consumer, and rural segments through a nationwide network of 446 branches and 28 digital live partnerships. Complementing this, the Credit Solutions business enables 382 Origination Partners to access capital through Northern Arc's fund management platform, placements from external investors, and the Company's own balance sheet. Together, this integrated approach has facilitated financing of approximately INR 2.7 lakh Crore to date, impacting over 142 million lives.

As a platform, NACL manages assets aggregating INR 21,790 Crore, comprising a lending balance sheet of INR 19,003 Crore and assets under management of INR 2,785 Crore within its fund business. In addition, the Company has facilitated credit placements of INR 1.32 lakh Crore to external investors. The platform is powered by technology, data-driven underwriting, and deep sectoral expertise, positioning Northern Arc as a distinctive and scalable credit solutions franchise within the financial services ecosystem.

Northern Arc is backed by leading global investors including Affirma Capital, LeapFrog Investments, the International Finance Corporation (IFC) and SMBC, and is guided by an experienced and highly regarded Board of Directors.

The Northern Arc group comprises Northern Arc Capital Limited which is the holding and operating company; Northern Arc Investment Managers Private Limited (also referred as NAIM/ Northern Arc Investment Managers), which houses the fund management business; Northern Arc Securities Private Limited (also referred as NASPL), which operates Altifi.ai as the online bond platform provider; Pragati Finserv Private Limited, exclusive rural distribution arm; and Northern Arc Foundation, the Company's CSR arm.

For more details, please visit https://www.northernarc.com/

**Disclaimer: All the numbers stated in the boilerplate are as of September 30, 2026.*
Past performance is not indicative of future results. Target returns are not assured, and investment in AIFs is subject to market, credit, liquidity and other risks, including loss of capital. This release is for information only and is not an offer or solicitation; units are offered only by private placement through the private placement memorandum, which investors should read. The CareEdge ratings is not a recommendation and does not eliminate credit risk.

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