16th September 2026

To

BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers	**Exchange Plaza, 5th Floor, Plot No. C/1, G**
Dalal Street	**Block Bandra, Kurla Complex, Bandra**
Mumbai 400001	**(East) Mumbai 400051**
Scrip Code – 511742	**Symbol – UGROCAP**

Subject: Press Release – "UGRO Capital Raises INR 380 Crore from FMO; Third Investment in Three Years Deepens Development Finance Backing for India's MSME Credit Gap"

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 16th September 2026, titled *"UGRO Capital Raises INR 380 Crore from FMO; Third Investment in Three Years Deepens Development Finance Backing for India's MSME Credit Gap"*.

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: 2026.09.16 11:58:12 +05'30'

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

FMO
Entrepreneurial Development Bank

UGRO CAPITAL

PRESS RELEASE

UGRO Capital Raises INR 380 Crore from FMO; Third Investment in Three Years Deepens Development Finance Backing for India's MSME Credit Gap

Five-year NCD takes FMO's cumulative commitment to UGRO to INR 890 crore and total development finance and impact capital raised by the Company to over INR 1,300 crore; proceeds earmarked for women-led, youth-led and rural MSMEs and eligible green projects

Mumbai, September 16, 2026: UGRO Capital Limited, India's MSME-focused DataTech lending platform, today announced that it has raised INR 380 crore through the issuance of 38,000 senior, secured, rated, listed, redeemable and transferable Non-Convertible Debentures (NCDs), fully subscribed by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO), the Dutch entrepreneurial development bank.

This is FMO's third investment in UGRO Capital in under three years, following NCD investments of INR 250 crore in December 2023 and INR 260 crore in February 2025. The five-year tenor of the new instrument matches the long-duration secured lending that UGRO extends to small businesses in Tier-3 towns and beyond, and reflects FMO's assessment of the Company's credit discipline, governance and measured social impact.

In line with FMO's mandate, the proceeds will be deployed towards financing for women-owned and women-led SMEs, youth-owned and youth-led SMEs and rural SMEs, and will also contribute towards the financing or refinancing of eligible green projects aligned with FMO's sustainability approach.

A funding base built on development finance

The investment continues UGRO Capital's strategy of building a diversified, long-tenor institutional funding base that is less dependent on the domestic banking system. The Company has now raised over INR 1,300 crore of debt from development finance institutions and impact-focused investors in India and globally, including FMO, IFU (the Danish sovereign development fund), the Asian Development Bank (ADB), Triple Jump, BlueOrchard, responsAbility, Calvert Impact Capital, Enabling Qapital, GMO, WaterEquity and MicroVest, among others. Each of these relationships is anchored in measurable social outcomes, and several are repeat investors.

UGRO's impact outcomes are independently assessed. The Company's Social Impact Report 2024-25, verified by Dun & Bradstreet India, maps its portfolio to eight UN Sustainable Development Goals: Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), Reduced Inequalities (SDG 10), Gender Equality (SDG 5), Affordable and Clean Energy (SDG 7), Good Health and Well-being (SDG 3), Clean Water and Sanitation (SDG 6) and Quality Education (SDG 4).

Impact at scale: where the capital goes

UGRO Capital serves the segment of Indian enterprise that the formal credit system has historically been unable to reach: businesses with turnover below INR 3 crore that lack the tax and audited records conventional lenders require. Through its proprietary GRO Score underwriting, UGRO assesses such borrowers on actual banking cash flows, verified in person by branch staff, and lends against residential or commercial property at an average ticket of approximately INR 18 lakh. About four-fifths of this Emerging Market portfolio sits in Tier-3 geographies and beyond.

At the other end of the ticket-size spectrum, GROx, UGRO's embedded merchant finance platform, extends working capital of approximately INR 1 lakh on average to kirana stores, agri-input dealers, pharma distributors and other nano-enterprises operating within the payment ecosystems. A majority of these borrowers are receiving formal institutional credit for the first time, at a fraction of the cost charged by informal lenders.

These two engines now define the Company's growth. In Q1 FY27, GROx disbursed INR 1,853 crore, with AUM rising 32% quarter-on-quarter to INR 3,003 crore. The platform serves approximately 3.4 lakh active customers and originates more than 60,000 loans every month. UGRO's Emerging Market network comprises 317 branches across 13 states, supported by more than 2,500 employees; with the branch build-out complete, growth will come from productivity of the existing network. Together, the Emerging Market and GROx portfolios accounted for 46% of total AUM as of June 30, 2026, up from 32% in December 2025, and are expected to form the large majority of the book by FY29.

UGRO Capital: Impact Snapshot

Impact indicator	UGRO Capital	Basis / period
Emerging Market branches	317 branches across 13 states; ~80% of Emerging Market AUM in Tier-3 geographies and beyond	Q1 FY27
GROx active customers	~3.4 lakh; over 60,000 loans disbursed per month	Q1 FY27
Borrowers with a woman owner or co-owner	76%	Social Impact Report 2024-25 (D&B India verified)
Borrowers reporting revenue growth after UGRO financing	88%	Social Impact Report 2024-25 (D&B India verified)
Direct livelihoods supported across the portfolio	~2 lakh	Management estimate, December 2025
Average loan size	~INR 18 lakh (Emerging Market, secured); ~INR 1 lakh (GROx, embedded)	Q1 FY27
Sector AUM: clean energy / healthcare / water and sanitation / education	INR 374 crore / INR 430 crore / INR 268 crore / INR 102 crore	December 2025
Development finance and impact debt raised to date	Over INR 1,300 crore from 11+ institutions; FMO cumulative INR 890 crore	September 2026

Mr. Shachindra Nath, Founder, Vice Chairman and Managing Director, UGRO Capital, said: *"FMO investing in UGRO for the third time in three years says something about the way development capital now views MSME lending in India. The businesses we finance, a tailor in a Tier-3 town assessed on her bank statements rather than a tax return, or a kirana owner taking his first formal working-capital line through GROx, are the same businesses that generate the strongest returns for our shareholders. There is no trade-off between the two. Every rupee that development finance institutions place with UGRO goes into that segment, is tracked against defined SDG outcomes and is independently verified. Our objective is to be the platform of choice for global development capital seeking measurable, credit-disciplined MSME impact in India, and FMO's continued partnership brings us closer to that goal."*

Mr. Juan Jose Dada Ortiz, Co-Chief Investment Officer, FMO, said: *We are pleased to deepen our partnership with UGRO Capital through this financing, which will support greater access to credit for underserved MSMEs across India. Small and medium-sized businesses are key drivers of entrepreneurship, job creation and economic development, yet many continue to face barriers in accessing the financing they need to grow. UGRO's data-driven approach and strong distribution network enable it to reach businesses that are often underserved by the formal financial sector, supporting more inclusive economic growth and contributing to FMO's goal of reducing inequalities."*

Building an institution for the long term

FMO, with a 55+year track record as a leading impact investor, supports sustainable private-sector growth across developing countries and emerging markets. Financial Institutions is one of FMO's core sectors, reflecting the important role that access to finance plays in enabling inclusive economic development The transaction strengthens UGRO Capital's diversified funding profile as it continues to build a scalable, sustainable and annuity-led lending platform focused on UGRO's mission of "Solving the Unsolved": expanding formal credit access for India's MSMEs and building a stronger institution for the long term.

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 INR 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. The Company is backed by marquee institutional investors, with over INR 2,400 crore of equity raised since inception, and by a diversified base of global development finance institutions. www.ugrocapital.com

About FMO

FMO is the Dutch entrepreneurial development bank. As a leading impact investor, FMO supports sustainable private sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. FMO believes that a strong private sector leads to economic and social development and has a 55+ year proven track record in empowering entrepreneurs to make local economies more inclusive, productive, resilient and sustainable. FMO focuses on three sectors that have high development impact: Agribusiness, Food & Forestry; Energy, and Financial Institutions. With a total committed portfolio of approximately EUR ~16 billion spanning over 85 countries, FMO is one of the larger bilateral private sector development banks globally. For more information, please visit www.fmo.nl

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