5th November 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 Disburses over INR 1,000 Crore of Loans in every month of Q2".

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 5th November 2026, titled *"UGRO Capital Disburses over INR 1,000 Crore of Loans in every month of Q2".*

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

SHILPA BHATTER
Digitally signed by SHILPA BHATTER
Date: 2026.11.05 19:41:26 +05'30'

Shilpa Bhatter
Chief Financial Officer
Encl: a/a

PRESS RELEASE

UGRO CAPITAL DISBURSES OVER INR 1,000 CRORE OF LOANS IN EVERY MONTH OF Q2

Quarterly disbursement up 77% to INR 3,159 crore | Q2'FY27 profit up 17% | First-half profit up 53%

NINE MONTHS INTO ITS STRATEGIC RESET, UGRO'S GROWTH ENGINES ARE NOW MORE THAN HALF THE BUSINESS

The Quarter in Headlines

- **INR 1,000 crore+, every month:** INR 1,057 crore in July, INR 1,010 crore in August and INR 1,092 crore in September, a first for UGRO
- **Disbursement up 77%:** INR 3,159 crore lent in Q2'FY27, up 77% year on year and 24% over the previous quarter
- **Half the business transformed in nine months:** the two growth engines rose from 32% to 53% of the loan book
- **Merchant lending nearly tripled:** GROx loans to about 4.1 lakh merchants grew to INR 3,661 crore in a year
- **Costs cut by 38%:** quarterly operating cost down from INR 205 crore to INR 127 crore in two quarters
- **Profit up 17%:** Q2'FY27 profit after tax of INR 50.7 crore; first-half profit up 53% to INR 118.6 crore
- **Loan book up 23% year on year:** AUM of INR 15,019 crore, with portfolio yield up to 18.7%
- **Steady book, Stronger Capital:** GNPA of 2.7%, collection efficiency of 97%, capital adequacy of 18.8% and approx. 22% after the merger

Mumbai, 5 November 2026: UGRO Capital Limited (NSE: UGROCAP), the DataTech lender to India's small businesses, today reported the strongest lending quarter in its history. UGRO disbursed more than INR 1,000 crore of loans in every month of this quarter, profit after tax rose 17% year on year, and its two growth engines account for half of its INR 15,019 crore loan book, only nine months after the Company announced a strategic reset of its business.

PART ONE: A QUARTER OF RECORDS

Record lending. UGRO lent INR 3,159 crore in Q2'FY27, up 77% from a year ago and 24% from the previous quarter, crossing INR 1,000 crore in each of July, August and September. First-half disbursement rose 69% to INR 5,710 crore. The loan book grew 23% year on year to INR 15,019 crore.

Emerging Market LAP. Small-ticket loans against property to MSMEs in smaller towns, made through UGRO's own branches, grew 42% year on year to INR 4,268 crore. With 317 branches across 13 states now in place, each branch is lending more as it matures: average monthly disbursement per branch rose from INR 0.48 crore in FY26 to INR 0.73 crore this quarter, and to INR 0.86 crore for branches older than a year.

GROx. AUM nearly tripled in a year to INR 3,661 crore. GROx lends to about 4.1 lakh merchants through partners in payment ecosystem and marketplaces, with 95% repayments on daily collection basis, and now disburses about INR 750 crore a month.

Profit up, costs down. Profit before tax rose 12% year on year to INR 68.3 crore and profit after tax rose 17% year on year to INR 50.7 crore. For the half year, profit after tax rose 53% to INR 118.6 crore. Quarterly operating cost has been cut by 38% in two quarters, from INR 205 crore to INR 127 crore, while portfolio yield rose 108 basis points to 18.7%.

Asset quality steady. GNPA stood at 2.7%, and at 1.7% in the two growth businesses, with collection efficiency of 97%.

PART TWO: THE BIG SHIFT, AND HOW THE MERGER COMPLETES IT

What UGRO was. Between FY22 and FY26, UGRO grew its AUM five-fold, largely driven by intermediated, lower-yielding businesses and which was supported through co-lending partnerships with banks and large NBFCs, and direct assignment of portfolios. Over time, however, many of these borrowers refinanced their loan with UGRO from other lenders whose lower cost of funds let them offer cheaper rates. Each early exit reversed the income UGRO had already booked making earnings volatile year to year. This led to the unit economics of this business being suboptimal of the return on assets UGRO was targeting.

What changed. Having built the Emerging Market Branch Channel and Embedded lending platform over last two years, in February 2026, UGRO's Board approved the reset built on four decisions:

- **Exit lower-yielding lending:** Stop sourcing prime loans through intermediaries and run down that book.
- **Focus on two growth engines:** Emerging Market LAP through UGRO's own branches, and GROx embedded merchant lending through digital platforms.
- **Reset the cost base:** Take out about INR 220 crore of annual cost.
- **Fund growth from within:** No further equity raise, with a target return on assets of 3.0 to 3.5% by FY29.

Where it stands, nine months on. The reset is ahead of plan. The two growth engines have risen from 32% to 53% of the loan book, the lower-yielding book has shrunk by about a third, operating cost is down 38%, and portfolio yield is up. UGRO is becoming a lender that earns steady interest income on loans it originates through its own branches and its own digital platform.

How the merger completes the transition and reset: Shareholders and creditors of UGRO approved the merger of Profectus Capital into UGRO on 23 September 2026, and the NCLT final hearing is on 20 November 2026. On completion, income on Co-lending and Direct Assignment loans will be recognized over the period these loans actually run, rather than their full contractual term. This reduces the impact of reversals that unsettled past results, so reported profits should be steadier and more predictable from the quarters ahead. Capital adequacy on a merged basis will be approx. 22%, comfortably above requirements, allowing UGRO to fund growth without new equity.

Brief Financial Snapshot

Particulars (INR Cr)	Q2'FY27	Q1'FY27	QoQ	H1'FY27	H1'FY26	YoY
AUM	15,019	15,013	0%	15,019	12,226	23%
Net Disbursement	3,159	2,551	24%	5,710	3,388	69%
Total Income	578.4	534.7	8%	1,113.0	883.0	26%
Finance Cost	296.0	289.0	2%	584.9	423.9	38%
Net Total Income	282.4	245.7	15%	528.0	459.1	15%
Operating Expenses	127.2	118.5	7%	245.8	257.8	(5%)
Credit Cost	86.9	65.6	32%	152.5	92.0	66%
PBT	**68.3**	**61.5**	**11%**	**129.8**	**109.3**	**19%**
Tax	17.5	(6.3)	-	11.2	31.8	(65%)
PAT	**50.7**	**67.9**	**(25%)**	**118.6**	**77.4**	**53%**

Commenting on the results, Mr. Shachindra Nath, Founder and Managing Director of UGRO Capital, said, **"UGRO was founded on a simple belief: that India's small businesses deserve credit built on data, not collateral alone. This quarter, that belief reached a new scale. We now serve over four lakh small businesses, and our platform is turning decisively towards Bharat, through 317 branches in smaller towns and through the payment apps that India's merchants use every day. Nine months ago, we chose a harder path and rebuilt the business around where we have a real edge. This quarter's results show that the new model is working. Our task now is to explain this shift clearly to investors, so that UGRO earns their trust afresh and its true value begins to be reflected again. The years ahead belong to the MSMEs of Bharat, and UGRO intends to grow with them."**

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 317 Emerging Market branches across 13 states, the GROx embedded merchant finance platform and GRO Score 3.0 AI/ML underwriting. GROx delivers credit to MSMEs at the point of business need through partnerships with payment ecosystem and other platforms. UGRO is backed by marquee institutional investors, with over ₹2,400 crore raised since inception. www.ugrocapital.com

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