

YÜ GROUP AGM 2021 – INVESTOR Q&A

Can we get clarity on the Leicester office? Is it correct it could be sold and leased back?

Our Leicester office will offer us the capability to advance to our next stage of growth.

The offices will house our Sales, Marketing, Digital Innovation and Data teams with a specific focus on disruption through digital innovation and transformation which will drive scalable growth.

At the time of purchase the Group considered the best use of its cash at the time would be to fund this from its own balance sheet with a view that longer term we could release equity when terms were more favourable.

Yü Group are in a rapid growth phase, do you see this impacting profitability? If so, for how long?

We saw profitable growth in H2 of the last financial year which was most encouraging at our stage of evolution and reflects the clear trajectory the company is on in delivering long-term, sustainable, profitable growth.

With our positive trajectory we are on track to report profitable growth in FY2021.

Has Covid-19 prompted a rethink in your digitisation drive? Is it linked to the need for the Leicester Office?

Quite the opposite, the pandemic has shown the speed in which ‘normal’ life can change and the impact this can have on our everyday lives. Utilising digital technologies and innovation to assist in growth and improve cost efficiency is one of our clear strategic priorities and a key part of our growth plans. Our digital transformation will help drive the ‘what makes us different’ agenda.

Our Leicester office will host our Digital Innovation team with a focus on enhancing our digital innovation to drive Yüutility Simplicity.

When do you see sector consolidation gaining momentum regarding possible future M&A activity? The first 5 months of this year has been very quiet in the sector.

In the last financial year we demonstrated our intent and capability with the acquisition of two competitors’ books that were immediately earnings enhancive.

We have seen the pandemic prompt notable market consolidation which has allowed us to progress with our acquisition strategy, a key component of our ability to scale.

We continue to review potential acquisitions with rigorous discipline and see a compelling pipeline of opportunities in the market.

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Yü Group's share price seems undervalued compared to the current model alongside the strong governance and risk management in place. How do you see Yü Group finding a true reflection in the share price? ... What can the company do to make the share price spread and investing in Yü more attractive?

Our focus is on implementing the strategy and placing the Group in the best possible position for sustainable, profitable growth.

We remain excited by the future and passionately believe in the original growth opportunity and the very significant growth and market share potential in this sector.

We believe our performance and positive trajectory will drive investor engagement.

Can the Board offer some assurances you will drive PR proactively now and moving forward?

The Company will continue to proactively engage with all stakeholders and our 'upwards and outwards' approach will see us take our growth story to a wider audience.

Has the company been progressing positively? If the company makes a net profit next year, would there be a possibility of restoring the dividend?

In terms of profitability, we were profitable in H2 of the last financial year and, given our good start to 2021, are on track to report profitable growth in 2021.

Alongside our significant scale up phase we will continue to review our capital allocation. This includes the on-going investment in the business, future opportunities in the market, and restoring our dividend, all of which the Board considers on a regular basis.