

2021 TRADING UPDATE

For 12 months up to 31
December 2021



GROUP PLC

25th January 2022



Yü Group PLC
("Yü Group" or the "Group")

Trading Update

FY21 performance ahead of expectations

Yü Group PLC, the independent challenger supplier of gas, electricity and water to the UK SME and corporate business sector, today provides an update on trading for the year ended 31 December 2021 ("FY21").

Bobby Kalar, Group Chief Executive Officer, said:

"I'm pleased to report a very strong performance for FY21, significantly ahead of market expectations. Acknowledging it's been a tough year for the industry specifically, I'm proud the breadth of strength, experience and discipline in our business has again produced results that have surpassed expectations. FY21 revenues, profitability and forward contracted revenues have all extensively exceeded management forecasts. As well as a strong 2021, the forward visibility of our contract book for 2022 and beyond means the Company's accelerating growth is underpinned and the Board are confident in the continued financial progress of the business.

The strong sales momentum of H1 has continued to accelerate in H2 with record monthly bookings. The Group experienced a 66% increase in monthly bookings compared to the £8.3m achieved in 2020. I'm particularly pleased how the business responded to Q4 market volatility which resulted in record quarterly bookings and onboarding performance.

Contracted meter points have increased 83% while customer contract lengths are trending at an average of 30 months. The Group has entered 2022 with excellent forward revenue visibility supported by a solid forward and hedged order book. Alongside driving growth, management have focussed relentlessly on improving margin through an appropriate hedging policy. The Group performance incentivisation structures have been embedded in management culture and I'm pleased to see this reflected in the performance of the business.

The Board's growth objective for 2021 was very clear and well documented. Having positioned the business for significant and profitable growth these goals have been delivered. 2022 is set to enable the Group to continue to scale rapidly and benefit from the associated economies of scale. I'm particularly pleased the business has achieved this objective despite a period of high market volatility.

I would like to thank all my team members for playing such a vital part in delivering and exceeding our objectives."

Financial & Operational Highlights

- Very strong growth in revenue, with full year revenues to be in excess of £150m, an expected increase of c50% on FY20 driven by continued organic growth and the integration of Ampower
- FY21 adjusted EBITDA and profit for the year expected to be significantly ahead of market expectations

- Record average monthly bookings of £13.8m for FY21, an increase of 66.3% on £8.3m for FY20. Particularly strong performance in Q4 with average monthly bookings of £24.0m
- Significant increase in the number of meter points, rising to c31,900 at 31 December 2021, up from c17,400 on 31 December 2020
- Group remains well capitalised with net cash of £7.0m (2020: £11.7m)
- Seamless integration of Ampower having been appointed Supplier of Last Resort by Ofgem adding scale and a testament to strength of Yü Group
- Continued investment in 'digital as default' transformation which is driving improved customer acquisition, reduced cost of serve and a better understanding of customers

Outlook

- Accelerating momentum in the business following a record Q4 as management anticipates FY21 revenues and EBITDA to be significantly ahead of previous expectations
- Strong forward visibility for FY22 with £156.5m of contracted revenue, up from £93m for FY21
- Continue to assess further value add opportunities in the market while remaining disciplined and continuing to execute organic growth strategy

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

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