

Yu Energy says it is benefiting from higher tariffs caused by rising commodity market prices

The boss of commercial supplier Yu Energy said he expects it to remain in profit as it deals with the consequences of spiralling energy prices.

[Bobby Kalar](#), chief executive of the Nottingham-based independent supplier of gas, electricity and water to the UK corporate sector, said the business had not only “weathered the storm” but “blown it away” in all key areas.

While others had gone under, the business, which deals with almost 32,000 “meter points”, said it had benefited from “higher tariffs as a result of commodity market prices”.

In recent months parent company Yu Group has been appointed by Ofgem as [“Supplier of Last Resort”](#) for the failed AmpowerUK – adding 8,200 meter points – as well as Whoop Energy and Xcel Power, and now has measures in place to “onboard thousands of new customers in a matter of hours”, should the need arise.

Mr Kalar spoke as Yu put out results for 2021 showing revenues up 50 per cent to £155 million.

The business, which saw staff numbers rise from 111 to 145 during the year, made a pre-tax profit of almost £3.4 million, up from a loss of £1.5 million the previous year.

In its final results for the year Yu said it was “serving additional out of contract customers, at increased tariffs reflective of the market conditions, providing further revenue growth opportunity”.

It said “The increased contracted revenue and pool of customers providing out of contract revenue opportunity provide the board with significant confidence that a very strong organic growth rate will continue in FY 2022.”

Mr Kalar said: “We have delivered on our promise to deliver profitable growth, which is set to continue.”

“2021 was a remarkable year and a stellar performance that’s seen the group outperform forecasts in terms of profitability, growth and forward looking contracted revenue.

“Despite the turbulence of the global energy commodity market the business has remained focussed and disciplined underpinned by our robust hedging strategy.

“Our strategy is working well and the ‘hard yards’ have harvested rewards. With a very strong start to 2022 I’m pleased our January and February bookings, revenue and profitability have continued the momentum demonstrated in 2021.

“Our inorganic strategy is contributing positively to our growth ambition. Being awarded the AmpowerUK B2B customer book in November by Ofgem, and two more customer books this year, provides an endorsement of our credentials and gives us confidence we are ready for bigger books be it via acquisition or via Ofgem’s Supplier of Last Resort process.

“It’s been a tough year for the energy industry in terms of unprecedented wholesale gas volatility causing some suppliers to exit the market, exacerbated by the effects of the pandemic.

“However, our results show we have not only “weathered the storm” but “blown it away” in all key areas.

“Our focus this year will be to continue the momentum of 2021 with continued emphasis on growth, profitability and further

developing our already strong forward order book.

“We’ve become one of the fastest growing utility challenger brands in the UK and central to this success as always are the amazing people who I have the good fortune to work with every day.

“A huge thank you to all my team.”

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