

26 March 2021

Hibu Group Limited

Announcement regarding sale of US business

Hibu Group Limited (the “Group”) has today announced the sale of its US operations (Hibu Group (USA), Inc.) to an affiliate of H.I.G. Capital (“H.I.G.”), a leading global alternative asset management firm. H.I.G.’s press release is attached.

The transaction is subject to customary closing conditions and completion of review under US antitrust laws. The US based directors are expected to leave the Group Board at, or shortly after closing, after which the Group Board will be David Anderson (Executive Chairman, Interim), Robert Hall, Parm Sandhu and Claire Miles (CEO, Yell UK).

The Group expects to distribute the proceeds of the sale to shareholders.

Today’s news provides a strong endorsement of the strategy that the Group has been pursuing of transforming the Group’s businesses, in both the UK and the US, from traditional print-based directory businesses to growing digital businesses. The sale of the US business will allow the Group largely to eliminate central Group costs and focus on returning the Yell business in the UK to growth.

Moelis & Company acted as financial advisor and Cravath, Swaine & Moore LLP and Slaughter & May acted as legal counsel to the Group on the transaction, and Houlihan Lokey acted as financial advisor and McDermott Will & Emery LLP provided legal advice to H.I.G.

The Group will report Preliminary Full Year March 2021 results on 20 May 2021.

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DISCLAIMER

This announcement is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States of America, the United Kingdom or in any other jurisdiction. Securities may not be offered, sold or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933, as amended.

The information contained in this announcement does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2020 have been filed with the Registrar of Companies. The auditor has reported on the accounts and its report was unqualified and did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006.

This announcement may include forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things, our future financial conditions and performance, results of operations and liquidity, our strategy, plans, objectives, prospects, growth, goals and targets, future developments in the markets in which we participate or are seeking to participate, and anticipated regulatory changes in the industry in which we operate. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, terms such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “guidance”, “intend”, “may”, “outlook”, “plan”, “predict”, “project”, “should”, “will” or “would” or, in each case, their negative, or other variations or comparable terminology.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and are based on numerous assumptions. Our actual financial condition, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this announcement. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. We undertake no obligation publicly to update or revise any forward-looking statements, except as may be required by law.



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H.I.G. Capital Signs Definitive Agreement to Acquire Hibu

MIAMI – MARCH 26, 2021 – H.I.G. Capital ("H.I.G."), a leading global alternative investment firm with over \$43 billion of equity capital under management, is pleased to announce that an affiliate has signed a definitive agreement to acquire Hibu Group (USA), Inc. ("Hibu" or the "Company"), a leading provider of digital marketing services to small and medium-sized businesses ("SMBs") across the United States.

Headquartered in Cedar Rapids, Iowa, Hibu is a leading provider of digital marketing solutions to SMBs across the United States. The Company's comprehensive suite of solutions includes search, social and display advertising, and search engine optimization ("SEO"), as well as custom website development, listings management, and reputation management. Hibu's solutions provide a one-stop shop and allow its SMB customers to have a truly integrated digital marketing program to attract and retain customers and grow their businesses. Today, Hibu serves over 80,000 customers across a wide range of industries through a highly trained sales force with nationwide local coverage.

Kevin Jasper, Chief Executive Officer of Hibu commented, "The investment by H.I.G. is a recognition of all that the team has accomplished to date, and we are excited to partner with H.I.G. to support our next phase of growth. Hibu is committed to continuing to innovate and provide its local business customers with easier and more effective ways to execute their digital marketing strategies, build and enhance their online presence and reputation, and optimize digital ad spend."

"We are delighted to partner with Kevin and the Hibu team," said Matt Gullen, Managing Director at H.I.G. "We believe there is immense opportunity ahead for Hibu given its strong SMB value proposition, including a best-in-class integrated service offering, differentiated technology, and exceptional customer service. The Company has established itself as a leader in the industry, and we look forward to working with the team to build upon their success and support continued growth initiatives."

The transaction is subject to customary closing conditions and completion of review under antitrust laws, including the Hart-Scott-Rodino Antitrust Improvements of 1976.

Houlihan Lokey acted as financial advisor and McDermott Will & Emery LLP provided legal advice to H.I.G. Moelis & Company acted as financial advisor and Cravath, Swaine & Moore LLP acted as legal counsel to the Company and Hibu Group Limited on the transaction.

About Hibu

Headquartered in Cedar Rapids, Iowa, Hibu provides a full suite of integrated digital marketing services to SMBs including digital listings management, website development and management, search engine marketing and optimization, online and mobile display, and social campaign creation

and management. Today, Hibu serves over 80,000 customers across a wide range of industries across the United States. Hibu is a Facebook Marketing Partner, Google Ads Premier Partner, Google My Business Partner, and Microsoft Advertising Select Channel Partner.

About H.I.G. Capital

H.I.G. is a leading global private equity and alternative assets investment firm with over \$43 billion of equity capital under management.* Based in Miami, and with offices in New York, Boston, Chicago, Dallas, Los Angeles, San Francisco, and Atlanta in the U.S., as well as international affiliate offices in London, Hamburg, Madrid, Milan, Paris, Bogotá, Rio de Janeiro and São Paulo, H.I.G. specializes in providing both debt and equity capital to small and mid-sized companies, utilizing a flexible and operationally focused/ value-added approach. Since its founding in 1993, H.I.G. has invested in and managed more than 300 companies worldwide. The firm's current portfolio includes more than 100 companies with combined sales in excess of \$30 billion. For more information, please refer to the H.I.G. website at www.higcapital.com.

About Hibu Group Limited (the “Seller”)

Based in Reading, Berkshire, United Kingdom, the Hibu Group is a leading provider of digital marketing solutions to local businesses across the U.S. where it has operated as Hibu and in the UK where it operates as Yell.

* Based on total capital commitments managed by H.I.G. Capital and affiliates.