

# ACQUISITION OPPORTUNITY 2163:

Data destruction services – £4.26m Revenue

An opportunity to acquire a leading independent shredding and recycling company

2018 £000's	
Turnover	4,255
Gross Profit	2,078
EBITDA (Adjusted)	1,582

Our client provides paper and data shredding and recycling services to organisations throughout the UK.

It has significant route density in its' core geographical markets, optimising efficiencies and providing a platform for further profitable growth.

The company has a large and diverse client base across public and private sectors, including: healthcare, legal, financial, waste and defence.

86% of clients generate contracted revenue and, as a testament to its exceptional reliability and quality of service, it has an exceptional client retention rate of 99%.

## HIGHLIGHTS

- **National coverage**
- **Significant route density in its' core geographical markets**
- **Average 18% revenue growth over past 4 years**
- **Average 25% EBIT as a percentage of sales over last 4 years**
- **86% of clients generate contracted revenue**
- **99% client retention**
- **Continued investment in state of the art equipment and systems**
- **Experienced management team**
- **Fully trained and security-vetted operatives**
- **Large, diverse client base**

With strong historic financial performance, healthy balance sheet and a realistic growth forecast, this company represents an exceptional opportunity to expand market share or to gain a foothold in a growing market, driven by environmental and information security regulation.

**A full Information Memorandum is available upon receipt of a signed Non-Disclosure Agreement.**

Please direct all enquiries, quoting 2163 to:  
Neil Fortmuller, Business Development Manager  
[nfortmuller@evolutioncbs.co.uk](mailto:nfortmuller@evolutioncbs.co.uk)  
+44 (0) 1183 347789



**Private & Confidential**

DATE:

We understand that you wish to investigate the business of Project 2163 (the "Company") in consideration of whether to invest in or acquire the Company (the "Permitted Purpose") and that you, your directors and employees, other potential syndicate members or other providers of finance and your financial and professional advisers in relation to the Permitted Purpose, (together referred to as the "Disclosees"), will need access to Confidential Information. "Confidential Information" means all information relating to the Permitted Purpose that we directly or indirectly disclose, or make available, to the Disclosees or their representatives before, on or after the date of this letter. This may include the fact that discussions and negotiations are taking place concerning the Permitted Purpose and the status of those discussions and negotiations, the existence and terms of this letter and all information relating to:

- (a) the Company's business, affairs, customers, clients, suppliers, plans, intentions, or market opportunities;
- (b) the Company's operations, processes, product information, know-how, technical information, designs, trade secrets or software;
- (c) any information, findings, data or analysis derived from Confidential Information; and
- (d) any other information that we identify as being of a confidential or proprietary nature.

1. In consideration of our agreeing to supply, and so supplying, the Confidential Information to you and agreeing to enter into discussions with you, you hereby represent that you are a person who falls within Article 19 (disregarding paragraph (6) of that Article) or Article 49 (disregarding paragraph 2(e) of that Article) of the Financial Services and Markets Act 2000 (Financial Promotion) Order and undertake and agree as follows:

- (a) to hold the Confidential Information in confidence and not to disclose or permit it to be made available to any person, firm or company (except to other Disclosees) without our prior written consent;
- (b) only to use the Confidential Information for the Permitted Purpose;
- (c) not copy, reduce to writing or otherwise record the Confidential Information except as strictly necessary for the Permitted Purpose. Any such copies, reductions to writing and records shall belong to us;
- (d) not use, reproduce, transform or store the Confidential Information in an externally accessible computer or electronic information retrieval system or transmit it in any form or by any means outside its usual place of business;
- (e) apply the same security measures and degree of care to the Confidential Information as you apply to your own confidential information, which you warrant as providing adequate protection from unauthorised disclosure, copying or use;
- (f) to ensure that each person to whom disclosure of Confidential Information is made by you is fully aware in advance of your obligations under this letter and that, in the case of any other third party, you obtain (i) our prior written consent that such disclosure of Confidential Information can be made by you and (ii) an undertaking in respect of the Confidential Information from each such third party to whom disclosure of Confidential Information is made by you, on terms equivalent to those contained in this letter;

- (g) you shall be liable for any actions or omissions of the Disclosees in relation to the Confidential Information as if they were your actions or omissions;
- (h) if requested by us at any time by notice in writing, you shall promptly: (i) destroy or return to us all documents and materials (and any copies) containing, reflecting, incorporating or based on the Confidential Information; (ii) erase all the Confidential Information from your computer and communications systems and devices used by you, or which is stored in electronic form; (iii) to the extent technically and legally practicable, erase all the Confidential Information which is stored in electronic form on your systems and data storage services provided by third parties; and (iv) certify in writing to us that you have complied with the requirements of this paragraph (1)(h), save for any Confidential Information that you are required to retain by applicable law, or to satisfy the requirements of a regulatory authority or body of competent jurisdiction or the rules of any listing authority or stock exchange to which you are subject;
- (i) to keep confidential and not reveal to any person, firm or company (other than Disclosees) the fact of your investigations into the Company or that discussions or negotiations are taking place or have taken place between us in connection with the proposed transaction or that potential investors/acquirers are being sought for the Company;
- (j) that no person gives any warranty or makes any representation as to the accuracy or otherwise of the Confidential Information, save as may subsequently be agreed.

This paragraph 1 does not exclude liability for, or any remedy in respect of, fraudulent misrepresentation.

2. Nothing in paragraph 1(a) to (j) of this letter shall apply to any information or Confidential Information:
  - (a) which at the time of its disclosure is in the public domain;
  - (b) which after disclosure comes into the public domain for any reason except your failure, or failure on the part of any Disclosee, to comply with the terms of this letter;
  - (c) which the parties agree in writing is not confidential;
  - (d) which was lawfully in your possession prior to such disclosure;
  - (e) which is subsequently received by you from a third party without obligations of confidentiality (and, for the avoidance of doubt, you shall not be required to enquire whether there is a duty of confidentiality); or
  - (f) which you or a Disclosee are required to disclose, retain or maintain by law or any regulatory or government authority.
3. In consideration of the representation and undertakings given by you in this letter, we undertake and agree:
  - (a) to keep confidential and not to reveal to any person, firm or company (other than persons within our group who need to know, our bankers and professional advisers) the fact of your investigation into the Company or that discussions or negotiations are taking place or have taken place between us; and
  - (b) confirm that any personal information contained or referred to in any of the Confidential Information, has been obtained, maintained and handled and all relevant licences, authorities and consents have been obtained in accordance with all applicable data protection laws, rules and regulations.
4. Without prejudice to any other rights or remedies that we may have, you acknowledge and agree that damages alone would not be an adequate remedy for any breach of the terms of this letter. Accordingly, we shall be entitled to the remedies of injunctions, specific performance or other equitable relief for any threatened or actual breach of the terms of this letter by you.
5. Nothing in this letter shall impose an obligation on us to continue discussions or negotiations in connection with the Permitted Purpose, or an obligation on us to disclose any information (whether Confidential Information or otherwise) to you.
6. You shall indemnify us against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by us arising out of or in connection with any breach of the terms of this letter by you.

7. No term, condition or provision of this letter shall be enforceable under the Contracts (Right of Third Parties) Act 1999 by a person who is not a party to it.
8. This letter shall be governed by and construed in accordance with English law and the parties irrevocably submit to the exclusive jurisdiction of the Courts of England in respect of any claim, dispute or difference arising out of or in connection with this letter.
9. The obligations in this letter will terminate 18 months from the date that discussions relating to the Permitted Purpose cease.

Please indicate your acceptance of the above by signing and returning the enclosed copy of this letter as soon as possible.

Yours sincerely



**Evolution Complete Business Sales Limited**

info@evolutioncbs.co.uk  
Tel: +44 (0) 118 959 8224

I have read and agree to the terms of the above letter.

Signed by..... Name.....

Date.....

For and on behalf of (Company Name).....

Email Address..... Telephone.....