

Acquisition Opportunity 2206 – Forecast Revenue: c.£5.3m : Adj. EBITDA c.£2.17m

Digital Transformation through Complex Data to Cloud Migration and Integration Managed Services.

Our client is a uniquely positioned, fast growing provider of enterprise level Data Migration, Integration Development and Integration Managed Services that support its clients' Digital Transformation initiatives.

It has a diverse client base that includes major organisations in the Healthcare, Local Government, Utilities, Construction and Logistics sectors.

Blended revenue streams derive from long-term managed services, multi-year enterprise data migration projects, software licences and consultancy services. Financially, the business is exceptionally strong, highly profitable and cash generative with zero debt.

The Company's unblemished record of delivering data migration projects has resulted in a growing reputation for delivering large, complex data migration projects. These include some of the largest migration projects ever undertaken in the UK, including NHS Payroll system, Electronic Patient Records migration and HS2.

Consequently, it has significant opportunities for continued high growth, based on a strong pipeline of future projects from existing clients, partnerships, and framework agreements. In addition, the Pandemic has radically changed the working practices of most organisations, causing them to accelerate the move of critical enterprise applications to the cloud. Whilst the data to cloud migration market was strong before lockdown, analysts now forecast even greater growth.

Financial Summary

Year ending	Revenue £'000	G.P. £'000	Adj.EBITDA £'000
2021 (F'cast)	5,308	2,507	2,169
2020	2,912	1,472	1,202
2019	1,450	617	447

This Company presents an exceptional investment opportunity for both financial and strategic investor. An IM is available upon receipt of a signed Non-Disclosure Agreement.

Highlights

- Significant experience in major vendor data migrations, in particular Oracle and SAP
- Ability and experience to deliver any complex data migration programme
- Proven solutions and an immaculate track record of successful delivery of large, complex projects to healthcare, public and private sectors
- Blended revenue stream across on-going contracts, renewable product licences and multi-year migration projects
- Robust pipeline of recurring and long-term projects
- Framework agreements including G-Cloud
- Consistently profitable, highly cash-generative business with zero debt
- Exceptionally well placed to leverage opportunities in NHS interoperability and national cloud migration markets
- Strong Partner ecosystem
- Highly skilled, vastly experienced team

To receive the Information Memorandum please sign and return the attached NDA to

Neil Fortmuller, Business Development Manager
nfortmuller@evolutioncbs.co.uk
0118 334 7789





EvolutionCBS Limited
Merlin House
Brunel Road,
Theale
Berkshire
United Kingdom RG7 4AB

CONFIDENTIAL

6 July 2021

Dear Sirs

Confidentiality Letter Agreement

1. Disclosure

- 1.1 We, Evolution Complete Business Sales Limited (Company Number 07512536) (**Provider**), understand that you, (**Recipient**), are interested to receive information relating to our client(s) for the purpose of exploring business opportunities relating to the acquisition of and/or investment in our client(s), (**Purpose**). You warrant that you are a person who falls within Article 19 or Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
- 1.2 In this letter agreement, Confidential Information means all confidential or proprietary information (however recorded or preserved) relating to the Purpose that is disclosed or made available whether before or after the date of this agreement (in any form or medium), directly or indirectly, by the Provider to the Recipient.
- 1.3 In consideration of the Provider agreeing to disclose Confidential Information to the Recipient, the Recipient undertakes to the Provider that it shall:
 - (a) keep the Confidential Information secret and confidential;
 - (b) not use or exploit the Confidential Information in any way, except for or in connection with the Purpose;
 - (c) not copy, adapt otherwise record or reproduce the Confidential Information except as strictly necessary for the Purpose and with the written permission of the Provider. Any such copies, adaptation, record or reproduction shall be the property of the Provider;
 - (d) only make disclosure of the Confidential Information in accordance with paragraph 1.4 and paragraph 1.6. Any other disclosure can only be made with the Provider's prior written consent; and
 - (e) establish and maintain adequate security measures to safeguard the Confidential Information from unauthorised access or use.
- 1.4 The Recipient may disclose the Confidential Information to any of its subsidiaries, group companies, officers, employees, advisers, subcontractors and contractors (Representatives) that need to know the relevant Confidential Information for the Purpose only, provided that the Recipient procures that each such Representative to whom the Confidential Information is disclosed complies with the obligations set out in this letter agreement as if they were the Recipient.
- 1.5 The Recipient shall be liable for the actions or omissions of the Representatives in relation to the Confidential Information as if they were the actions or omissions of the Recipient.



EvolutionCBS Limited
Merlin House
Brunel Road,
Theale
Berkshire
United Kingdom RG7 4AB

- 1.6 The Recipient may disclose the Confidential Information to the minimum extent required by:
- (a) any order of any court of competent jurisdiction or any regulatory, judicial, governmental or similar body or taxation authority of competent jurisdiction;
 - (b) the rules of any listing authority or stock exchange on which the Recipient's shares are listed; or
 - (c) the laws or regulations of any country to which the Recipient's affairs are subject.

2. Limitations on obligations

The obligations set out in paragraph 1 shall not apply, or shall cease to apply, to Confidential Information which the Recipient can show to the Provider's reasonable satisfaction:

- (a) that it is, or becomes, generally available to the public, other than as a direct or indirect result of the information being disclosed by the Recipient in breach of this letter agreement; or
- (b) was already lawfully known to the Recipient before it was disclosed by the Provider; or
- (c) has been received by the Recipient from a third-party source that is not connected with the Provider and that such source was not under any obligation of confidence in respect of that information.

3. Return of the Confidential Information

- 3.1 If requested by the Provider at any time, the Recipient shall immediately destroy or return to the Provider all documents and other records of the Confidential Information or any of it in any form that have been supplied to or generated by the Recipient. If the Confidential Information is stored in electronic form, the Recipient shall (to the extent technically and legally practicable) permanently erase all such Confidential Information from its computer and communications systems and devices used by it.
- 3.2 The Provider may request the Recipient to certify in writing that it has complied with any of the obligations in paragraph 3.1.
- 3.3 Nothing in clause 3.1 shall require the Recipient to return or destroy any documents and materials containing or based on the Confidential Information that the Recipient is 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 it is subject.

4. Term and termination

- 4.1 If the Provider decides not to continue to be involved in the Purpose with the Recipient, it shall notify the Recipient immediately.
- 4.2 Notwithstanding the termination of discussions between the parties in relation to the Purpose pursuant to paragraph 4.1, the obligations of the Recipient shall continue for a period of 18 months from the termination of this letter agreement.
- 4.3 The termination of this letter agreement shall not affect any accrued rights or remedies to which either party is entitled.

5. Acknowledgment and inadequacy of damages

The Recipient acknowledges and agrees that:

- (a) the Confidential Information may not be accurate or complete and the Provider makes no warranty or representation (whether express or implied) concerning the Confidential Information, or its accuracy or completeness; and



EvolutionCBS Limited
Merlin House
Brunel Road,
Theale
Berkshire
United Kingdom RG7 4AB

(b) damages alone would not be an adequate remedy for any breach of the terms of this letter agreement by the Recipient. Accordingly, the Provider shall be entitled to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of this letter agreement.

6. Indemnity

6.1 The Recipient shall indemnify the Provider 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 the Provider arising out of or in connection with any breach of this agreement by the Recipient or a permitted recipient.

6.2 If a payment due from the Recipient under clause 6.1 is subject to tax (whether by way of direct assessment or withholding at its source), the Provider shall be entitled to receive from the Recipient such amount as shall ensure that the net receipt, after tax, of the Provider in respect of the payment is the same as it would have been were the payment not subject to tax.

7. Governing law and jurisdiction

7.1 This letter agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

7.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this letter agreement or its subject matter or formation.

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

Yours faithfully,

Signed by Mike Whittle, Managing Director
for and on behalf of Evolution Complete Business Sales Limited

We acknowledge receipt and agree to the terms of this letter agreement:

Signed by

For and on behalf of

[NAME OF COMPANY RECEIVING INFORMATION]

Date