

INVESTMENT FACT SHEET - 10.0%_{PA} LOAN NOTE



BOILERS



HEAT PUMPS



INSULATION



SOLAR PANELS

INVESTMENT OPPORTUNITY

Clementine Services is a trade services provider and green renewables installer operating in the North East of England. We are growing our field teams of installers across a diversified array of trade and renewables business.

We target combi-swaps, air source heat pumps, insulation work, solar PV panels, battery storage and EV charging point installations. Often several of these are installed at the same time as a package. All are fast growing markets and our loan notes help us to put more vans and installers on the road every month.

An exit of around 7x-8x earnings is sought in 3-5 years. We are seeking to raise £3.5m to fund 200 installers, vans, dispatch and support teams over the coming years. The target EBITDA of a 200+ strong field team is £2m-3m, putting the expected exit range at around £14m-£20m. Facilities is a distinct sector with active buyers looking to aggregate earnings and grow a national exposure. Clementine is well positioned to be attractive to such larger corporate entities.

RETURN EXPECTED

Our next issue of loan notes carry a coupon of 10.0%_{pa}. Here is an illustration of the returns that can be expected:

INVESTMENT:	£25,000	£50,000	£100,000
Interest Rate:	10.0% pa	10.0% pa	10.0% pa
Contract Return:	£32,500	£65,000	£130,000
Interest:	£2,500pa	£5,000pa	£10,000pa
Per Month:	£208pm	£417pm	£833pm
Term:	3 years	3 years	3 years

FIXED TERM & EXIT

Each loan note is for an expected **3 year term**. It takes around 6 months to train each new installation team up to a standard where they are income producing. Each investor has the option to request capital repayments from 12 months onwards meaning Clementine will make up to 24 capital repayments until the invested capital sum has been returned in full.

SECURITY OFFERED

Each note is covered in three layers. Firstly, any large items (vans etc) purchased by way of the note will be designated against your investment. This will provided around 20% cover in first instance. Secondly, further security is offered by The Adavo Group's existing portfolio, currently housing around £3m+ in equity. **Thirdly, a director's guarantee is also offered.**

GROUP STATUS: Limited Company

DIRECTORS:

Mark Black LLB, MBA
Kerry Black

MANAGING DIRECTOR:
Mark Black

EMPLOYEES: 25+

CONTRACTORS: 12+

GROUP GROSS ASSET VALUE:
£9.5m+

GROUP NET ASSET VALUE:
£3m+

GROUP LOAN TO VALUE:
68.8%

2020 REVENUES:
£773,957
2021 **2022**
£868,787 £1,266,820

OPERATING MARGIN:
37%+

OFFICES DEVELOPED: 153

HEAD OFFICE:
The Town Hall
High Street East
Wallsend
Tyne & Wear
NE28 7AT

**Over £2m+
interest paid
to date.**

**£4m+ revenue
collected.**

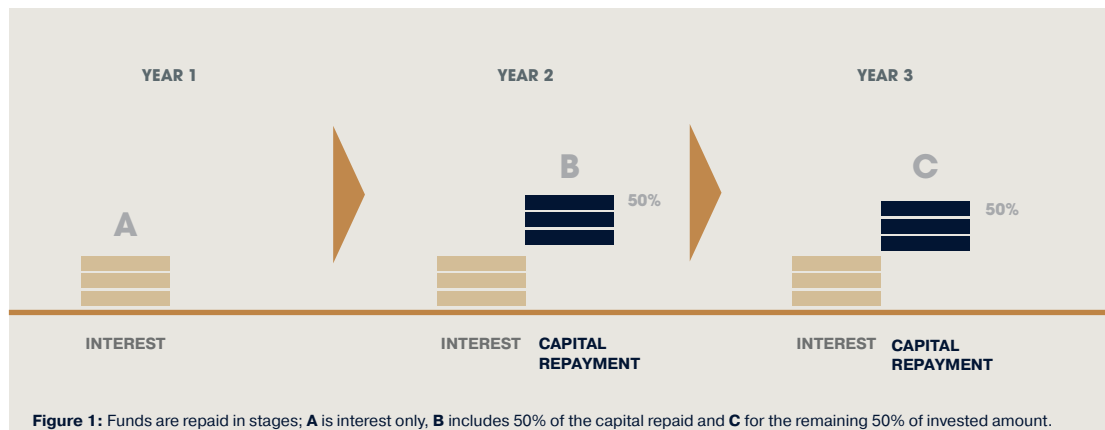
Clementine



INVESTMENT STRUCTURE

Clementine Services raises capital via loan notes issued from Clementine Services Limited. We raise in parcels of £25,000 to fund the progressive purchase, training and development of new field teams, vans, tools & equipment and associated costs. The process is continuous as we build up to our 200+ van target. Our staged approach is designed to manage risk and increase the debt efficiency of the project.

Each field team member has a monthly revenue target of **£7,500-£10,000pm**, which translates to **£375-£500 average revenue per day**. We track each installer for utilisation targets, average monthly revenue and compliance to monitor productivity levels. Each £25,000 parcel will fund a minimum of 2 new installers which provides excellent, diversified cash flow cover for the monthly interest payments as well as optional capital repayments during the term.



Interest is paid monthly from drawdown at a net coupon of 10% per annum. The deal figures are fixed and if needed, Clementine's existing revenues from already productive field teams can be accessed to top up any budget overage as part of the financial controls to ensure a seamless delivery and exit for each new field team.

GAME-CHANGING TECHNOLOGY ADVANCES

Clementine has invested heavily in our systems, processes and technology. Using our advanced Dynamics 365 Field Service platform we have the ability to automatically arrange work orders, track locations, receive real-time updates from 200+ field teams. This gives unparalleled visibility of productivity levels, route optimisations, route density levels and allows us to maximise efficiency in a way previously not possible. It is a step-change in the facilities industry.

EXPERIENCED MANAGEMENT TEAM

We have a proven ability to manage process, deliver strong earnings and sustainable free cash flow and to grow into profit within a commercial timeframe. Clementine enjoys a highly experienced management team who have a strong track record. The management team has delivered several multi-million pound projects on time and on budget under the leadership of Mark Black (MD) and our senior management team. We have a settled operational team with industry relevant experience, with each member bringing a different skill set to the business and holding responsibilities that compliment their specific abilities. It is a highly capable project delivery team.

CUSTOMER REVIEWS

"The lads have been great. Good job, neat and tidy."

M KHALIQ

"On time, very polite. answered all questions. no mess left. Stepped in when others didn't."

W MACINTYRE

"What an excellent company. Came out within the hour, couldn't fault the process one bit."

P ATKINSON

"Good work and service. Very pleased. Happy to recommend."

MR N EDWARDS

LANDLORD TESTIMONIALS

"Clementine is really useful for us. Covering the major trades just makes it easier and we are delighted with the service."

H WILLIAMS

"Thanks for your help. Very happy to recommend."

C TAYLOR

"Paid in full and returned on time. I couldn't ask for any more really. Very happy."

B DAWSON

LETTING AGENTS TESTIMONIALS

"The Clementine team have been great. Very reliable."

S BATEMAN

"We just didn't have a maintenance solution we could count on. Clementine has changed that for us and it makes such a difference."

M ARMSTRONG

Clementine



EV CHARGING



ROOFING



HOME BATTERIES



MAINTENANCE



ELECTRICS



CARPENTRY



PLUMBING



JET WASHING

TRACK RECORD

Adavo as a group have made a consecutive 160+ monthly investor interest payments over a 12 year+ period, which includes during Covid. Clementine forms part of that same track record.

MINIMUM INVESTMENT

The typical investment sought for each loan note is £100,000. The minimum drawdown per installation team is £25,000, and further drawdowns are drawn down sequentially at each investors' discretion.

EARLY REDEMPTIONS

Early redemptions are allowed although there are fees charged for this service. We offer a secondary market for our loan notes on the following terms:

1. For notes under £50,000 - 30 days notice
2. For notes between £50,001-£250,000 - 90 days notice
3. For notes above £250,000 - 90 days notice (*on a 'best endeavours' basis).

IMPORTANT INFORMATION

(1) The value of any investment can rise or fall. You may be at risk of losing some or all of your invested sum. Past performance is no guarantee of future performance.

(2) These loan notes do not qualify for the Financial Services Compensation Scheme nor the Financial Ombudsman Scheme.

(3) The UK facilities market is not a regulated market and Clementine Services Limited, as a facilities company, is not authorised by the FCA.

(4) You should seek professional advice from competent legal and financial advisors.

This factsheet is directly only at sophisticated investors, IFAs and private HNW persons in the UK and is not an offer or an invitation to buy or sell retail securities, nor does it solicit any such offer or invitation. It should only be read in conjunction with the project summary document to give an overall picture of the company investment and its risks. Please consider this illustration private and confidential.

HOW TO PROCEED

If you would like to proceed please contact us for a copy of the investment agreement and loan note brochure. The next stage is often to arrange a tour of the existing and proposed developments which also allows the change to meet our management team and see the operations in action.

Please call us on **T: 0191 323 3398** or email us anytime at **investors@clementine.services**.

INVESTOR TESTIMONIALS

"Adavo Group have been great to invest with. It's been a genuine pleasure to be involved."

C ROBERTSON

"The only investment we have that has continued to pay without interruption through Covid has been you guys. Well done."

C BALLMER

"Paid in full and returned on time. I couldn't ask for any more really. Very happy."

B DAWSON

CUSTOMER REVIEWS

"Job was booked in quickly and costs laid out upfront. Great service."

G FRANKLAND

"Very friendly and professional service. Will be using this company again in the future and have already recommended."

L SUTTON

"Amazing job. Quick to respond and did the work quickly and professionally for a good price."

MRS E REYNOLDS

"Fitted our new heat pump and it's working great. Thanks for the advice throughout."

G GREEN