

## PRESS RELEASE

### REDISHRED CAPITAL CORP.

Mississauga, Ontario

December 3, 2021

### REDISHRED CAPITAL CORP. PROVIDES ADDITIONAL UPDATE ON THE PREVIOUSLY ANNOUNCED ACQUISITION OF AMERICAN SECURITY SHREDDING CORP.

Redishred Capital Corp. (“Redishred” or “Company”) (TSXV: KUT) previously announced this morning the completion of the acquisition of American Security Shredding Corp. (“American Shredding”) effective December 1, 2021. As previously announced, American Shredding offers paper and hard drive shredding, product destruction, and electronic waste recycling services. American Shredding serves primarily the New York and New Jersey markets, and earned approximately \$4.1M USD in revenue during fiscal 2020 and has a current run rate of \$4.6M USD in revenue for 2021.

The Company also wants to highlight the *pro forma EBITDA margin* (See “Cautionary Note Regarding Non-IFRS measures”) of American Shredding for 2021 which is estimated to be in the range of thirty-two to thirty-five percent. Consolidated *EBITDA margin* of Redishred for the three and nine months ended September 30, 2021 was twenty-nine percent, as previously announced by the Company.

### About Redishred

Redishred Capital Corp. is the owner of the **PROSHRED®** trademarks and intellectual property in the United States and Internationally. **PROSHRED®** shreds and recycles confidential documents and proprietary materials for thousands of customers in the United States in all industry sectors. **PROSHRED®** is a pioneer in the mobile document destruction and recycling industry and has the ISO 9001:2015 certification. It is PROSHRED®'s vision to be the ‘system of choice’ and provide shredding and recycling services on a global basis. PROSHRED® currently services over 40 markets in the United States. Redishred Capital Corp. grants PROSHRED® franchise businesses in the United States and by way of license arrangement in the Middle East. Redishred Capital Corp. also operates fourteen corporate shredding businesses directly. The Company’s plan is to grow its business by way of both franchising and the acquisition and operation of document destruction businesses that generate stable and recurring cash flow through a scheduled client base, continuous paper recycling and concurrent unscheduled shredding service.

### FOR FURTHER INFORMATION PLEASE CONTACT:

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*Note: The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.*

### Caution Regarding Forward Looking Information

*This news release contains forward looking statements that reflect the current expectations of management of Redishred and Redishred's future results, performance, achievements, prospects and opportunities. Wherever possible, words such as “may”, “will”, “estimate”, “believe”, “expect”, “intend” and similar expressions have been used to identify these forward looking statements. These statements reflect current beliefs and are based on information currently available to management of Redishred. Forward looking statements necessarily involve known and unknown risks and uncertainties. A number of factors, including those discussed in the 2020 management discussion and analysis under “Risk Factors”, could cause actual results, performance, achievements, prospects or opportunities to differ materially from the results discussed or implied in the forward looking statements.*

*These factors should be considered carefully and a reader should not place undue reliance on the forward looking statements. There can be no assurance that*

*the expectations of management of Redishred will prove to be correct.*

*In particular, certain statements in this document discuss Redishred's anticipated outlook of future events. These statements include, but are not limited to:*

- (i) Pro-forma EBITDA margins, which may be impacted by industry growth levels, the demand for services, changes in local and federal regulations, the economic situation in the United States, and the realization of synergies, which may be impacted by the successful integration of operations, procedures, and personnel.*

*Readers are cautioned that such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from these statements. Redishred can give no assurance that actual results will be consistent with these forward-looking statements.*

**Cautionary Note Regarding Non-IFRS Measures**

*This press release makes reference to certain Non-IFRS measures that do not have a standardized meaning under IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies. The Company includes these measures as a means of measuring financial performance. More specifically, the Company makes reference to the following Non-IFRS measures:*

*EBITDA is defined as earnings before interest, taxes, depreciation and amortization.*

*EBITDA margin is defined as the percentage of revenue that has turned into EBITDA.*

*Pro forma EBITDA is defined as EBITDA, for the referenced company, for the twelve months ended with respect to the fiscal period being referenced, adjusted for the anticipated cost savings and other synergies that the Company anticipates as a result of the acquisition of the referenced company, as if the Company had acquired the referenced company at the beginning of the fiscal period.*

*Pro forma EBITDA margin is defined as the percentage of revenue that has turned into Pro forma EBITDA.*