



THE REASON WHY YOU WOULD OWN THE LONDON TUNNELS PLC

PRIVATE EQUITY (ESG) FUND INC. TARGET COMPANY

The London Tunnels will be a major new monopolistic heritage & cultural experience within the adaptively reused Kingsway Exchange Tunnels 40 metres below ground.



WHAT ARE THE KINGSWAY EXCHANGE TUNNELS?

Below Holborn is one of London's best kept historical secrets. The Kingsway Exchange, so named for the purposes of misdirection, was originally built as a deep level bomb shelter for up to 8,000 people in 1942, although never actually used as such. Upon completion the tunnels were requisitioned by MI5 and MI6 and other agencies for wartime covert operations. The Kingsway continued to be a state secret as important government and defence communications were connected through it. These included the lines to Number 10, the Cabinet Office and the Cold War hotline between the White House and the Kremlin.

The Tunnels are also referred to as the location of Q Branch in Ian Fleming's James Bond novels.



WHAT WILL "THE LONDON TUNNELS" BECOME?

The London Tunnels will be a walk-through immersive heritage and cultural experience within the adaptively reused Kingsway Exchange Tunnels 40 metres below ground. London's vast growing footfall translates into impressive visitor statistics for the city's tourist attractions including; The London Eye which has over 3.5m visitors a year and Madame Tussauds which has 2.5m visitors a year.

With the tunnels being in such a prime location for an immersion experience, The London Tunnels Ltd would be a potential target for companies already investing in the immersive entertainment market. Companies such as Warner Brothers and Disney have the perfect premium content to utilise this irreplaceable unique space.

WHY INVEST IN "THE LONDON TUNNELS"

Location: The London Tunnels is located in the heart of London under Holborn, an area that has 45 million visitors within 45 minutes.

Unique: The Kingsway Exchange Tunnels are a unique irreplaceable asset of an immense size; over a mile-long, 40m underground and 7.6m in diameter.

World Class Counterparties: The London Tunnels is partnered with world-class counterparties, including WilkinsonEyre, WSP, Gardiner & Theobald, TVAC, Montagu Evans and DBOX.

Valuation/Upside: The London Tunnels has potential for huge upside with future estimated valuations in the range of £480/£620 million. (£34.2m EV/EBITDA at an EV/EBITDA multiple of 14)

Revenue: With 3 million visitors a year at a ticket price of £30 a ticket, this would generate £90 million in revenue.

Planning Approval: The London Tunnels has received pre planning advice from the Camden and City of London councils and is confident it will achieve full planning permission after the submission in Q4 2023.

Popularity: The immersive entertainment market is growing extremely fast.

Media Coverage: The project has had a vast media coverage following the public announcement. Below are some of the media stats.

Risks

- **Pandemics.** Should another pandemic like COVID-19 arise and the government order another lockdown, this would greatly impact the London Tunnels ability to generate revenue.
- **Inflation.** High levels of Inflation will reduce the purchasing power of the consumer. This is due to the fact that the cost of living will increase, giving the consumer less disposable income.
- **Global Economic Growth.** Economic growth can lead to higher operating costs for businesses, including those in the tourism industry. This could result in increased prices for accommodation, food, and other services, making London a more expensive destination for tourists.

