

PRIVATE EQUITY (ESG) FUND INC. NEWSLETTER

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The Private Equity (ESG) Fund Inc. is supporting The London Tunnels offering of 20% of the company's equity as a direct listing on the London Stock Exchange

BUSINESS DESCRIPTION

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

Key Facts

- Located in Central London, Holborn / High Holborn, directly under Chancery Lane tube station.
- Capacity of up to four million people. The actual "Q Branch" from James Bond was located in the Kingsway Exchange Tunnels.
- Partnered with world-class counterparties, including WilkinsonEyre, WSP, Gardiner & Theobald, TVAC, Montagu Evans and DBOX.
- The Tunnels are of immense size, over a mile-long, 40m underground and 7.6m in diameter.

MARKET

The immersive experiences market was valued at \$21.7B USD (by Precedence Research, 2022), and is poised to reach \$134.2B USD by 2030. As highlighted through this substantial growth, the market is in a very healthy state. London's vast, growing footfall translates into impressive visitor statistics for the city's tourist attractions including; The London Eye has over 3.5m visitors a year and Madame Tussauds has 2.5m visitors a year. By 2025, London is projected to attract over 40 million overnight visitors a year. Greater Paris recorded 38 million tourists in 2018 and is estimated to welcome more than 50 million in 2040.

COMPANY VALUATION FREE CASH FLOW YIELD, EV/EBITDA

£34.2m EV/EBITDA

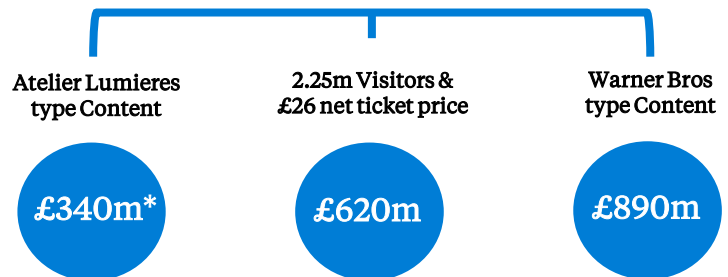
EV/EBITDA 14X

2.25m Visitors est. (Yr 3)

£480/£620
Million

PROJECTED POTENTIAL VALUATION BASED ON EBITDA (Yr 3)

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 unique space.



* Range From 337m-434m

The London Eye was valued at £700m (2015).
Deloitte estimate that the social asset value of the Sydney Opera House is \$6.2 billion.

Use of Proceeds: Progress RIBA with Architects and Structural Engineers towards Construction, Purchase of Properties, Consolidation of Debt, Working Capital.

INVESTMENT INFORMATION

