THE LONDON TUNNELS PLC

(*a public limited company incorporated under the laws of England and Wales*)

Admission to listing and trading on Euronext Amsterdam

This prospectus (the **Prospectus**) has been prepared in connection with the admission to listing and trading of the ordinary shares in the capital of The London Tunnels PLC (the **Company**), with a nominal value of £0.001 each (the **Ordinary Shares**) on Euronext Amsterdam (**Euronext Amsterdam**), a regulated market operated by Euronext Amsterdam N.V. (the **Listing**) and the subsequent admission to listing and trading of the Placing Shares (as defined herein) (the **Subsequent Listings**).

Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "TLT". Following the Listing, application will be made for the admission of the Placing Shares. It is expected that the Listing will become effective and that trading in the Ordinary Shares on Euronext Amsterdam will commence on 27 June 2024 and the Subsequent Listings will become effective and trading in the Placing Shares will commence for up to 90 days following the Listing.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Ordinary Shares or any other securities issued by the Company.

Investing in the Ordinary Shares involves risks. See "*Risk Factors*" for a description of the risk factors that should be carefully considered before investing in the Ordinary Shares.

Trades in the Ordinary Shares on Euronext Amsterdam shall settle via the facilities of the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland (**Euroclear Nederland**).

ABN AMRO Bank N.V. (**ABN AMRO**) is acting as listing agent in connection with the Listing and the Subsequent Listings (the **Listing Agent**).

The distribution of this Prospectus may be restricted by law in certain jurisdictions and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) or the securities laws of any state of the United States and may not be offered or sold within the United States expect pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Prospective investors in the Ordinary Shares should carefully read "*Important Information—General*").

This Prospectus constitutes a prospectus for the purposes of, and has been prepared in accordance with, Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant delegated regulations, the **Prospectus Regulation**). This Prospectus has been approved as a prospectus for the purposes of Article 3 of the Prospectus Regulation by, and filed with, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**) as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standard of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus and of the Company. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The validity of this Prospectus will expire on the earlier of (i) the last date of any Subsequent Listing and (ii) 12 months from the date of this Prospectus. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies shall cease to apply when this Prospectus is no longer valid (see "*Important Information—Supplements*").

Prospective investors should read the entire document and, in particular, the section headed "*Risk Factors*", when considering an investment in the Company.

Listing Agent
ABN AMRO

This Prospectus is dated 24 June 2024

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SUMMARY

Introduction and warnings

Introduction

This summary should be read as an introduction to the prospectus (the **Prospectus**) prepared in connection with the admission to listing and trading of the ordinary shares in the capital of The London Tunnels PLC (the **Company**), with a nominal value of £0.001 each (the **Ordinary Shares**) on Euronext Amsterdam (**Euronext Amsterdam**), a regulated market operated by Euronext Amsterdam N.V. (the **Listing**) and the subsequent admission to listing and trading of the Placing Shares (as defined herein) (the **Subsequent Listings**).

The Company is a public limited company incorporated and domiciled in England and Wales. The Company's registered address is 2nd Floor Nicola Jane House, Southern Gate, Chichester, West Sussex, United Kingdom, PO19 8SE and its telephone number is +44 (0)1243 790 298. The Company is registered under number 13160590. The Company's legal entity identifier (**LEI**) is 2138004SGDBMQ6VPDI31. The Company operates under the laws of England and Wales. The Ordinary Shares' international security identification number (**ISIN**) is GB00BS28ZN53.

The Prospectus was approved as a prospectus for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant delegated regulations, the **Prospectus Regulation**) by, and filed with, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**), as a competent authority under the Prospectus Regulation, on 24 June 2024. The AFM's registered office is at Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands and its telephone number is +31 (0)20 797 2000.

Warnings

Any decision to invest in any Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor and not just the summary. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in, or incorporated by reference into, the Prospectus is brought before a court, the plaintiff investor might, under the national law of the member states of the European Economic Area, have to bear the costs of translating the Prospectus and any documents incorporated by reference therein before the legal proceedings can be initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

Key information on the Company

Who is the issuer of the Ordinary Shares?

Domicile, legal form, LEI, legislation and country of incorporation. The Company is a public limited company incorporated and domiciled in England and Wales. The Company's registered address is 2nd Floor Nicola Jane House, Southern Gate, Chichester, West Sussex, United Kingdom, PO19 8SE and its telephone number is +44 (0)1243 790 298. The Company is registered under number 13160590. The Company's LEI is 2138004SGDBMQ6VPDI31. The Company operates under the laws of England and Wales.

Principal activities. The Company has agreed to acquire the leasehold title to the Kingsway Exchange Tunnels, together with two surface level entrance buildings at 31-33 High Holborn and 38-39 Furnival Street in central London (together, the **Tunnels**). The Tunnels were built as part of the United Kingdom Government's strategy to protect its citizens from bombing during what became known as the London Blitz. The Company intends to develop a series of visitor attractions in the Tunnels by restoring, adaptively reusing and bringing back to life the Tunnels, offering a combination of historical heritage experiences and a cultural, beautifully designed, multi-sensory, digital experience. It is intended that the Tunnels in their fully restored and renovated state will form the principal tourist attraction.

Share capital. As at the date of the Prospectus and the date of the Listing (the **Listing Date**), the Company's share capital comprises Ordinary Shares only, each with a nominal value of £0.001. The Ordinary Shares' ISIN is GB00BS28ZN53.

Major shareholders. As at the date of the Prospectus, Cupcake Partners Limited (**Cupcake**) (holding 50,000,000 Ordinary Shares) and Private Equity (ESG) Fund Inc. (**PEF**) (holding 4,452,850 Ordinary Shares) have a substantial shareholding in the Company within the meaning of Chapter 5.3 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the **Dutch FSA**). On the Listing Date, Cupcake and PEF will have the same number of Ordinary Shares and will also hold a substantial shareholding in the Company within the meaning of Chapter 5.3 of the Dutch FSA.

Shareholders[(1)]	As at the date of the Prospectus: Number of Ordinary Shares	As at the date of the Prospectus: Percentage of issued share capital and voting rights	On the Listing Date: Number of Ordinary Shares	On the Listing Date: Percentage of issued share capital and voting rights
Cupcake Partners Limited[(2)]	50,000,000	80.94%	50,000,000	76.33%
Private Equity Fund (ESG) Inc.[(3)]	4,452,850	7.21%	4,802,100	7.33%
Other shareholders[(4)]	7,320,172	11.85%	10,698,822	16.34%
Total	**61,773,022**	**100.00%**	**65,500,922**	**100.00%**

Notes:
1. All shareholders holding Ordinary Shares (each, a **Shareholder**) on the Listing Date will be subject to a lock-up.
2. Cupcake Partners Limited is wholly owned by Angus Murray.
3. PEF is an investment fund of which Angus Murray is a director. PEF holds (i) 1,722,993 Ordinary Shares (2.79% on the date of this Prospectus) for the benefit of Castlestone Management LLC (**Castlestone**), an investment adviser wholly owned by Angus Murray, and (ii) 2,729,857 Ordinary Shares (4.42% on the date of this Prospectus) for the benefit of a number of independent Shareholders.
4. This category consists of a group of 324 Shareholders, consisting of both individual and institutional investors who are mainly located outside the UK/EU, of which the largest Shareholder holds 1.87% of the Ordinary Shares. As far as the Company is aware, none of the other Shareholders has a substantial shareholding in the Company within the meaning of Chapter 5.3 of the DFSA or acts in concert.

The Company is ultimately controlled by Angus Murray who owns 100% of the issued share capital of Cupcake. PEF is an investment fund of which Angus Murray is a director and which holds 1,722,993 Ordinary Shares for the benefit of Castlestone Management LLC (**Castlestone**), an investment adviser wholly owned by Angus Murray.

Key managing directors. The Company's key managing directors are Angus Murray, executive director and chief executive officer, and Katharine Leo, executive director and chief operations officer.

Independent auditor. Crowe U.K. LLP has audited the financial statements of the Company for the period from incorporation on 27 January 2021 to 31 December 2021 and the subsequent 15-month period ended 31 March 2023 as included in this Prospectus. Following the Listing, BDO LLP will be the independent auditor of the Company.

What is the key financial information regarding the Company

Selected financial information. The tables below set out a summary of the audited financial statements of the Company for the period from incorporation on 27 January 2021 to 31 December 2021 and the subsequent 15-month period ended 31 March 2023, together with the unaudited company interim financial statements for the six-month period ended 30 September 2023. The audited financial statements of the Company for the year ended 31 March 2024 will be published on or before 31 July 2024.

Summary Statements of Comprehensive Income

Summarised below are the audited Statements of Comprehensive Income of the Company for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statement of Comprehensive Income of the Company for the six-month period ended 30 September 2023:

	Audited Period ended		***Unaudited 6 months ended***	
	31 March 2023	**31 December 2021**	**30 September 2023**	**30 September 2022**
	£	**£**	**£**	**£**
Total revenue	—	—	—	—
Net profit or loss	(219,694)	(91,702)	(610,135)	—
Loss per Ordinary Share	(0.003)	0.012)	(42.08)	—

Summary Statements of Financial Position

Summarised below are the audited Statements of Financial Position of the Company as at 31 December 2021 and 31 March 2023, together with the unaudited Statements of Financial Position of the Company as at 30 September 2023 and 30 September 2022:

	Audited As at 31 March 2023 £	Audited As at 31 December 2021 £	Unaudited As at 30 September 2023 £	Unaudited As at 30 September 2022 £
Total assets	2,890,965	32,400	25,760,715	32,900
Total equity	(127,539)	(59,302)	5,614,112	32,400

Summary Statements of Cash Flows

Summarised below are the audited Statements of Cash Flows of the Company for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statement of Cash Flows of the Company for the six-month period ended 30 September 2023 and 30 September 2022:

	Audited Period ended 31 March 2023 £	Audited Period ended 31 December 2021 £	Unaudited 6 months ended 30 September 2023 £	Unaudited 6 months ended 30 September 2022 £
Net cash (used in)/from operating activities	(283,275)	—	553,956	—
Net cash used in investing activities	—	—	(2,655,463)	500
Net cash from financing activities	3,000,000	—	561,000	—

Subsequent to 30 September 2023 the Company:

- issued 265 zero coupon convertible bonds for £600 each to the value of £159,000 on 11 October 2023;
- issued 200 zero coupon convertible bonds for £600 each to the value of £120,000 on 18 October 2023;
- issued 100 zero coupon convertible bonds for £600 each to the value of £60,000 on 20 October 2023;
- paid a further £600,000 in respect of the deposit on the Tunnels on 24 November 2023;
- paid in aggregate a further £410,000 in respect of the deposit on 40 Furnival Street on 27 and 28 December 2023;
- issued £6,778,000 of Convertible Bonds between 30 September 2023 and the date of this Prospectus;
- converted £5,396,044 of zero coupon convertible bonds into 2,698,022 Ordinary Shares on 31 March 2024; and
- paid £491,000 of the £1,491,000 contingent liability on 9 April 2024 and 10 April 2024.

Other key financial information. No pro forma financial information or profit forecast has been included in the Prospectus.

What are the key risks that are specific to the Company

Any investment in the Ordinary Shares is associated with risks. Prior to any investment decision, it is important to carefully analyse the risk factors considered relevant to the future development of the Company and the Ordinary Shares. The following is a summary of the key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact which the materialisation of the risk could have on the Company's business, financial condition, results of operations and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

- The Company does not have sufficient working capital for its longer term requirements and may need to either delay and/or renegotiate its plans or dispose of part or all of its assets, including the Tunnels.
- The Company may not acquire the leasehold of the Tunnels as a result of which the Company will not be able to implement its business plan and the Shareholders could suffer a substantial reduction in the value of their Ordinary Shares.
- If the Company does not obtain planning permission to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business, results of future operations, financial condition and prospects.
- The Company has no operating history and there can be no certainty that the Company will generate any revenue or that it will create and launch a commercially successful visitor attraction in the Tunnels.
- The structural integrity of the Tunnels may be affected by factors related to their age or other, unforeseen and changing factors which may cause increases in costs and may adversely impact revenues.
- The safe removal of asbestos may take longer and cost more than the Company currently anticipates.
- The loss of one or more key members of the Company's management team or other personnel, or its failure to attract and retain other qualified and professional personnel in the future, could harm the Company's business, financial condition, results of operations and prospects.

- The Company targets to operate in a competitive market and there is no guarantee that sufficient numbers of visitors will be attracted by the Company's offering to make the Tunnels a commercial success.
- The development, installation and maintenance of new technologies purpose-build and designed for the Company may cost more time and money than the Company currently anticipates.
- Failures in, or disruption to, the Company's IT and other systems may have a material adverse effect on the Company's business, brands and reputation and financial condition.
- Reliance on the performance of other third party providers may have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Key information on the Ordinary Shares

What are the main features of the Ordinary Shares?

Type, class and ISIN. The Ordinary Shares are ordinary shares in the share capital of the Company with a nominal value of £0.001 each. The Ordinary Shares are denominated in and will trade in British pound sterling on Euronext Amsterdam. The ISIN of the Ordinary Shares is GB00BS28ZN53.

Rights attached to the Ordinary Shares. The Ordinary Shares will rank *pari passu* for voting rights, dividends and return of capital on winding up. Shareholders have the right to receive notice of, and to attend and vote at, any meetings of Shareholders. Each Shareholder entitled to attend and being present in person, by proxy or by a duly authorised corporate representative at a meeting shall have one vote on a show of hands and, on a poll, each such Shareholder shall have one vote for every Ordinary Share of which it is the holder.

Currency, Denomination, Par Value, Number of Securities Issued and Term of the Securities. The currency of the Ordinary Shares is British pound sterling. At the date of this Prospectus, the nominal value of one issued Ordinary Share is £0.001. The number of Ordinary Shares that have been issued at the date of the Prospectus, all of which have been fully paid up, is 61,773,022. On the Listing Date, there will be 65,500,922 Ordinary Shares in issue, all of which are fully paid. Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "TLT". Following the Listing, application will be made for the admission of the Placing Shares.

Rank of securities in the issuer's capital structure in the event of insolvency. The Ordinary Shares do not carry any rights in respect of capital to participate in a distribution (including on a winding-up) other than those that exist as a matter of law or under the Company's articles of association. The Ordinary Shares will rank *pari passu* in all respects.

Dissolution and liquidation. If the Company is liquidated or enters administration, the Company's assets shall (after the costs and expenses of the liquidation or administration have been paid) be paid to secured creditors, preferential creditors (including certain taxes and employee claims) and unsecured creditors together with applicable interest. The balance of the Company's assets remaining after all liabilities have been paid, if any, shall be transferred to the holders of Ordinary Shares in proportion to the nominal value of each shareholder's holding in Ordinary Shares.

Restrictions on free transferability of the Ordinary Shares. There are no restrictions under the Company's articles of association or under English or Dutch law that limit the right of shareholders to hold Ordinary Shares. The transfer of Ordinary Shares to persons who are located or resident in, or who are citizens of, or who have a registered address in jurisdictions other than the United Kingdom or the Netherlands may, however, be subject to specific regulations and/or restrictions according to their securities laws.

Dividend policy. Subject to the UK Companies Act, the Company may, by ordinary resolution, declare dividends to be paid to Shareholders according to their rights and interests in the profits of the Company available for distribution, but no dividend shall be declared in excess of the amount recommended by the board of the Company (the **Board**). The objective of the Board is the achievement of capital growth. The Board does not anticipate declaring or paying any dividends in the foreseeable future.

Where will the Ordinary Shares be traded?

Application. Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "TLT". Following the Listing, application will be made for the admission of the Placing Shares. Prior to being admitted to trading on Euronext Amsterdam, there has been no public trading market for the Ordinary Shares.

What are the key risks that are specific to the Ordinary Shares?

- There is currently no public trading market for the Ordinary Shares and there is a risk that an active and liquid trading market for the Ordinary Shares may not develop or be maintained and that the price of the Ordinary Shares may be volatile.
- There may initially be a lack of supply of, or demand for, Ordinary Shares on Euronext Amsterdam.
- Cupcake will remain in a position to exert substantial influence on the Company following the Listing and the interests pursued by Cupcake could differ from the interests of other Shareholders.

- Future equity offerings by the Company or offerings of a substantial number of Ordinary Shares by the major Shareholders, or the perception thereof, may adversely affect the market price of the Ordinary Shares and any future issuances may dilute investors' shareholdings.

Key information on the Listing

Under which conditions and timetable can I invest in the Ordinary Shares?

Offer. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Ordinary Shares or any other securities issued by the Company.

The Company has issued convertible bonds, raising £6,778,000 prior to the Listing, which will convert into 3,727,900 new Ordinary Shares on the business day prior to the Listing Date at a conversion ratio of 110% of the new Ordinary Shares that can be acquired by applying the outstanding amount of principal and interest (if any) to subscribe at the price of £2.00 per share (**Issue Price**) (the **Conversion Shares**).

Following the Listing, the Company intends to raise up to a further £30 million through the issue of up to a further 15,000,000 new Ordinary Shares to institutional investors in various jurisdictions, excluding the United States (the **Placing**) at the Issue Price (the **Placing Shares**) for up to 90 days following the Listing. The Company has received irrevocable commitments from 15 investors to subscribe for 12,490,000 Ordinary Shares at the Issue Price (i.e., for a total amount of £24,980,000) in the Placing.

Details of admission to trading. Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "TLT". Following the Listing, application will be made for the admission of the Placing Shares.

Jurisdictions. The Placing Shares will be offered to institutional investors in various jurisdictions, excluding the United States.

Timetable. It is expected that the listing of the Ordinary Shares will become effective and that trading in the Ordinary Shares on Euronext Amsterdam will commence on 27 June 2024 and the listings of the Placing Shares will become effective and trading in the Placing Shares will commence for up to 90 days following the Listing.

Listing Agent. ABN AMRO Bank N.V.

Dilution. The issue of the Conversion Shares, the Placing Shares and any early cash redemption of the remaining outstanding balance of the zero coupon convertible bonds (if any), will result in the following dilution:

	Dilution of issued shares in the share capital of the Company		
	Timing	**Percentage of dilution to the issued share capital on the date of this Prospectus**	**Percentage of dilution to the issued share capital on the date of the Listing**
Issue of Conversion Shares	On the business day prior to the date of the Listing	6.03%	n/a
Issue of Placing Shares(1)	Up to 90 days following the date of the Listing	additional 24.28%	22.90%
Issue of Ordinary Shares via early cash redemption of remaining outstanding balance of zero coupon convertible bonds	To be determined(2)	additional 1.70%	additional 1.61%

Notes:
1. Assuming that the Placing raises £30 million, which will result in the issue of 15,000,000 Placing Shares
2. The Company and PEF may agree to the early cash redemption of any remaining outstanding balance of the zero coupon convertible bonds, being £2,103,955 following the Listing, and that the cash amount, receivable by PEF, be applied to subscribe for further new Ordinary Shares at £2.00 per share. This would result in the issue of up to a further 1,051,978 Ordinary Shares.

Estimated expenses. The expenses, commissions and taxes related to the Listing and the Subsequent Listings payable by the Company are estimated to be approximately £1.4 million. No expenses or fees will be charged by the Company to investors in relation to the Listing and the Subsequent Listings.

Why is the Prospectus being produced?

Reasons for the Offer and the Listing. The Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Ordinary Shares or any other securities issued by the Company.

The Prospectus has been prepared in connection with the admission to listing and trading of the Ordinary Shares on Euronext Amsterdam and the subsequent admission to listing and trading of the Placing Shares.

The Company believes that a listing on Euronext Amsterdam will help to build its profile, create value for Shareholders and build a market for trading of the Ordinary Shares. The Company also believes that the Listing will improve the Company's ability to raise further capital over the coming years to support the Company's growth strategy and achieve the objectives of long-term value creation for Shareholders. In addition, it is expected to provide increased visibility of the Company's activities and the business as a whole. The Company believes that the reputation of Euronext Amsterdam will help the Company achieve its goals and objectives, including increased visibility to the international market, sound reporting and compliance structures, better liquidity which is more attractive to investors and a significant increase in access to capital which will assist the growth of the business.

Net proceeds. The Company will not receive any proceeds as part of the Listing and the Subsequent Listings.

Underwriting agreement. Not applicable.

RISK FACTORS

Before investing in the Ordinary Shares, prospective investors should carefully consider the risks described below, together with the other information contained or incorporated by reference in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, may have a significant negative impact on the Company's business, financial condition, results of operations and prospects. The price of the Ordinary Shares could decline and an investor might lose part or all of their investment upon the occurrence of any such event.

All these risk factors and events are contingencies which may or may not occur. The Company may face a number of these risks described below simultaneously. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Company's business, financial condition, results of operations and prospects. While the risk factors below have been divided into the most appropriate categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.

Although the Company believes that the risks described below are the material risks concerning the Company's business and industry, and the Ordinary Shares, they are not the only risks relating to the Company and the Ordinary Shares. Other risks, events, facts or circumstances not presently known to the Company, or that the Company currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Company's business, financial condition, results of operations and prospects.

Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to any Ordinary Shares. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their own professional adviser and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of their personal circumstances.

Risks relating to the Company's financial position

The Company does not have sufficient working capital for its longer term requirements and may need to either delay and/or renegotiate its plans or dispose of part or all of its assets, including the Tunnels.

Prior to the Listing, the Company has raised £6,778,000 under the Convertible Bonds, which will convert into new Ordinary Shares on the business day prior to the date of Listing (the **Listing Date**). After paying the balance of the costs of the Listing and the Subsequent Listings, these funds will only be sufficient to allow the Company to complete its Phase 1 work programme and to pay the management and administration costs of the Company to the end of March 2026.

As the Company still does not operate a revenue-generating business and is in the process of preparing the Tunnels for commercial launch, it may need to secure additional funding beyond March 2026 to sustain its operations. Without further funding, the Company might face challenges in continuing its activities and achieving its goal of launching commercially. The most significant payment obligation, being the leasehold purchase, has a payment date of 30 June 2025, which is beyond the twelve months covered by the working capital statement.

If at any stage the Company is not able to raise its longer term funding requirement as described below, it may need to either delay and/or renegotiate its plans or dispose of part or all of its assets, including the Tunnels. If these actions were unsuccessful, it is likely that the Company would not be able to continue as a going concern. If the Company is not able to continue as a going concern, it would enter an insolvency process and there would be no certainty of the value that may remain for holders of Ordinary Shares (the **Shareholders**), if any, once all liabilities had been settled, and the Ordinary Shares would cease trading.

Following the Listing, the Company intends to raise up to a further £30.0 million (before expenses) during the Placing Period. If the Placing is fully subscribed, this will allow the Company to complete the Phase 2 work programme and potentially to accelerate the pathway towards construction and launch. The Company has received irrevocable commitments from 15 investors to subscribe for 12,490,000 Ordinary Shares at the Issue Price (i.e., for a total amount of £24,980,000) in the Placing. There is no guarantee that the Company will receive the remaining £5,020,000 from the Placing.

The Company's strategy is to develop the Tunnels through to full commercial launch, which is currently anticipated to be 2027. The Company will need to raise additional capital to fund the Phase 3 work programme of the project, comprising manufacturing, construction as well as content and handover, as per RIBA Stages 5, 6 and 7.

The Company anticipates that this additional funding will need to be raised periodically from 2025 to at least 2027 and estimates that the total investment could be in the region of £120 million, assuming audio visual technology and hardware is leased. The Company believes that through a combination of equity, bank lending, non-bank lending (such as private credit) and/or the issue of a project bond it will be able to securing the necessary funds for the project.

The Company may not acquire the leasehold of the Tunnels.

The Company's business plan and strategic objective is to restore, renovate and develop the Tunnels to create a major new visitor attraction in central London. The Company has entered into an agreement for lease between Exchange Tunnels Limited (**ETL**), as landlord, and the Company, as tenant, in respect of the Tunnels dated 10 July 2023 under which the Company will be granted a lease of the Tunnels on completion of, and conditional on, the transfer of the Tunnels to ETL. Completion of the acquisition of the leasehold must take place on or before 30 June 2025. In turn, ETL entered into a binding agreement with British Telecommunications plc on 10 July 2023 for the freehold acquisition of the Tunnels. The purchase of the leasehold by the Company will be completed without financial gain or valuation arbitrage to ETL. ETL and British Telecommunications plc 'exchanged contracts' under the laws of England and Wales. By signing and exchanging contracts under the laws of England and Wales, the sale becomes legally binding, the buyer is committed by law to buying the property and the seller is committed by law to selling the property. The period of time between exchanging contracts and completion of the acquisition of the property, i.e. the actual transfer of the property, is agreed between the buyer and the seller of the property. ETL and British Telecommunications plc agreed that completion of the acquisition is due on 31 December 2024. See "*Business—Property acquisition and project development—Property acquisition—The Tunnels*". If completion of the acquisition of the Tunnels by ETL from British Telecommunications plc does not take place due to unexpected circumstances between the date of this Prospectus and 30 December 2024, the Company will not acquire the leasehold of the Tunnels on or before 30 June 2025, will have no recourse to ETL and will not be able to implement its business plan. In addition, the Company may have already incurred significant costs for detailed feasibility, design and engineering work required to progress the project towards construction. Accordingly, the Shareholders could suffer a substantial reduction in the value of their Ordinary Shares and such Shareholders are unlikely to have remedy for such reduction in value.

The Company may be exposed to prolonged periods of high inflation during both the construction and operational phases of the Tunnels project, which may have a material adverse effect on the Company's costs, financing, business and operating and financial results.

Prolonged periods of high inflation during the construction phase of the project would impact the input pricing for, amongst other things, building materials, labour and machinery costs, which will also rise with inflation. While inflation has been taken into account in the Company's capital expenditure budget, a prolonged period of high inflation could result in budget constraints and cost overruns, requiring the Company to amend its development plans or be required to seek additional financing. Such cost increases may be offset by increases to proposed ticket prices during the operational phase of the project. However, such price increases, together with negative macroeconomic conditions and negative consumer sentiment caused by a prolonged period of high inflation, may reduce ticket sales and visitor spend and so negatively impact the Company's revenue, business and operating and financial results.

The valuation of the Company's assets may be subject to significant uncertainty and variability, which may have a material adverse effect on its financial position.

The valuation of the Company's assets (including its intellectual property and right-of-use assets) are based on management's assessment on initial recognition and adjusted following subsequent impairment reviews on an ongoing basis. With respect to the right-of-use asset, the carrying value on initial recognition is measured at the amount of the lease liability, rather than the actual value of the Tunnels themselves. Following an asset's initial recognition, subsequent events may occur that lead management to undertake an impairment review, the result of which may lead to a reduction in the carrying amount of a Company's asset. Factors which could indicate an impairment may include events which directly affect the Tunnels themselves, such as flooding, subsidence or fire, events which may affect the development of the Tunnels, such as planning approvals and consents, development costs and design, or events which affect the profitability of the Tunnels following the commencement of operations, such a visitor numbers and ticket pricing. The result of an impairment review may result in an asset's carrying value being reduced from its current stated amount to £nil, in extremis.

Risks relating to the Company's business and industry

If the Company does not obtain Planning Permission to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business, results of future operations, financial condition and prospects.

The Company will not be able to proceed to refurbish and reuse the Tunnels to create and launch the planned, much larger, visitor attraction for a targeted up to 3 million visitors per annum without first receiving the official permissions that the Company requires from the relevant local authorities before developing the Tunnels from The City of London Corporation and The London Borough of Camden (the **Planning Permission**).

Factors that could influence Planning Permission include, but are not limited to, alignment with planning objectives, consistency with planning policies, environmental impact, community impact, design, and the historic and cultural significance of the proposal.

The applications for Planning Permission, which the Company believes are fully aligned with the planning objectives of The City of London Corporation and The London Borough of Camden, were submitted on 30 November 2023. The Planning Permission could, among other things, be refused if the application is not in line with local planning policies, it has a negative effect on nature conservation, if the design does not meet the required standards or if hazardous materials are used such as asbestos which could not be removed. The City of London Corporation approved the plans on 11 June 2024. The Company expects to receive the decision from The London Borough of Camden during the third quarter of 2024. The Company is targeting 2027 for the full scale launch of a visitor attraction in the Tunnels.

If the Company does not obtain Planning Permission to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business. The Company would not be able to continue as planned and would be required to modify its strategy to scale down its plans for the attraction. The Company would still be able to continue as a going concern, however not obtaining Planning Permission would negatively impact the results of future operations, financial condition and prospects.

The Company has no operating history and there can be no certainty that the Company will generate any revenue or that it will create and launch a commercially successful visitor attraction in the Tunnels.

The Company was incorporated in 2021 and is in the process of developing the Tunnels. Therefore, the Company has not yet generated a net positive operating cash flow or any revenue or profit, or undertaken any substantive trading activities.

The future success of the Company is contingent upon the successful implementation and execution of the Company's business plan and the ability of the board of the Company (the **Board**) to manage this process. The assumptions of the business plan made by the Board may not be correct due to the lack of experience with an underground visitor attraction or insufficient market research. In addition, the Company's activities are partly dependent on decisions made by third parties who may have also have limited experience with an underground tourist attraction or who may not be willing to provide Planning Permission (see "*—If the Company does not obtain Planning Permission to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business, results of future operations, financial condition and prospects.*") or funding (see "*—The Company does not have sufficient working capital for its longer term requirements and may need to either delay and/or renegotiate its plans or dispose of part or all of its assets, including the Tunnels.*"). If the Company does not achieve its business plan and if it fails to create and launch a commercially successful visitor attraction in the Tunnels, the Company may not generate sufficient revenue, profit or cashflow for it to produce reasonable returns on any investment or, ultimately, continue as a viable business.

The structural integrity of the Tunnels may be affected by factors related to their age or other, unforeseen and changing factors which may cause increases in costs and may adversely impact revenues.

The structural integrity of the Tunnels may be affected by factors related to their age (as the Tunnels were built originally between 1940 and 1942 and then expanded with additional construction from 1950 to 1954) as well as by other factors that may be unforeseen or change over time. The composition of the Tunnels themselves, as well as the surrounding ground conditions and neighbouring properties, could all have potentially negative effects on the structural integrity of the Tunnels. During the pre-construction and construction phases, structural weaknesses or potential weaknesses may be discovered or may be caused (for example, by making alterations or overloading the structures). Failure to identify these weaknesses, or adequately assess and address their impact on the project may cause delays, cost increases and/or prevent the Tunnels site from becoming operable as a visitor attraction. On an ongoing basis, the Company will need to maintain a programme of regular inspections and maintenance to identify and address any structural weaknesses. Failure to identify and/or address any such weaknesses may cause increases in costs and may adversely impact revenues.

The safe removal of asbestos may take longer and cost more than the Company currently anticipates.

Asbestos is present throughout the tunnel network and is currently being managed in accordance with existing regulation and health, safety and environmental (HSE) guidance. Access restrictions are in place to areas where high-risk asbestos is present. Additionally, air monitoring has been undertaken during visits to the Tunnels which shows that they are safe to access. Much of the asbestos present will need to be safely remediated before full restoration of the Tunnels can commence.

The Company, following surveys from specialist consultants, expects to be able to complete the safe removal or remediation of the asbestos present in the timeline proposed. However, until detailed studies are undertaken and work commences on remediating the asbestos, there can be no certainty as to how long it may take to complete this phase of development or how much it may cost the Company. Delays in completing this work could push back the date of the full scale launch of the visitor attraction, delaying revenues and profits. Cost overruns could raise overall construction expenses, which could require additional funding and could negatively impact returns on investment.

The loss of one or more of key members of the Company's management team or other personnel, or its failure to attract and retain other qualified and professional personnel in the future or tourism operator with experience in the United Kingdom, could harm the Company's business, financial condition, results of operations and prospects.

The Company comprises members of the Board (the **Directors**) and minimal employees, which it considers appropriate at this stage. The Company has the ability to devote resources and attention to its staffing affairs when required. However, not achieving the right staffing could adversely affect the Company's ability to achieve its objectives and ultimately to service and achieve returns the Shareholders deem sufficient. The loss (for example through accident or illness) or departure of Angus Murray, Chief Executive Officer (and in due course other future key members of the Company's management team), without adequate replacement in terms of drive and vision for the project and commercial acumen, may also have a material adverse effect on the Company's performance. Mr Murray has a major part in creating, envisioning and executing the project. Mr

Murray's ideas have been central to the conception of the project and his full-time involvement, commitment, drive, vision, commercial acumen and accumulated, detailed knowledge of all aspects of the project have been and, in the event of the loss of Mr Murray without an equivalent replacement, will be key to the successful execution the business plan. See "*Business—Business plan and revenue model—Involvement of Angus Murray*".

The Company will require the employment of experienced senior management with visitor attraction experience and the tourism operators of visitor experiences, who may be difficult to find, attract and retain. Without qualified and professional staff hired for the Company to support well-run operations, successful customer interactions and positive visitor experiences, there could be damage to the Company's reputation, revenues and profitability.

The Company's target is to operate in a competitive market and there is no guarantee that sufficient numbers of visitors will be attracted by the Company's offering to make the Tunnels a commercial success.

London attracts large numbers of tourists, but there is no guarantee that sufficient numbers of visitors will be attracted by the Company's offering to make the Tunnels a commercial success. There are already a number of major visitor attractions in London with track records of operating successfully. If the Company fails to create a venue which is attractive to visitors and competitive based on price and the experience provided, it may not generate sufficient revenues to become profitable.

Furthermore, the absolute number of visitors to the United Kingdom and London is variable and impacted by a variety of factors outside the control of the Company, including currency fluctuations, politics, terrorism and pandemics. If visitor numbers to London decline, this could negatively impact the number of visitors to the Tunnels, which would adversely affect revenues and profitability.

The development, installation and maintenance of new technologies purpose-built and designed for the Company may cost more time and money than the Company currently anticipates.

The importance of developing, installing, maintaining, and improving visual, audio, and interactive technologies is a key part of the Company's visitor attraction experience strategy. These technologies, including large format interactive and curved screens purpose-built for the Tunnels, are integral to enhancing visitor experience. The process of developing, installing and maintaining these technologies may result in extended timelines and higher costs than initially projected, delays or disruptions in these activities could materially impact the Company's revenues, while cost overruns or maintenance requirements may lead to increased costs and reduced profits. In addition, the rapid evolution of visual, audio, and interactive technologies necessitates continuous investment in upgrading and enhancing these systems to ensure competitiveness and relevance. Failure to invest effectively and promptly, owing to factors like insufficient funding, planning oversights, or suboptimal technology choices, could result in decreased revenues and profitability for the Company.

Failures in, or disruption to, the Company's IT and other systems may have a material adverse effect on the Company's business, brands and reputation and financial condition

Although the Company will have business continuity procedures and security measures in place in the event of IT failures or disruption, including backup IT systems for business-critical systems, these backup systems will not, and are not intended to be, a full duplication of the Company's operational systems. Any disruptions, outages or delays in systems used by the Company, including as a result of security breaches, fire, flood, power loss, telecommunications failure, physical or electronic break-ins, earthquakes, acts of war or terrorism or other events or disruptions, could affect the availability of the Company's services in the Tunnels and therefore access to the cultural and heritage exhibits and digital displays, which, in turn, could materially adversely affect the quality of the Company's brands and reputation and its ability to generate revenue.

Reliance on the performance of other third party providers may have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company has appointed a series of specialists in planning, design, engineering, marketing and project management to advise it on developing the Tunnels. In addition, the Company outsources certain general administration and accounting services.

The service providers are themselves subject to operational risks, which can arise from inadequate or failed processes, systems or resources or from external factors affecting these. The information technology and other systems of such service providers, or their business processes and procedures on which the Company may depend, may not perform as expected, including recovery from unanticipated disruptions to their business. The failure of a service provider to deliver their services on time and on budget, the termination of the Company's relationship with any third-party service provider, or any delay in appointing a replacement for such service provider, could disrupt the Company's business materially and could have a material adverse effect on the Company's financial condition, performance and prospects.

The Company is exposed to safety, construction and environmental risks due to the complex development of the Tunnels, and if such risks materialise, this may have a material adverse effect on the Company's relationships, reputation, business and operating and financial results.

The development of the Tunnels will expose the Company to the hazards and risks associated with complex construction, which can include: inclement weather, defective building methods or materials, property damage and industrial accidents resulting in breaches of laws, regulations and policies relating to fire, evacuation, health and safety and environmental standards. Examples of such breaches include in respect of personal injury, geological damage, damage to aquatic ecosystems, discharge, leaks, contamination, flooding and utility conflicts (such as gas leaks and damage to water, gas and electric lines to neighbouring properties). Failure to identify, mitigate or prevent these hazards and risks, and any similar issues which arise during and after construction, could cause fines, prosecution, reputational damage, delays (including to the targeted launch in 2027) and cost overruns which may have a material adverse effect on the Company's relationships, reputation, business and operating and financial results.

The Company is exposed to safety and evacuation risks that could harm the Company's reputation, significantly impact visitor numbers and potentially suspend operations, leading to decreased revenues and profitability.

Situated 30 metres below London, the Tunnels pose distinct safety and evacuation challenges compared to above-ground structures, which potentially affect rescue operations and firefighting. Occupants may need to remain within the Tunnels rather than evacuate promptly. Specific risks include hazards within the Tunnels like water, electricity, stored items, and human behaviour, as well as structural concerns such as collapse risk, limited spaces and access challenges. These risks have been meticulously considered during feasibility and viability assessments, with the design surpassing government-mandated requirements.

Evacuation complexity involves factors like disorientation, communication loss, and firefighting tactics impacting physiological aspects like temperature, humidity, fatigue, and confined spaces. Failure of safety and evacuation plans could harm the Company's reputation, significantly impact visitor numbers, and in the event of emergencies like fires or collapses, potentially suspend operations, leading to decreased revenues and profitability.

The Company's current and future insurance cover may not be adequate to protect the Company against all potential losses to which the Company may be subject.

The Company's current insurance coverage includes standard company policies such as employers' liability, cyber and directors and officers insurance (D&O). Future insurance coverage for the Company's construction and operational phases will be expanded at the relevant time to include appropriate policies. The Company believes that the insurance cover that it currently maintains is reasonably adequate to cover all the risks associated its existing operations. However, there can be no assurance that, in respect of current or future insurance coverage (i) any claim under such insurance will be honoured fully or in a timely manner, (ii) the insurance cover will be sufficient and will cover relevant risks, losses or exposure for liability, or (iii) the insurance premiums will not increase substantially or to levels that are not economically viable. Furthermore, some risks generally cannot be insured such as certain market risks or natural disasters. Accordingly, to the extent that the Company suffers loss or damage that is not covered by insurance or which exceeds its insurance cover, or has to pay higher insurance premiums, the Company's financial condition may be affected.

The Company has a single operational location.

The Company only has one operational location, being the Tunnels. If this asset would become inaccessible (for example through damage to the entrances or to the Tunnels themselves as a result of structural failure, vandalism, flooding or terrorism) then potential visitor numbers and future revenue would be negatively impacted and the Company's financial position would be materially and adversely affected.

Risks relating to the Listing and the Ordinary Shares

There is currently no public trading market for the Ordinary Shares and there is a risk that an active and liquid trading market for the Ordinary Shares may not develop or be maintained and that the price of the Ordinary Shares may be volatile.

Until trading on Euronext Amsterdam commences, there is no public trading market for the Ordinary Shares. The price of the Ordinary Shares after the Listing may also vary due to a number of factors, including but not limited to, general economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that the Ordinary Shares should continue to trade on Euronext Amsterdam, it cannot assure investors that it will always do so. In addition, an active trading market for the Ordinary Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless an active trading market can be established and maintained. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected.

There may initially be a lack of supply of, or demand for, Ordinary Shares on Euronext Amsterdam.

As a result of the lock-up arrangements agreed with the existing Shareholders (see *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements"*), there may initially be a lack of supply of, or demand for, Ordinary Shares on Euronext Amsterdam. ABN AMRO Bank N.V., in its capacity as liquidity provider (the **Liquidity Provider**) will promote and support an orderly and liquid market in the Ordinary Shares by providing quotes to maintain a spread of bid and offer prices. However, the Liquidity Provider may not achieve this objective because it may not be able to match buying interests it encounters on Euronext Amsterdam as Liquidity Provider if such buying interests cannot be covered via regular open market purchases on Euronext Amsterdam due to insufficient supply or via purchases from Cupcake Partners Limited (**Cupcake**) under the liquidity pool arrangement since certain conditions are not met. See *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements—Liquidity pool and interest Cupcake"*. This may make it difficult for investors to buy or sell Ordinary Shares at the market price or to buy or sell Ordinary Shares at all.

Cupcake will remain in a position to exert substantial influence on the Company following the Listing and the interests pursued by Cupcake could differ from the interests of the other Shareholders.

As at the date of this Prospectus, Cupcake, which is wholly owned by Angus Murray, the Chief Executive Officer, owns 80.94% of the Ordinary Shares. On the Listing Date, Cupcake will hold 76.33% of the Ordinary Shares and voting rights in the Company. As a result, Cupcake will possess sufficient voting power to exercise significant influence over all matters requiring Shareholder approval, including the election or removal of Directors, the declaration of dividends, whether to accept the terms of a takeover offer and other matters to be determined by the Shareholders.

The Company has therefore entered into the Relationship Agreement with Cupcake and Angus Murray to regulate Cupcake's relationship with the Company following the Listing in order to ensure that, *inter alia*, the Company conducts its transactions with Cupcake and Angus Murray at arm's length and on normal commercial terms, and Cupcake and Angus Murray and persons connected to Cupcake and Angus Murray will not act to unduly influence the Company or the Board or otherwise interfere with the day-to-day management of the Company (see "*Business—Material Agreements—Relationship Agreement*").

Notwithstanding the Relationship Agreement, the ownership levels of Cupcake may have the effect of delaying, deferring or preventing a change of control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company, which in turn could have an adverse effect on the trading price of the Ordinary Shares.

Future equity offerings by the Company or offerings of a substantial number of Ordinary Shares by the Major Shareholders, or the perception thereof, may adversely affect the market price of the Ordinary Shares and any future issuances may dilute investors' shareholdings.

The Company will need to raise further funds in future and it may be necessary, at some future time, for the Company to issue additional Ordinary Shares to fund future acquisitions and other growth opportunities, invest in its business or for general purposes. No assurance can be given that any such additional funding will be available or, if available, that it will be available on terms that are favourable to the Company or the Shareholders. Further, any such additional issuances may result in the dilution of the percentage ownership of existing Shareholders or may adversely affect the price of the Ordinary Shares.

Cupcake has agreed with the Company to restrictions on its ability to issue, sell or transfer the Ordinary Shares held by it on the Listing Date for a period of 360 days after the Listing Date (see *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements—Lock-up Cupcake"*). PEF Private Equity (ESG) Fund Inc. (**PEF**) has agreed with the Company to restrictions on its ability to issue, sell or transfer the Ordinary Shares held by it on the Listing Date in four equal tranches (a) 90 days following the Listing Date, (b) 180 days following the Listing Date, (c) 270 days following the Listing Date, and (d) 360 days following the Listing Date (see *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements—Lock-up Shareholders other than Cupcake"*). After the expiration of the applicable lock-up period, Cupcake and PEF (together, the **Major Shareholders**) may sell their respective Ordinary Shares, subject to compliance with applicable securities laws. In addition, the Company has full discretion to waive the lock-up restrictions in connection with the Major Shareholders at any time before its expiry. This could also result in the Major Shareholders selling in the public market before expiry of the applicable lock-up periods. In addition, there could also be a perception in the market that any such sale or issuance could occur due to the expiry of the relevant lock-up period or its waiver. See *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements"*. The market price of the Ordinary Shares could decline if, after the expiration of the lock-up period (or any waiver of lock-up restrictions by the Company), a substantial number of Ordinary Shares are sold by the Major Shareholders, or if there is a perception that such a sale could occur. In addition, any sales of Ordinary Shares by the Major Shareholders could make it more difficult for the Company to raise capital through the issuance of equity securities in the future.

The Company may in the future seek to raise capital through public or private equity financings by issuing additional Ordinary Shares, debt or equity securities convertible into Ordinary Shares or rights to acquire these securities and exclude the pre-emption rights pertaining to the then outstanding Ordinary Shares. Any additional capital raised through the issue of additional Ordinary Shares may dilute an investor's shareholding interest in the Company. The Directors have been granted authority by the Shareholders to allot shares or grant rights to subscribe for or to convert any security into shares in the Company and to disapply pre-emption rights subject to the limits as set out in "*General Information—Corporate resolutions*". In addition, certain Shareholders outside the United Kingdom or the Netherlands may not be able to exercise pre-emption rights, and therefore suffer dilution, unless local securities laws have been complied with. In particular, U.S. Holders (as defined in "*Taxation*") may not be able to exercise their pre-emption rights or participate in a rights offer, as the case may be, unless a registration statement under the U.S. Securities Act is effective with respect to such rights or an exemption from the registration requirements is available. The Company cannot assure investors that any registration statement would be filed so as to enable the exercise of such holders' pre-emption rights or participation in a rights offer.

Shareholders may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable.

Investments in Ordinary Shares may be relatively illiquid for as long as the Company is listed on Euronext Amsterdam. There may be a limited number of Shareholders and there may be infrequent trading in the Ordinary Shares on Euronext Amsterdam and volatile Ordinary Share price movements. Shareholders should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. The Listing should not be taken as implying that there will be an active trading market for the Ordinary Shares. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected.

Overseas Shareholders may be subject to exchange rate risk.

The Shares are priced in pound sterling and will be quoted and traded in pound sterling. In addition, any dividends the Company may pay will be declared and paid in pound sterling. Accordingly, investors resident outside the United Kingdom are subject to risks arising from adverse movements in the value of the respective investor's reference currency against the pound sterling, as well as additional transaction costs in converting the pound sterling into the respective investor's reference currency, which may materially reduce the value of the Ordinary Shares, as well as that of any dividends paid. Investors whose reference currency is a currency other than the pound sterling are therefore urged to consult their financial advisers.

Some statutory Shareholder rights may be restricted.

All Ordinary Shares to be allotted and issued pursuant to the Placing will be delivered through the book-entry facilities of Euroclear Nederland. Shares traded on Euronext Amsterdam will be transferred through book-entry on the accounts of investors (the **EI Holders**) with intermediaries that are participants in Euroclear Nederland or intermediaries that hold, directly or indirectly, accounts with participants in Euroclear Nederland. Consequently, EI Holders will not be named in the register of members of the Company and, while the articles of association of the Company (the **Articles of Association**) deem EI Holders to have the same rights and obligations as Shareholders under the Articles of Association (see "*Description of share capital and corporate governance—Shares and share capital—Form and transfer of Ordinary Shares*" and "*Description of share capital and corporate governance—General meeting—Voting rights*"), as the UK Companies Act provides that certain rights can only be exercised by registered Shareholders, EI Holders may be restricted from certain statutory shareholder rights: for example, only those named in the register may exercise the right to requisition a Shareholders' meeting under section 303 of the UK Companies Act, or require circulation under section 314 of a written statement to Shareholders in relation to business to be dealt with at a Shareholders' meeting.

Euroclear Nederland will technically become the legal holder of Ordinary Shares, although it will not consider itself to be a "shareholder" in the normal sense, and it is unlikely that it will exercise such shareholder rights on behalf of underlying beneficial shareholders. Investors should therefore be aware that their shareholding may not benefit from some of the same statutory shareholder rights as other investments.

IMPORTANT INFORMATION

General

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation, on 24 June 2024. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The validity of this Prospectus will expire on the earlier of (i) the last date of any Subsequent Listing and (ii) 12 months from the date of this Prospectus. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies shall cease to apply when this Prospectus is no longer valid (see "—*Supplements*").

Prospective investors should only rely on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of Article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to Article 23 of the Prospectus Regulation, and therefore prospective investors should not assume that the information in this Prospectus is accurate as at any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Listing, other than as contained in this Prospectus. If any information or representation not contained in this Prospectus is given or made, the information or representation must not be relied upon as having been authorised by the Company, the Listing Agent or any of their respective affiliates or representatives. The delivery of this Prospectus at any time after the date of this Prospectus shall not, under any circumstances, imply that there has been no change in the Company's business or affairs since the date of this Prospectus or that the information set forth in this Prospectus is correct as of any date subsequent the date hereof.

Prospective investors are expressly advised that an investment in Ordinary Shares entails risks and that they should therefore carefully read and review the entire Prospectus. Prospective investors should not just rely on key information or information summarised within this Prospectus. Prospective investors should, in particular, read the section entitled "*Risk Factors*" when considering an investment in the Ordinary Shares. A prospective investor should not invest in Ordinary Shares unless it has the expertise (either alone or with a financial adviser) to evaluate how the Ordinary Shares will perform under changing conditions, the resulting effects on the value of the Ordinary Shares and the impact this investment will have on the prospective investor's overall investment portfolio. Prospective investors should also consult their tax advisers as to the tax consequences of the purchase, subscription, ownership and disposal of the Ordinary Shares.

The content of this Prospectus should not be construed as business, legal or tax advice. This Prospectus should not be considered as a recommendation by any of the Company, the Board, the Listing Agent or any of their respective representatives that any recipient of this Prospectus should purchase, or subscribe for, any Ordinary Shares. None of the Company, Listing Agent or any of their respective representatives is making any representation to any offeree or purchaser of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws and regulations applicable to such offeree or purchaser. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Ordinary Shares.

Prospective investors should consult their own professional advisers before making any investment decision with regard to the Ordinary Shares, among other things, to consider such an investment decision in light of their personal circumstances and in order to determine whether or not such prospective investor is eligible to purchase, or subscribe for, Ordinary Shares. In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company, including the merits and risks involved.

The Listing Agent and the Liquidity Provider are acting exclusively for the Company and no one else in connection with the Listing. They will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to the Listing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for giving advice in relation to the Listing or any transaction or arrangement referred to in this Prospectus.

The distribution of this Prospectus, any related materials may be restricted by law in certain jurisdictions and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Prospectus may not be used for, or in connection with, and does not constitute or form part of any offer or invitation to sell, or any solicitation of, any offer to acquire Ordinary Shares. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession, circulation or distribution of this Prospectus or any other material relating to the Company in any jurisdiction where action for that purpose is required. The Company and the Listing Agent do not accept any responsibility for any violation by any person of any of these restrictions.

Each person receiving this Prospectus acknowledges that: (i) such person has not relied on any of the Listing Agent, the Liquidity Provider, or any person affiliated with any of the aforementioned parties in connection with any investigation of the accuracy of any information contained in this Prospectus or its investment decision; (ii) it has relied only on the information contained in this Prospectus, and (iii) no person has been authorised to give any information or to make any representation concerning the Company and the Ordinary Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Listing Agent or the Liquidity Provider.

Responsibility statement

This Prospectus is made available by the Company. The Company accepts full responsibility for the information contained in this Prospectus. The Company declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

Presentation of financial and other information

Financial information

This Prospectus contains (i) audited financial statements as at 31 December 2021 and for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and as at 31 March 2023 for the 15-month period ended 31 March 2023 and the notes thereto (the **Company Financial Statements**), and (ii) the unaudited Company Interim Financial Statements as at 30 September 2023 and for the 6-month period ended 30 September 2023 and the notes thereto (the **Company Interim Financial Statements**. The Company Financial Statements and the related auditor's report and the Company Interim Financial Statements are included beginning on page F-1 of this Prospectus.

Unless otherwise indicated, financial information contained in this Prospectus has been derived from the Financial Statements which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (**IFRS**). The Company Interim Financial Statements have been prepared in accordance with Accounting Standard IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

The Company Financial Statements and the Company Interim Financial Statements should be read in conjunction with the accompanying notes thereto. The Financial Statements are prepared for the purposes of the Listing and are presented in the format that the Company intends to report its financial results in the future, beginning with the publication of the Company's statutory financial statements as at and for the year ended 31 March 2024. There are no qualifications in the report provided by the independent auditor on the Company Financial Statements.

The Company Financial Statements have been audited by Crowe U.K. LLP, whose registered address is at 55 Ludgate Hill, London EC4M 7JW, United Kingdom and its registered number is OC307043. Crowe U.K. LLP is registered to carry out reporting accountant work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

For further information on the presentation of the Company Financial Statements, see note 1 of the Company Financial Statements.

Rounding and negative amounts

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them. Percentages have been rounded and accordingly may not add up to 100%.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

Currency presentation

In this Prospectus, all references to **GBP**, **£**, **pound sterling**, **pound** or **sterling** are references to the lawful currency of the United Kingdom, all references to **EUR**, **euro** or **€** are references to the single currency introduced at the start of the third stage of European economic and monetary union, and as defined in Section 2 of Council Regulation, and references to **US$** or **USD** or **US dollar** are to the lawful currency of the U.S.

Supplements

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Ordinary Shares, arises or is noted between the date of this Prospectus and the last of date of any Subsequent Listing, a supplement to this Prospectus will be published in accordance with relevant provisions under the Prospectus Regulation. Such a supplement will be subject to approval by the AFM in accordance with Article 23 of the Prospectus Regulation, and will be made public in accordance with the relevant provisions under the Prospectus Regulation. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement.

Statements contained in any such supplement (or contained in any document incorporated by reference in such supplement) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document that is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus. The Company will publish a supplement following publication of the audited financial statements of the Company for the year ended 31 March 2024 on or before 31 July 2024.

Market and industry data

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by analysts, competitors, industry professionals and organisations, of publicly available information or of the Company's own assessment of its markets and sales. Certain statements made in this Prospectus are based on the Company's own proprietary information, insights, opinions or estimates, and not on third party or independent sources; these statements contain words such as 'the Company believes' and 'the Company expects', and as such do not purport to cite, refer to or summarise any third party or independent source and should not be so read.

Where third-party information has been sourced in this Prospectus, the source of such information has been identified. The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading.

In this Prospectus, certain statements are made regarding the Company's competitive and market position. The Company believes that such industry statistics and market data are true, but the Company has not independently verified the information. The Company cannot guarantee that a third-party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Company's competitors may define their markets and their own relative positions in these markets differently than the Company does and may also define various components of their business and operating results in a manner that makes such figures non-comparable with the Company's figures.

Enforceability of judgments

The ability of Shareholders in certain countries outside of the United Kingdom, in particular in the United States, to bring an action against the Company may be limited under applicable laws and regulations. The Company is a public limited liability company under the laws of England and Wales and has its registered office in Chichester, West Sussex, United Kingdom. The Directors are resident of countries other than the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. The Company's assets are located outside the United States. As a result, it may not be possible or it may be difficult for investors to effect service of process within the United States upon the Company or such persons, or to enforce against them in U.S. courts a judgment obtained in such courts, including judgments predicated on the civil liability provisions of U.S. federal securities laws or the securities laws of any state or territory within the United States.

Information regarding forward-looking statements

This Prospectus includes forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control and all of which are based on the Company's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualised", "anticipate", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements that reflect the Company's intentions, beliefs or current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. In particular, the statements under the headings "*Summary*", "*Risk Factors*", "*Dividends and Dividend Policy*", "*Business*" and "*Operating and Financial Review*" regarding the Company's strategy, targets, expectations, objectives, future plans and other future events or prospects are forward-looking statements.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Important factors that could cause the Company's actual results to so vary include, but are not limited to:

- the Company's ability to raise sufficient working capital for its longer-term requirements;
- obtaining Planning Permission to full scale operate its business;
- any failure to remove asbestos within the envisaged time period and budget;
- structural weaknesses of the Tunnels being discovered or caused;
- the Company's ability to attract visitors;
- any failure to develop, install and maintain new technologies to fully provide the visitor attraction experience;
- the Company's ability to attract and retain senior management and personnel, or engage an appropriate tourism operator with experience in the United Kingdom.

Forward-looking statements in this Prospectus speak only as of the date of this Prospectus. Except as required by applicable laws and regulations, the Company expressly disclaims any obligation or undertaking to update or revise the forward-looking statements contained in this Prospectus to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based.

Defined terms and language

Defined terms used in this Prospectus are defined in "Defined Terms". This Prospectus is published in English only.

DIVIDENDS AND DIVIDEND POLICY

General

Subject to the provisions of the UK Companies Act and of the Articles of Association, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board. See "*Description of Share Capital and Corporate Governance—Dividends*" for a more detailed description of the dividend and other distribution provisions in the Articles of Association.

Dividend history

The Company was incorporated on 27 January 2021. The Company did not declare or pay any dividend in respect of the periods ended 31 December 2021 and 31 March 2023.

Dividend policy

The Board does not intend to pay a dividend for the foreseeable future until the Company has achieved sufficient profitability and requirements for working capital are such that it is prudent to do so and, even then, the Board may not determine to pay any dividend or make any other form of distribution. It follows that no assurance is or can be given that the Company will ever pay any dividend or make any other form of distribution.

Manner and time of dividend payments

Payment of any dividend on the Ordinary Shares in cash will be made in pound sterling. Any dividends on the Ordinary Shares that are paid to the Shareholders through the book-entry facilities of Euroclear Nederland, the Dutch centralised securities custody and administration system, will be credited automatically to the Shareholders' accounts without the need for the Shareholder to present documentation proving ownership of the Ordinary Shares. The Board may set a record date for dividend and other distributions. In relation to dividend distributions, there are no restrictions under Dutch law in respect of holders of Ordinary Shares who are non-residents of the Netherlands.

Payment of dividends on the Ordinary Shares not held through Euroclear Nederland will be made directly to the relevant Shareholder using the information contained in the Company's shareholders' register and records.

Payments of dividends will be announced in a notice by the Company.

Taxation of dividends

See "*Taxation*" for a discussion of certain aspects of taxation of dividends paid on the Ordinary Shares.

BUSINESS

INTRODUCTION AND HISTORY

Introduction

The Company has agreed to acquire the leasehold title to the Kingsway Tunnels, together with two surface level entrance buildings at 31-33 High Holborn and 38-39 Furnival Street in central London (together, the **Tunnels**). The Tunnels were built as part of the United Kingdom Government's strategy to protect its citizens from bombing during what became known as the London Blitz. The Company intends to develop a series of visitor attractions in the Tunnels. The Company plans to extensively restore, adaptively reuse and bring back to life the Tunnels, offering a combination of historical heritage experiences and a cultural, beautifully designed, multi-sensory, digital experience to a targeted 3 million visitors per annum. It is intended that the Tunnels in their fully restored and renovated state will form the principal tourist attraction.

The Tunnels are a series of tunnels over a mile in length located under Holborn/High Holborn and below Chancery Lane tube station in central London, at approximately 30 metres below ground level. The diameters of the main tunnels range from approximately 5.0 to 7.6 metres (significantly larger than most London tube tunnels that are approximately 3.6 meters in diameter) and they are equipped with power, water, drainage and ventilation. They are accessed at ground level from Furnival Street and High Holborn in Holborn, central London. The area is a prime business location between the City (financial district) and West End (tourist district) with excellent transportation links and close to other attractions, such as Covent Garden, St. Paul's Cathedral, Tate Modern and the British Museum.

The Tunnels have an existing floor area of c.8,300m² and the Company's business plan envisages a further c.2,150m² of retail, ticketing, security, lift lobby and staff facilities at two street level entrances. Their location in central London means that they are easily accessible to a large number of visitors for exciting, educational cultural and heritage experiences. There are no large scale attractions in the immediate vicinity similar in concept to the Tunnels, and the Tunnels are a short walk from the major attractions of the West End, the British Museum and the South Bank.

Developing the site is subject to Planning Permission. Pre-Planning Advice has been received from The London Borough of Camden, and planning performance agreements have been signed with both the City of London Corporation and The London Borough of Camden. Applications for Planning Permission were submitted to both planning departments on 30 November 2023. The City of London Corporation approved the plans on 11 June 2024. The Company expects to receive a decision from The London Borough of Camden during the third quarter of 2024.

History of the Tunnels

The Tunnels were originally built in the early 1940s as a deep level shelter underneath Chancery Lane tube station. The site was originally designed to shelter 8,000 people in two main tunnels each with two levels. Although intended for use as an air raid shelter, like many of the deep level shelters built at the time, they were not used for their intended purpose. Initially they were used as offices of the operational staffs of the London Civil Defence region and Ministry of Works, plus some space for Combined Operations and the Inter Services Research Bureau (the ISRB, being was the code name of the Special Operations Executive, which was located in the Tunnels from January 1944 to May 1945 and is thought to have provided the inspiration for "Q Branch" in Ian Fleming's James Bond books and films). Later, after expansion, the Tunnels were used as a secure government communications centre.

The site was transferred to the General Post Office in 1949. The two-tunnel shelter was extended by the addition of four tunnels at right angles to the original tunnels and an additional three deep access shafts. The extension was operational by 1954. In 1956 it became the termination point for the first transatlantic telephone cable. Ownership of the Tunnels was transferred to British Telecommunications plc under the British Telecommunication Act 1981 and for many years they housed telephone switches and equipment.

PRINCIPAL ACTIVITIES OF THE COMPANY

The Company intends to develop a series of visitor attractions in the Tunnels by restoring, adaptively reusing and bringing back to life the Tunnels, offering a combination of heritage experiences and a cultural, well-designed, multi-sensory, digital experience. It is anticipated that the Tunnels will ultimately have a design capacity of approximately 3 million visitors per annum. The content could be based around a single theme, or could form a series of regularly changing exhibitions. At this stage, however, no specific designs or use of content have been finalised.

The technology and the appeal of such experiences can be seen in digital art galleries that have opened around the world over the last five years. Such galleries present, amongst other things, laser video projections or digital screens (LCD/LED) of art as part of choreographed sound and light shows, often using historic building interiors as the backdrop. The immersive digital exhibitions are designed from thousands of images of digitised works of art, broadcast in very high resolution via optical fibre and often set in motion to the rhythm of music.

The current vision for the Tunnels includes plans for a 'must-see' attraction in central London, with ticketed visitors experiencing:

- Heritage:
  - the heritage and history of a recreated wartime London (focusing on the London Blitz);
  - digital displays of the history of the Special Operations Executive, the secret section of MI6, started by Winston Churchill and the location of the fictional Q-Branch in Ian Fleming's James Bond novels; including the fact this was the "reserve war room" in May 1944, and
  - digital interactive screens retaining some of the original telecommunications equipment used to connect the USSR and United States during the Cuban Missile Crisis.
- Cultural:
  - themed content based on either partner content or bespoke content creating a digitally imagined world below London, enabling visitors to blend imagination and reality with technologically advanced visual displays, physical structures such as life size trees, sounds, music, and scent technology, much of which can be interactive;
  - a themed attraction based potentially on a blockbuster film or film studio franchise, with the Tunnels providing a unique backdrop; and
  - journeys into the past and present, such as to the pyramids, the Sistine Chapel, the Amazon rain forest or the Great Wall of China.
- Hospitality:
  - the deepest licensed bar in London and the United Kingdom.

The project aims to collaborate with like-minded partners, museums and universities across both the City of London and Camden.

The Tunnels' scale and available space provide a blank canvas for a wide variety of opportunities for content, collaboration and visitor experiences, with potential for multiple such experiences being hosted at any one time. Working in partnership with major technological and entertainment companies with licensed branded content, as well as with local artists and curators, visitors would be able to explore and discover experiences from around the world across history, the arts, nature and sciences. Discussions are ongoing with numerous potential content partners for both long- and short-term visitor experiences and will continue both during the construction phase and post-launch, when it is intended that content will be continuously renewed. At this stage, no decisions have been made as to content or collaborations and the Company may choose to partner with several or a limited number of content providers. The Company will evaluate the suitability of content partners based on various factors, including the range of content they are licensed to provide, encompassing franchised content, their creativity, vision for innovative content, and reputation for engaging audiences. Additionally, the Company will assess partners' technical expertise and collaborative compatibility with its vision, considering their ability to deliver content within specified timeframes and budget constraints. By considering these factors comprehensively, the Company aims to establish partnerships that enhance its offerings and align with its strategic objectives. Any risks of partnering with, and so dependence on, a single or limited number of content providers will be balanced against the contractual terms available and other commercial factors pertaining at the time.

Developing the Tunnels to full scale launch will take a number of years and the Company's current estimate is to launch in 2027.

MARKET OVERVIEW

London is one of the most visited cities in the world, with people travelling to London from all over the world to admire its monuments and explore its richly vibrant culture. London, considered to be a year-round destination, is the third most visited city in the world and tourism is one of the key drivers of its economy, with approximately 10% of the city's gross value-added income[1]. London has numerous major visitor attractions, with a high proportion of visits to London being repeat visitors looking for new experiences.

[1] Source: https://www.locusassignments.com/solution/unit-1-tourism-industry-assignment.

Paid visitor attractions in London:

Name of attraction	Visitor numbers(1)	Adult ticket price range(2)
London Eye	3,500,000	£30.00 – £57.00
Tower of London	2,855,438	£34.80
Madame Tussauds	2,500,000	£42.00 – £57.00
The Making of Harry Potter	2,000,000	£53.50
Royal Botanic Gardens	1,858,513	£12.00 – £24.00
St Paul's Cathedral	1,657,446	£22.50 – £25.00
Royal Academy of Arts – Exhibitions	1,594,140	£17.00 – £25.50 (varies by exhibition)
Westminster Abbey	1,546,017	£29.00
London Zoo	1,133,952	£31.00
Houses of Parliament	1,075,550	£33.00
Hampton Court Palace	902,584	£27.20 - £30.00
Aldwych Tube Station	Unknown	£45.00
Down Street Tube Station	Unknown	£90.00

Notes:

(1) The above numbers provided are from 2018, being the last full year of operation prior to the COVID-19 pandemic. Management believes that pre-pandemic numbers give a better indication of the size and the potential of the various attractions versus visitor numbers that are still recovering from the pandemic and the 2023 numbers are not accurately available yet. Source: online research of the Company.

(2) Example prices as at May 2024. Source: Information obtained from the official respective company websites.

In 2015, 92% of business visits, 85% of visits to friends and relatives and 63% of holiday visits were repeat visits.[2] Whilst first-time visitors tend to favour London's traditional tourist hubs, mainly in the West End, repeat visitors are looking for new places and experiences and are likely to stay longer and spend more. In addition to overnight tourists, every year a large number of people choose to visit the capital just for the day, with an estimated 319 million tourist day visits to London during 2018. London is a diverse and exciting city with some of the world's best sights, attractions and activities. One of the key drivers to London's success as a destination has been the way it has constantly added new layers of interest, often in new areas, to supplement established attractions and districts and draw repeat visits from overseas and domestic visitors.

The number of overnight domestic tourist visits to London had been relatively stable over the decade prior to the Covid pandemic. Over 12 million UK domestic tourists visited and stayed overnight in London in 2019.[3] Visits subsequently fell to 5.4 million and 5.7 million respectively in 2020 and 2021, before rising to 7.6 million in 2022. Amongst domestic tourists, approximately 40% are visiting friends and relatives, 32% are on holiday and 23% are visiting primarily for business purposes. The family market is very important amongst domestic tourists and the average stay for these visitors is estimated to be shorter when compared with overseas visitors, at around 2.4 nights, with overseas tourists tending to average a stay of 4.9 days. As is the case with the day trip markets, the highest proportion of visits are at weekends and during school holidays, with a high repeat visit factor, and with domestic tourists often visiting for a specific reason (a particular visitor attraction, the theatre, a sporting event, shopping or visiting friends and relatives).

Tourist visits to London were made up of 21.7 million overseas and 12.2 million domestic visits in 2019. Due to the Covid pandemic, the number of tourists visiting London (domestic and international collectively) fell from 33.9 million in 2019 to 10.4 million and 8.4 million in 2020 and 2021, respectively. Total visits rose to 23.3 million in 2022 and are projected to rise to 32.0 million in 2025, returning to pre-pandemic levels in 2026 and rising to over 35.0 million by 2030.[4]

The table below describes estimates for total market size in terms of the number of potential visitors (resident and tourist) to London's attractions, which is projected to reach 55.0 million by 2028 and nearly 57.0 million by 2032 as a result of forecast UK and global economic growth, leading to more disposable income, improved transportation infrastructure, a wider range of accommodation and tourist experiences, and a resultant increase in domestic and global travel, as follows:

Year	**2028**	**2029**	**2030**	**2031**	**2032**
Market sizes	**('000s)**	**('000s)**	**('000s)**	**('000s)**	**('000s)**
Primary Resident (London)	9,543	9,548	9,553	9,558	9,563
Secondary Resident (>2hrs)	11,903	11,909	11,915	11,921	11,927
Domestic Tourists	13,070	13,276	13,484	13,696	13,911
Overseas Tourists	20,487	20,732	20,980	21,230	21,484
Total market	**55,003**	**55,465**	**55,932**	**56,405**	**56,885**

Source: GLA Economics, Technical Note, December 2022.

[2] Source: https://www.visitbritain.com/sites/default/files/vb-corporate/Documents-Library/documents/foresight_149_-_frequency_of_inbound_tourism_to_britain.pdf

[3] Source: https://data.london.gov.uk/blog/post-pandemic-international-visitors-to-london/

[4] Source: https://www.statista.com/statistics/487488/domestic-visits-to-london-united-kingdom/#:~:text=London

The Company believes visitor numbers will grow in the future as they have done over the past few decades due to increases in tourism and population. London has experienced a general upward trend in tourist numbers due to factors including its iconic cultural and historical attractions, annual events and festivals, and improved transportation infrastructure. London tourism is forecast to continue to grow as a result of factors such as effective marketing by tourism boards, favourable economic conditions, political stability, the availability of diverse accommodations and dining options, renowned shopping districts and vibrant entertainment and nightlife.

London continues to invest in infrastructure, the tourism sector, and housing, further enhancing its appeal and capacity to accommodate this growth. This investment ensures that the city remains a major European destination with several surrounding airports facilitating easy access.

London's visitor population compares favourably against other major international cities such as Paris (total market estimated at 43 million), Rome (26 million), Dubai (19 million) and Berlin (20 million).

Internationally, there is rapid growth in immersive digital art exhibitions with attendance at these experiences being relatively high, with figures of around 400,000 to 600,000 in regional destinations and up to 2.3 million in major international destinations. There is also a growing portfolio of digital art content providers, such as, Culturespaces, TeamLab, Superblue and Meow Wolf. However, currently there are no comparable permanent projects in London (although a number of temporary exhibitions have recently opened). London currently has a wide array of cultural and heritage attractions and those attractions with broader, particularly family, appeal tend to attract large visitor numbers. The growth in immersive digital art exhibitions seen since 2018 is expected to continue and, more generally, the growing importance of immersive and interactive experiences is expected to continue, with technology continuing to transform visitor experiences.[5]

The Company plans to leverage the positive market background outlined above by capitalising on the Tunnels' uniqueness and history, size (over a mile in length), capacity (up to 3 million visitors per annum) and location in central London. Accordingly, the Board believes there is a material opportunity to create and launch a new visitor attraction in London providing a cultural and interactive experience to visitors using some of the latest digital technologies.

PROPERTY ACQUISITION AND PROJECT DEVELOPMENT

Property acquisition

The Tunnels

The Company has agreed to purchase the Tunnels on a 100-year leasehold basis from ETL, a wholly owned subsidiary of Cupcake. ETL and the Company entered into the following agreements regarding the Tunnels:

- ETL entered into a binding conditional agreement with British Telecommunications plc for the freehold acquisition of the Tunnels on 10 July 2023 and completion is due on 31 December 2024; and
- the Company entered into an agreement for lease between ETL, as landlord, and the Company, as tenant, in respect of the Tunnels dated 10 July 2023. The Company and ETL agreed that the Company will have to acquire the leasehold from ETL on or before 30 June 2025. The purchase of the leasehold will be completed without financial gain or valuation arbitrage to ETL. The period between the exchange of contracts and the completion of the property acquisition allows for legal due diligence and contractual preparations. Activities during this time include conducting property inspections and completing legal documentation, ensuring a smooth transition of ownership. See "*—Material Agreements—Exchange Tunnels Lease*" for full details of the lease terms.

The property company, i.e. ETL, maintains ownership of the real estate and related debt, while the operating company, i.e. the Company, conducts day-to-day operations and management. This structure allows for different types of financing and credit ratings for both companies to remain separate and is common in real estate transactions. The Company has paid ETL an initial £1.2 million deposit and a final payment of £9.4 million exclusive of VAT is due on or before 30 June 2025. See "*Risk Factors—Risks relation to the Company's financial position—The Company may not acquire the leasehold of the Tunnels*".

The Tunnels run for approximately 30 metres below ground with diameters of between approximately 5.0 metres and 7.6 metres. The Tunnels contain a considerable amount of the heritage of their previous occupants and uses, including telephone switches, generators, living accommodation and recreation rooms. The project may require extensive stripping out of equipment and partitions, and some repairs to the fabric of the tunnels, in readiness for creating and installing the visitor experience. There is a quantity of asbestos typical for a property of this era, which will need to be either encapsulated in situ or removed as part of the construction works.

There are access shafts at 39 Furnival Street and 31-33 High Holborn. In order to maximise capacity, the proposal is for the existing surface building at Furnival Street to be demolished (although the facade will need to be retained and rebuilt to preserve the heritage) and the shaft widened from approximately 5.0 metres to approximately 9.0 metres in order to install two lifts with a capacity of 50 persons each and emergency stairs. At 31-33 Holborn, it is proposed that the base of the existing shaft will be lowered by 5.0 metres to provide adequate space for access and for emergency.

The Tunnels are connected to mains power, water and sewerage, but all will need to be reviewed and updated as appropriate.

[5] See for example https://www.newyorker.com/news/letter-from-silicon-valley/the-rise-and-rise-of-immersive-art and https://www.thecrimson.com/article/2024/3/26/contemporary-art-immersive-experience-virtual-reality-evolution/

Surface level properties adjacent to entrance buildings

There are various surface level properties adjacent to 39 Furnival Street and 31-33 High Holborn that represent possible options for creating a larger main visitor entrance. The Company has conditionally agreed to purchase a leasehold over one of the surface level buildings from EC1 Property Management Limited, a wholly owned subsidiary of Cupcake, who in turn will acquire the property from its current owner, a non-connected third party. The property company, i.e. EC1 Property Management Limited, maintains ownership of the real estate and related debt, while the operating company, i.e. the Company, conducts day-to-day operations and management. This structure allows for different types of financing and credit ratings for both companies to remain separate. Any lease purchase with EC1 Property Management Limited will be completed with no valuation advantage for EC1 Property Management Limited. The use of this building is included in the planning application made on 30 November 2023. The Company has paid EC1 Property Management Limited and EC1 Property Management Limited has, in turn, paid an £820,000 non-refundable deposit to the current owner of this building, a non-connected third party. Should the Company find an alternative, and more suitable, property, and not complete the purchase of this building, it may forfeit this deposit to the current owner. The Company now believes there may be another appropriate, and better positioned, surface level property that has recently become available and that was not previously available. This new surface level building would have strategic advantages.

Project development

RIBA stages

In order to develop the Tunnels, the Company will implement a plan of work following the guidelines set out by the Royal Institute of British Architects (**RIBA**). The RIBA plan of work is the industry standard model for the design and construction process of buildings and organises the process of briefing, designing, constructing and operating building projects into eight stages and explains the stage outcomes, core tasks and information exchanges required at each stage.

RIBA Stages 0 (Strategic Definition) to 2 (Concept Design)

The Company together with its consultants and advisers has worked intensively since 2020 to bring the project to its current status:

- The Company appointed a Project Team of experienced consultants: Wilkinson Eyre (architects), WSP Global Inc. (**WSP**) (engineering consultants), Montagu Evans (property consultants) and Gardiner & Theobald (project, cost and construction management); and a Design Team comprising Wilkinson Eyre, WSP, David Bonnett Associates (Accessibility Consultant) and GIA Surveyors Ltd (rights of light consultant).
- The Company also commissioned a report from The Visitor Attraction Company, an experienced consultant in the theme park and visitor attraction sector, to provide an independent review of the Company's proposals and business plan.
- Following initial review meetings, the Project Team set out to define the project scope, carry out a technical validation of the tunnels and determine the viability of the project.
- The Project Team commenced RIBA Stage 0/1 (Technical Validation and Project Definition) in October 2022. During this period, WSP's focus was on validating the building services, vertical transportation, fire, ventilation and structure of the tunnels. This was to determine if it was viable to convert the Tunnels into a visitor experience, allowing people to safely enter and exit the tunnels. A survey of the entirety of the Tunnels was carried out in October 2022. Wilkson Eyre analysed the survey information to produce a model of the Tunnels. Montagu Evans set out a proposed planning strategy and advised the Company on how to proceed with the planning application. Gardiner & Theobald produced an outline programme to planning, confirmed appointments of the Project Team and coordinated the Design Team to conclude the technical validation.
- Following the initial studies, the Project Team focused on understanding the visitor capacity of the Tunnels and an appropriate visitor density to design to. This led to the production of a Design Brief for the project. This acted as the basis of the design to be progressed in the next stage of works. The validation study reports were presented to the Company in January 2023. RIBA Stage 0/1 was concluded in February 2023, with the finalised Design Brief and the updated validation study reports issued by Wilkinson Eyre and WSP.
- RIBA Stage 2 Design commenced in March 2023. Gardiner & Theobald commissioned the wider consultant team to support RIBA Stage 2 Design and the planning application. The Project Team progressed with RIBA Stage 2 Design with fortnightly Design Team and Project Team meetings. The architectural design was progressed based on the Design Brief and WSP developed the technical validation studies into developed strategies and design. Planning performance agreements were signed by the Company with The City of London Corporation and The London Borough of Camden in August 2023, as a framework agreement to take the development proposal through the planning process.
- Over 10 pre-application meetings took place, including specialist workshops on highways, culture and sustainability. The Design Team adapted the design of the Tunnels based on feedback from the Planning Officers. The communications consultant, London Communications Agency, produced public consultation material in preparation for the required pre-planning public exhibitions which commenced on 7 October 2023. London Communications Agency also carried out stakeholder engagement with relevant politicians, councillors, planning officers, local residents and business groups.
- Aecom were appointed as cost consultant and have produced a Stage 1 cost plan. Aecom have worked with the Design Team to provide cost advice during the design period to ensure the scheme is good value for money.
- A detailed planning application were submitted on 30 November 2023. Stage 2 Design Reports were issued on that date as well to conclude the stage of works. This will be followed by a Stage 2 cost plan from Aecom.

- The City of London Corporation approved the plans on 11 June 2024. A decision from The London Borough of Camden is anticipated in the third quarter of 2024.

RIBA Stages 3 (Spatial Coordination) to 4 (Technical Design)

Following the Listing and receipt of Planning Permission the Company intends subject to completion of the Placing to progress the project through RIBA Stages 3 and 4, which includes design studies, engineering analysis, architectural studies, cost planning, statutory applications and construction preparation, and which is expected to take approximately six to twelve months following receipt of Planning Permission.

RIBA Stage 3 is fundamentally about testing and validating the architectural concept, to ensure that the architectural and engineering information prepared at Stage 2 is spatially coordinated before the detailed information required to manufacture and construct the building is produced at Stage 4. Detailed design studies and engineering analysis will be undertaken to ratify the assumptions made during Stage 2 and to layer more detail onto the design.

RIBA Stage 4 involves the preparation of all information required for manufacture and construction. A building regulations application is expected to be made during Stage 4, before work commences on site. It will also be necessary to discharge any pre-commencement planning conditions. Cost control measures are applied during this stage, which might include the preparation of an updated cost plan, bills of quantities or pricing schedules. The contract for building is expected to be agreed and signed during the stage, to allow Stage 5 to commence.

RIBA Stages 5 (Manufacturing and Construction) to 6 (Handover)

The final stages of the project, which are scheduled from 2025 and which will require project financing and additional equity, together if appropriate with other forms of financing (for example, council grants, ticket pre-sales and revenue factoring), will involve the following RIBA Stages, with full opening planned for 2027.

Stage 5 comprises the manufacturing and construction of the building systems in accordance with the programme agreed in the building contract. The applications for Planning Permission submitted on 30 November 2023 included proposals for:

- an expansion of the lift shaft (from approximately 5 metres to 9 metres in diameter);
- the demolition and rebuild of 39 Furnival Street and, if acquired, another surface level building that is unlikely to require demolition, to create space for a reception, café, retail and facilities for visitors, as well as power and ventilation plant; and
- the removal of plant and fittings from the Tunnels, to make way for the installation of the planned heritage, cultural and hospitality experiences.

Stage 6 comprises the handover of the site by the contractors to the Company and rectification of any residual defects.

RIBA Stage 7 (Use)

On the majority of projects, the design team and construction team will have no Stage 7 duties to undertake.

Post occupancy evaluation services are commissioned to determine how the site is performing in use to help fine tune the site and some client teams will continue to be closely involved during the life of the site, implementing facilities management or asset management strategies over the course of its lifetime.

The Company has also been advised by London Communications Agency and Future City (Cultural Strategy).

Environmental

The principal environmental issues to affect the Company will be during development and construction. No material environmental impact is expected during the operational phase of the Tunnels attraction. During the complex engineering, development and construction of the Tunnels, the Company will be required to comply with environmental standards relating to, amongst other things, noise pollution, waste management, soil erosion, aquatic ecosystems, discharge, leaks, contamination, flooding and utility conflicts (such as gas leaks and damage to water, gas and electric lines to neighbouring properties). In addition, asbestos is present throughout the tunnel network and is currently being managed in accordance with existing regulation and the health, safety and environmental (HSE) guidance. Access restrictions are in place to areas where high-risk asbestos is present. Additionally, air monitoring has been undertaken during visits to the Tunnels which shows that they are safe to access. The asbestos will need to be safely remediated (either encapsulated in situ or removed) as part of the construction works. All relevant environmental issues for the development of the Tunnels have been considered as part of the planning application.

Indicative project timeline

The Company has allocated the above RIBA stages into three distinct phases and has set out the following indicative timeline:

Phases	RIBA stages	Indicative timing
Phase 1	• RIBA Stages 0, 1 and 2, taking the project through to receipt of Planning Permission;	Q4 2023 – Q2/Q3 2024
	• payment of the leasehold deposit on the Tunnels and the leasehold extension;	
Phase 2	• RIBA Stages 3 and 4, taking the project through to the point of construction readiness;	Q3 2024 – Q4 2025
	• purchase of the leases on the Tunnels and other surface properties; and	
Phase 3	• RIBA Stages 5, 6 and 7, taking the project through the construction phase and onto actual usage.	Q4 2025 – H2 2027

MANAGEMENT

As the project develops, the Company will need to identify, recruit and retain a team with appropriate skills and experience in developing, launching and operating a large-scale visitor attraction. The Board anticipates that this will mean a number of senior executives joining the team as the project proceeds through the RIBA phases outlined above. Alternatively, the Company could decide to hire consultants with specific expertise for certain activities.

CAPITAL EXPENDITURE

The Company has received capital expenditure estimates from its technical project and costs consultants of approximately £149.9 million for design, project management and construction to take the project through to completion and usage. The actual costs could be above or below these estimates. The estimated costs, analysed by each Phase, are as follows:

Phase 1	**£m**	**Phase 2**	**£m**	**Phase 3**	**£m**
RIBA 0	2.1	RIBA 3 & 4	4.8	RIBA 5, 6 & 7	120.0
RIBA 1 & 2	3.7	Leasehold purchase of the Tunnels	9.5		
Leasehold deposit and extension on the Tunnels	1.2	Capex budget for surface level property	7.9		
Leasehold deposit on surface property	0.8				
Total Phase 1 costs	**7.8**	**Total Phase 2 costs**	**22.2**	**Total Phase 3 costs**	**120.0**

The balance of the Phase 1 costs of £0.5 million, being the balance of works in relation to the planning application for the Tunnels, are to be funded from the proceeds of the Convertible Bonds.

The costs could also be subject to increase due to inflation. This estimate does not include the Company's general overheads or costs associated with the Listing nor do they include the costs of launching or operating as a visitor attraction. In addition, the Company plans to lease finance audiovisual hardware and technology with an expected value of approximately £80 million.

FUNDING AND LONGER TERM WORKING CAPITAL

Development of the Tunnels requires investment over a number of years. The Company estimates that approximately £120 million will be required to redevelop the Tunnels and install a visitor attraction, plus the lease of audiovisual hardware and technology. The Company will not have access to fund the entire cost of developing the Tunnels at the Listing.

To date, the Company has been funded to an aggregate amount of £11.3 million via the Zero Coupon Convertible Bonds (£4.5 million, see "*—Material Agreements—Zero Coupon Convertible Bonds*") and the Convertible Bonds (£6.8 million, see *"—Material Agreements—Convertible Bonds"*), which it believes is sufficient to take it through to a planning decision (expected Q2/Q3 2024) and to fund the first 12 months of general working capital requirements (Phase 1 as described under "*—Property acquisition and project development—Indicative project timeline*").

If Planning Permission is received, the Company intends to complete the lease agreements for the Tunnels and suitable surface level property/properties, and to commence the detailed feasibility, design and engineering work required to progress the project towards construction. The total cost for the completion of the acquisition of the leases and this work is estimated at approximately £22.2 million (Phase 2 as described under "*—Property acquisition and project development—Indicative project timeline*").

The Company intends to raise up to a further £30 million in a Placing immediately following the Listing and to use the net proceeds for the Phase 2 costs following receipt of Planning Permission. The Company has received irrevocable commitments from 15 investors to subscribe for 12,490,000 Ordinary Shares at the Issue Price (i.e., for a total amount of £24,980,000) in the Placing. If less than £30 million is raised in the Placing, the Company will need to prioritise its expenditure and will need to seek alternative sources of capital for this phase.

The Company's strategy is to develop the Tunnels through to full commercial launch, which is currently anticipated to be 2027. The Company will need to raise additional capital to fund the Phase 3 work programme of the project, comprising manufacturing, construction as well as content and handover, as per RIBA Stages 5, 6 and 7 (see "*—Property acquisition and project development—Indicative project timeline*").

The Company anticipates that this additional funding will need to be raised periodically from 2025 to at least 2027 and estimates that the total investment could be in the region of £120 million, assuming audio visual technology and hardware is leased. This amount is expected to be raised through a combination of equity, bank lending, non-bank lending (such as private credit) and/or the issue of a project bond. The Company is already in discussions with various financial institutions and lenders, some of whom have already proposed indicative financing terms. These discussions will continue following the Listing. Additionally, the Company plans to commission an independent valuation of its assets following receipt of Planning Permission from a leading property valuation and investment firm as a solid basis for securing its financing. The Company also plans to appoint an investment banking and/or debt and structured finance team to explore financing options. Options may also be available for financing under the Public Works Loan Board (PWLB) lending facility in the United Kingdom. These options will be addressed with The City of London Corporation and The London Borough of Camden. The Company believes that through a combination of the financing options outlined above it will be able to securing the necessary funds for the project.

If at any stage the Company is not able to raise its longer term funding requirement as described above, it may need to either delay and/or renegotiate its plans or dispose of part or all of its assets, including the Tunnels. If these actions were unsuccessful, it is likely that the Company would not be able to continue as a going concern. If the Company is not able to continue as a going concern, it would enter an insolvency process and there would be no certainty of the value that may remain for the Shareholders, if any, once all liabilities had been settled, and the Ordinary Shares would cease trading.

BUSINESS PLAN AND REVENUE MODEL

The Company's business plan and strategic objective is to restore, renovate and develop the Tunnels to create a major new visitor attraction in central London comprising 'must-see' heritage, cultural and hospitality experiences, which it currently estimates will launch in 2027. The business plan is underpinned by the Tunnel's uniqueness and history, size (over a mile in length), capacity (up to 3 million visitors per annum) and location in Central London

Key steps and sensitivities

The business plan assumes, and is sensitive to, successful execution of all of the following key steps, on time and within budget:

Key steps	**Sensitivity**
• Receipt by the Company of Planning Permission from The London Borough of Camden.	• See "—*Planning Permission*" below.
• Completion of the purchase of the leasehold of the Tunnels (costing £9.5 million) and, if appropriate, the purchase of an adjacent surface level property to create a larger main visitor entrance (costing £7.9 million). This step, in turn, requires sufficient funds to be raised under the Placing.	• Completion of the purchase of the leasehold of the Tunnels is critical to the long term success of the business plan. • Not purchasing an adjacent surface level property would lead to a smaller main visitor entrance, which could negatively impact visitor throughput and secondary spend (such as the sale of souvenirs, general merchandise, and photographs), both of which would impact revenue and profits.
• Completion of Phase 2 (detailed feasibility, design, engineering and costing, as per RIBA Stages 3 and 4 (costing £4.8 million) by the Company. This step, in turn, requires sufficient funds to be raised under the Placing.	• Delays to completion of Phase 2 might result in delays to the public launch of the Tunnels and delayed receipt of revenues. • Cost overruns in Phase 2 could increase funding requirements and reduce returns on investment.
• Completion of Phase 3 (manufacturing, construction and handover, as per RIBA Stages 5, 6 and 7) by the Company. This step, in turn, requires further funds to be raised periodically from 2025 to at least 2027. • The Company estimates that the total investment could be in the region of £120 million, assuming audio visual technology and hardware is leased.	• Delays to completion of Phase 3 might result in delays to public launch of the Tunnels and delayed receipt of revenues. • Cost overruns in Phase 3 could increase funding requirements and reduce returns on investment.
• Launch and operations:	
– *Content.* The Tunnels' scale and available space provide a blank canvas for a wide variety of opportunities for content, collaboration and visitor experiences. The content could be based around a single theme, or could form a series of multiple, regularly changing exhibitions. At this early stage, however, no specific designs for use or content or decisions regarding the identity or number of content providers or partners, have been finalised.	– Ticket sales and revenues would be negatively impacted if the Company were unable consistently to curate exciting and popular content and visitor experiences.

Key steps	Sensitivity
– *Operations.* The Company may undertake day-to-day operations (e.g. ticketing, operational staffing, security services, etc.) itself or it may outsource these to a third party. At this early stage, no decision has been finalised with regard to the appointment of an operator.	– The Company does not consider that its business plan is sensitive to the insourcing or outsourcing of day-to-day operations.
– *Capacity.* Based on feasibility studies received to date, the Company anticipates that the Tunnels will have a design capacity of up to 3 million visitors per annum. This is based on vertical transport, fire and safety, ventilation and number of people per square meter.	– Ticket sales, revenues and profits would be negatively impacted by prolonged capacity restrictions.
– *Visitor numbers.* Although the Company does not intend to operate at full capacity, as this may be detrimental to the visitor experience, based on analysis of other London tourist attractions and on current and forecast visitor numbers to other visitor attractions in London, the Company believes it is feasible for the Tunnels to be operating at close to full capacity from the third year following full launch.	– Ticket sales, revenues and profits would be negatively impacted by consistently lower than expected visitor numbers.
– *Ticket sales and pricing.* The Company expects to generate revenue both from ticket sales as well as from secondary spend following full commercial launch. Ticket prices will be set in the run up to launch. Based on the analysis of existing visitor attractions in London, the Company expects to target adult ticket prices in the range of £30-£55 (before discounts and concessions).	– Revenues and profits would be negatively impacted by consistently lower than expected ticket pricing and secondary spend.

Involvement of Angus Murray

The Company believes that the involvement of Angus Murray, Chief Executive Officer, is key to successfully execute the business plan. Mr Murray's ideas have been central to the conception of the project and his full-time involvement, commitment, drive, vision, commercial acumen and accumulated, detailed knowledge of all aspects of the project have been and will be key to the successful execution the business plan. See "*Risk Factors—The loss of one or more of key members of the Company's management team or other personnel, or its failure to attract and retain other qualified and professional personnel in the future or tourism operator with experience in the United Kingdom, could harm the Company's business, financial condition, results of operations and prospects.*"

Planning Permission

The Company believes that receipt of Planning Permission is key to successfully execute the business plan. The City of London Corporation approved the plans on 11 June 2024 and the Company expects to receive the decision from The London Borough of Camden during the third quarter of 2024. If the Company does not obtain Planning Permission from the London Borough of Campden to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business. The Company would not be able to continue as planned and would be required to modify its strategy to scale down its plans for the attraction. Without Planning Permission, plans would be delayed, including for (i) an expansion of the lift shaft, (ii) demolition and/or building work to create larger spaces for visitor facilities and power and ventilation plant, and (iii) the removal of certain plant and fittings from the Tunnels, to create additional space for planned visitor experiences (see "*Project Development—RIBA Stages 5 (Manufacturing and Construction) to 6 (Handover)*".The Company would still plan to complete the purchase of the leasehold of the Tunnels, subject to sufficient funds being raised under the Placing. Scaled down plans not requiring Planning Permission would entail prioritising key elements crucial for visitor experience and business viability, while also considering the elimination or reduction of non-essential elements.

By analysing visitor feedback and strategically adjusting for visitor numbers and capacity, the Company believes it would be possible to scale down the attraction while still providing a compelling experience. The uniqueness of the Tunnels, combined with the original equipment and their interesting history and heritage, makes them an attractive destination even in their current condition. The Tunnels' history, including connections to wartime London, the Special Operations Executive, and the Cuban Missile Crisis, adds to their appeal. Additionally, adjustments to the design and layout would be necessary, such as opting for a smaller footprint and implementing a modular design for potential future expansion. Financial and operational adaptations, including budget reassessment to identify cost-saving measures and enhanced operational efficiency, would also be made.

In this way, the Company would still be able to continue as a going concern. However not obtaining Planning Permission would negatively impact the results of future operations, financial condition and prospects. See "*Risk Factors—If the Company does not obtain Planning Permission to full scale operate its business in a timely manner, or at all, this could lead to delays in the development process past the 2027 target and have a material adverse effect on the Company's business, results of future operations, financial condition and prospects.*"

Visitor numbers and break-even

The Company's business plan, which is based on a large number of key assumptions, including the successful execution of all of the above key steps, on time and within budget, suggests that an average annual run-rate from year 3 of approximately 500,000 visitors would be required in order for the Company to break-even.

The Company currently estimates that the number of visitors will be approximately 588,000 in 2027, 1,721,000 in 2028 and 2,250,000 in 2029. These visitor numbers have been estimated by using the average flow rate derived from the Greater London Authority's forecasted data on tourists visiting London, encompassing both domestic and international visitors.[6] To achieve this, the Company annualised the flow shares based on quarterly data, ensuring a comprehensive yearly estimate. Additionally, the Company has accounted for a ramp-up period of two years following the opening, presuming that visitor numbers will gradually increase to reach the forecasted levels within this timeframe.

However, prospective investors should note that material changes to any one of the Company's key assumptions could negatively impact these projected visitor numbers as well as, more generally, the timing, economic returns or viability of the project.

MATERIAL AGREEMENTS

The following agreements (not being agreements entered into in the ordinary course of business) have been entered into by the Company either: (i) within the period of two years immediately preceding the date of this Prospectus which are or may be material to the Company; or (ii) which contain any provisions under which any member of the Company has any obligation or entitlement which is, or may be, material to the Company as at the date of this Prospectus.

Arrangement services agreement with CSG (*a related party*)

Pursuant to an arrangement services agreement between the Company and Client Services (Global) Limited (**CSG**) dated 12 December 2023, and as amended by an amending deed dated 17 June 2024 (**ASA**), CSG has agreed to provide introductory and arrangement services, on and from 1 October 2023, in connection with procuring the placees for the Placing Shares proposed to be issued by the Company at the Issue Price. The ASA contains mutual warranties from the Company and CSG. Pursuant to the ASA, the Company has agreed to pay CSG a standard commission of 6% of money received through the Placing. The ASA automatically terminates on completion of the proposed Placings.

Under the ASA, CSG will be responsible for procuring and arranging introductions to potential investors on behalf of the Company in connection with the Placing. CSG has a business development team responsible for developing relationships with platform providers through which the independent financial advisers introduce their clients to the Company, being the institutional investors for Placing Shares. In relation to services provided by CSG in the United Kingdom, CSG's interactions with third parties is limited to relationship building and maintenance only.

General services agreement with CSG (*a related party*)

The Company has entered into a general services agreement with CSG dated 27 January 2021, pursuant to which CSG provides general administration and accounting services to the Company. From inception, CSG has provided services based on an agreed fee schedule. From the fees of £1,491,000 (excluding VAT) for the period from 27 January 2021 to 31 December 2022 £1,000,000 remains outstanding and is only payable with Directors' approval and are subject to the Company having raised sufficient funds.

The key provisions of the general service agreement include:

- Term: The services agreement shall remain in force unless otherwise terminated or agreed between the parties.
- Functions as service provider: To provide assistance, as requested, relating to all aspects of the Company's business activities.
- Authority, power and right on behalf of the Company to:
  - discuss and obtain information from the Company's clients or counterparties;
  - discuss and obtain from potential counterparties of the Company; and
  - investigate in accordance with the instructions of the Company all arrangements and to supervise the implementation of such arrangements by the Company, as necessary.

[6] Source: https://data.london.gov.uk/dataset/london-tourism-forecasts

- Fees: In consideration of the services to be performed by the service provider, the service provider will invoice for the services performed at the rate agreed, plus such other expenses incurred by the service provider as shall be separately stated.
- Termination by either party:
  - mutual termination clause at any time by giving three months' written notice;
  - at any time either party goes into liquidation, or be unable to pay its debts, or if a receiver is appointed of any of the party's assets, or if some event having equivalent effect occurs;
  - if either party commits any material breach of its obligations under the services agreement and (if such breach shall be capable of remedy), fail to remedy the breach within 30 days of notice served by the other party.

Intellectual property sale agreement with Cupcake (*a related party*)

Cupcake gained intellectual property that was developed over a number of years, prior to the incorporation of the Company. This involved significant investment in the development of concepts, original ideas, and comprehensive architectural and engineering studies. These studies demonstrated that the original ideas were not only innovative but also physically feasible and executable in the real world with a unique design. Wilkinson Eyre, WSP and other specialist firms conducted numerous studies including architectural and engineering reports, while Forsters LLP, acting as legal firm, facilitated the execution of an exclusive purchase agreement with British Telecommunications plc.

The valuation of this intellectual property was acquired by the Company because it underpins the creation of future commercial value and demonstrates what could be achieved with the asset of the Kingsway Tunnels. The intellectual property encompasses a range of essential components, including model architectural design reports, additional architectural diagrams, feasibility reports on tunnel ventilation, vertical transport studies, fire engineering reports, and conceptual visitor experience reports. It also includes introductions to key representatives and technology proposals.

Without this comprehensive intellectual property, the ability to generate economic benefits from the Kingsway Tunnels would not have been possible. The acquired IP provides a solid foundation for realising the commercial potential of the Tunnels, ensuring that the Company can leverage these assets effectively to create value and achieve its business objectives. The extensive groundwork laid by the intellectual property development is central for transforming the Kingsway Tunnels into a viable and profitable venture.

Cupcake and the Company entered into an intellectual property sale agreement on 27 January 2021, pursuant to which Cupcake intended to assign and transfer certain rights to The London Tunnels Limited (the Company re-registered as a public company limited by shares and changed its legal and commercial name to The London Tunnels PLC) (the **Original IPSA**). The Original IPSA has been amended by an amendment and restatement of intellectual property sale agreement dated 25 October 2023, amended on 21 December 2023, and further amended by an amendment and restatement deed dated 5 June 2024, which clarifies the intellectual property rights that have been assigned, when they were assigned and the commercial terms set out in the Original IPSA (the **IPSA Amendment** and together with the Original IPSA, the **IPSA**).

Cupcake assigned the following rights to the Company under the IPSA:

- any and all intellectual property rights (being, any patent, copyright, trade mark, service mark or trade name, right in software, right in design, right in databases, image right, moral right, right in an invention, right relating to passing off, domain name, right in confidential information (including trade secrets) or right of privacy, and all similar or equivalent rights in each case whether registered or not and including all applications (or rights to apply) for, or renewal or extension of, such rights which exist now or which will exist in the future in the United Kingdom and all other countries in the world (the **Intellectual Property Rights**); that it owned or otherwise held in the Intellectual Property Rights owned by Cupcake in respect of the business of the Company (the **Business IP**), including any and all such Intellectual Property Rights in:
  - model architectural design reports and drawings;
  - additional architectural diagrams;
  - introduction to representatives of British Telecommunications plc and appointed representatives;
  - tunnel ventilation feasibility report;
  - vertical transport study;
  - fire engineering report;
  - conceptual visitor experience reports;
  - introduction to technology counterparties, engaged with prior to company formation;
  - audio visual technology proposal;
  - technology proposals;
  - indicative cost estimate;
  - preliminary viability study for an immersive digital visitor experience;
  - introduction to local authority counterparties, engaged prior to company formation;
- all rights in and to the confidential information in respect of the Company's business (the **Assigned Confidential Information**) and the full unfettered and exclusive right throughout the world to use the Assigned Confidential Information for any purpose whatsoever; and

- all related rights and powers arising or accrued, including the right to bring, make, oppose, defend, appeal proceedings, claims or actions and obtain relief (and to retain any damages recovered) in respect of any infringement, or any other cause of action arising from ownership, of any of the Business IP.

Under the IPSA, Cupcake has transferred the Intellectual Property Rights in the proposed operation of a visitor attraction in the Tunnels to the Company for a consideration of £12,000,000, being (i) £7,000,000 as a capital contribution; and (ii) £5,000,000 as a non-interest bearing loan effective from 10 July 2023. Under the IPSA, the outstanding balance of the £5,000,000 loan:

(a) is non-interest bearing, which means that it is not a loan that is given at arm's length; and

(b) prior to 31 December 2029, may be repaid at the option of the Company, either partially or in full.

If (i) the outstanding balance of the £5,000,000 loan is repaid partially in accordance with clause (b) above; or (ii) the Company does not elect to repay the £5,000,000 loan, either partially or in full before 31 December 2029, the outstanding balance of the loan following any set off or partial repayment (if applicable) shall be non-interest bearing and shall be repayable on demand.

Zero Coupon Convertible Bonds

The Company entered into:

(a) a zero coupon convertible bond note on 28 November 2022, as amended by the deed of consent and variation between the Company and Private Equity ESG Fund Inc (PEF) on 11 September 2023 and further amended by amendment deed on 9 April 2024 (the **2022 Bond Instrument**);

(b) a zero coupon convertible bond note on 11 September 2023, as amended by amendment deed on 9 April 2024 (the **First 2023 Bond Instrument**); and

(c) a zero coupon convertible bond instrument on 12 October 2023, as amended by amendment deed on 9 April 2024 (the **Second 2023 Bond Instrument**).

The Company has granted the following zero coupon convertible bonds (**Zero Coupon Convertible Bonds**) to PEF:

(a) under the 2022 Bond Instrument:
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 22 December 2022;
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 3 January 2023;
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 17 January 2023;
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 3 March 2023;
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 3 March 2023; and
   - £600,000 unsecured Zero Coupon Convertible Bonds issued on 13 April 2023;

(b) under the First 2023 Bond Instrument:
   - £561,000 unsecured Zero Coupon Convertible Bonds issued on 13 September 2023; and
   - £159,000 unsecured Zero Coupon Convertible Bonds issued on 11 October 2023; and

(c) under the Second 2023 Bond Instrument:
   - £120,000 unsecured Zero Coupon Convertible Bonds issued on 18 October 2023; and
   - £60,000 unsecured Zero Coupon Convertible Bonds issued on 20 October 2023.

The Zero Coupon Convertible Bonds under the 2022 Bond Instrument are governed by the 2022 Bond Instrument, the Zero Coupon Convertible Bonds under the First 2023 Bond Instrument are governed by the First 2023 Bond Instrument and the Zero Coupon Convertible Bonds under the Second 2023 Bond Instrument are governed by the Second 2023 Bond Instrument.

The Zero Coupon Convertible Bonds were partially redeemed on 26 October 2023, as a share redemption pursuant to a letter agreement between the Company and PEF dated 24 October 2023 (the **Letter Agreement**). Under the Letter Agreement, the Company agreed to apply an increase ratio of 1.54321 to the shares due on conversion of the Zero Coupon Convertible Bonds' instruments, due to the Company allotting on 28 September 2023 a further 17,600 new ordinary shares at £1.00 each to Cupcake to ensure the Company had the required £50,000 of nominal share capital required to be re-registered as a public company (the **Increase Ratio**). The Zero Coupon Convertible Bonds were partially redeemed as follows:

- The Zero Coupon Convertible Bonds under the 2022 Bond Instrument were redeemed at a redemption price of £0.60 per Zero Coupon Convertible Bond. These Zero Coupon Convertible Bonds were subscribed for ordinary shares by PEF so that for every 5 Zero Coupon Convertible Bonds subject to the share redemption, the Company issued 3 ordinary shares of £1 each, so that PEF was issued 5,556 Ordinary Shares under the 2022 Bond Instrument (following application of the Increase Ratio).
- The Zero Coupon Convertible Bonds under the First 2023 Bond Instrument were redeemed at a redemption price of £1.75 per Zero Coupon Convertible Bond. These Zero Coupon Convertible Bonds were subscribed for ordinary shares by PEF so that for every 4 Zero Coupon Convertible Bonds subject to the share redemption, the Company issued 7 ordinary shares of £1 each, so that PEF was issued 3,241 ordinary shares under the First 2023 Bond instrument (following application of the Increase Ratio).
- The Zero Coupon Convertible Bonds under the Second 2023 Bond Instrument were redeemed at a redemption price of £0.60 per Zero Coupon Convertible Bond. These Zero Coupon Convertible Bonds were subscribed for ordinary shares by PEF so that for every 5 Zero Coupon Convertible Bonds subject to the share redemption, the Company issued 3 ordinary

shares of £1 each, so that PEF was issued 278 Ordinary Shares under the Second 2023 Bond Instrument (following application of the Increase Ratio).

Full redemption of the Zero Coupon Convertible Bonds is not due until 2025, and could be extended to 2026, and are redeemable at £1,000 per Zero Coupon Convertible Bond.

However, on 31 March 2024, the Company entered into an agreement with PEF whereby PEF agreed to the early cash redemption of £5,396,045 of the outstanding balance of the Zero Coupon Convertible Bonds, and that the cash amount, receivable by PEF, be applied to subscribe for 2,698,022 new Ordinary Shares, at £2.00 per share. Subsequently, the Company issued 2,698,022 Ordinary Shares to PEF on 31 March 2024.

In addition, under the terms of the agreement, the Company and PEF may agree to the early cash redemption of any remaining outstanding balance of the Zero Coupon Convertible Bonds, being £2,103,955 following the Listing, and that the cash amount, receivable by PEF, be applied to subscribe for further new Ordinary Shares at £2.00 per share. This would result in the issue of up to a further 1,051,978 Ordinary Shares, representing (i) a dilution of 1.70% to the issued share capital of the Company on the date of this Prospectus and (ii) a dilution of 1.61% to the issued share capital of the Company on the Listing Date.

Convertible Bonds

The Company issued 13,556 convertible bonds to an aggregate amount of £6,778,000 (the **Convertible Bonds**) to a number of investors (the **Convertible Bondholders**), under a convertible bond instrument entered into by the Company on 6 October 2023 (the **Original Convertible Instrument**). The Original Convertible Bond Instrument was amended by the first amending deed on 26 October 2023, the second amending deed on 28 November 2023, the amendment and restatement deed on 5 April 2024 and the amendment and restatement deed on 23 May 2024 (the Original Convertible Instrument amended by the deeds, the **Convertible Bond Instrument**), that will convert into new Ordinary Shares on the business day prior to the Listing Date at the Issue Price on the following terms:

- The nominal amount of each Convertible Bond is £500 and the aggregate maximum principal amount of all the Convertible Bonds is £6,800,000 (the **Principal Amount**). The Convertible Bonds may only be issued subject to a £5,000 minimum subscription of the Convertible Bonds that may be held by a single or joint registered holder.
- All the Convertible Bonds shall rank *pari passu*, equally and rateably, without discrimination or preference and as unsecured obligations of the Company.
- The Convertible Bonds shall be transferable only with the consent of the Company.
- The Convertible Bonds are issued subject to the following conditions:
  - interest is payable at 6%, payable annually, and not payable if converted into Ordinary Shares in the first year.
  - the Convertible Bonds then in issue (so far as not converted) shall be redeemed at the Principal Amount outstanding on the Maturity Date;
  - the Company may pre-pay the Convertible Bonds by redeeming them in whole or in part at any time, by giving not less than 14 days' notice in writing to the relevant Convertible Bondholders;
  - upon the occurrence of any event of default under the Convertible Bond Instrument, the Convertible Bonds held by a Convertible Bondholder then in issue shall automatically (unless otherwise agreed in writing by such Convertible Bondholder) be redeemed at the Principal Amount;
  - not less than 2 days prior to anticipated Listing Date, the Company shall give notice to the relevant Convertible Bondholders, and the Principal Amount of the Convertible Bonds shall convert into Ordinary Shares on the business day prior to the Listing Date;
  - the Board shall convert the Principal Amount of the Convertible Bonds at a ratio of 110% of the new Ordinary Shares that can be acquired by applying the outstanding amount of principal and interest (if any) to subscribe at the Issue Price (the **Conversion Shares**), subject to any **Adjustment Event** (being any sub-division, consolidation, re-classification or pro-rata cancellation of the Ordinary Shares; or any reduction of capital; or any issue of Ordinary Shares (or rights to subscribe for Ordinary Shares) by way of capitalisation or bonus issue, or distribution of Ordinary Shares to holders of Ordinary Shares or by way of payment of a scrip dividend on the Ordinary Shares); and
  - within 20 Business Days following an Adjustment Event, the Convertible Bondholders who, from time to time, hold in aggregate more than 50% of the Principal Amount of the Convertible Bonds in issue and outstanding may give notice to the Company that certification is required and the Company shall within 10 Business Days appoint an independent third party accountancy firm to certify in writing the adjustments to the number and nominal value of the Ordinary Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the Convertible Bondholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of Shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the Ordinary Shares on conversion of the Convertible Bonds).

Exchange Tunnels Lease with ETL (*a related party*)

The Company has entered into an agreement for lease between ETL, as landlord, and the Company, as tenant, in respect of the Tunnels dated 10 July 2023 (the **Original Exchange Tunnels Lease**) under which the Company has been granted a lease of the Tunnels conditional on the transfer of the following properties to ETL:

- the Kingsway Tunnels (Title Number: LN182998);
- 31-33 High Holborn (Title Number: LN182998); and
- 38-39 Furnival Street (Title Number: 275219).

The Original Exchange Tunnels Lease was amended on 29 November 2023 (the **Original Exchange Tunnels Lease** as amended, the **Exchange Tunnels Lease**), whereby the premium was increased from £9,600,000 exclusive of VAT to £10,600,000 exclusive of VAT.

The acquisition of the leasehold must be completed on or before 30 June 2025. The Company has paid two non-refundable deposits of £600,000. As at the date of this document, the Company has paid a £1.2 million deposit.

ETL is a wholly owned subsidiary of Cupcake. Angus Murray is a director and ultimate owner of each of ETL, through his sole ownership of Cupcake. Katharine Leo is also a director of ETL. Peter Curtin is also a director of ETL.

Summary details of the Exchange Tunnels Lease are set out below:

- Premium: £10,600,000 exclusive of VAT (£9,600,000 exclusive of VAT until the Original Exchange Tunnels Lease was amended on 29 November 2023)
- Term: 100 years
- Rent: a peppercorn per annum (if demanded)
- Permitted Use: as a cultural and heritage experience showcasing the arts, the natural world and/or history or with the consent of Exchange Tunnels (such consent not to be unreasonably withheld of delayed) any other use falling within Class E of the Schedule to the Town and Country Planning (Use Classes) Order 1987
- Insurance: the Company to insure in joint names of Landlord (Exchange Tunnels) and Tenant (the Company)
- Repair: the Company to keep the Tunnels in repair
- Alterations: permitted without consent except where alterations would
  - adversely affect the EPC rating of the Tunnels
  - split the Tunnels
- Alienation:
  - Assignment of whole permitted with consent of Exchange Tunnels (not to be unreasonably withheld or delayed) to an assignee but not during first two years of the term
  - Charging of whole permitted with consent of Exchange Tunnels (not to be unreasonably withheld or delayed)
  - Sharing occupation with group companies permitted without consent of Exchange Tunnels
  - Underletting prohibited

Lock-up undertakings

All Shareholders holding Ordinary Shares on the Listing Date will be subject to a lock-up (see *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements"*).

Relationship Agreement with Cupcake and Angus Murray (*related parties*)

On 17 June 2024, the Company, Cupcake and Angus Murray entered into a relationship agreement in relation to the Listing (the **Relationship Agreement**).

Cupcake will hold 50,000,000 Ordinary Shares on the Listing Date, representing in aggregate approximately 76.33% of the share capital of the Company at that time. Pursuant to the Relationship Agreement, the Company conducts its transactions with Cupcake, Angus Murray and persons connected to Cupcake and Angus Murray (the **Shareholder Group**) at arm's length and on normal commercial terms. Furthermore, each of Cupcake and Angus Murray have undertaken to the Company that, for so long as they (either alone or together with their connected persons) are interested in Ordinary Shares carrying 20% or more of the Company's voting share capital, they will not act to unduly influence the Company or the Board or otherwise interfere with the day-to-day management of the Company.

In order for the Shareholder Group to not act to unduly influence the Company or the Board, they must, amongst other things:

- conduct all transactions, agreements, relationships and arrangements with the Company and any future subsidiaries (the **Company Group**) on arm's length basis and on normal commercial terms;
- exercise the voting rights attaching to Cupcake's shareholding in their control in such a manner so as to procure (to the extent that they are able by the exercise of such voting rights) that each member of the Company Group is capable of carrying on its business independently of the Shareholder Group;
- not take any action that would have the effect of preventing or that might reasonably be expected to prevent any member of the Company Group from complying with its obligations under any applicable laws in the United Kingdom;
- not exercise any of the voting rights attaching to Cupcake's shareholding in their control or any other powers of control in such a manner so as to procure any amendment to the Articles of Association which would be inconsistent with, undermine or breach any of the provisions of the Relationship Agreement; and

- not exercise any of its voting rights in favour of any resolution to cancel the admission of the Ordinary Shares to trading on Euronext Amsterdam, unless such resolution is also recommended by any independent Non-Executive Directors.

TREND INFORMATION

The Company was incorporated in 2021 but has not yet undertaken any substantive trading activity to date. As a result, there has been no activity regarding production, sales, inventory and costs and selling prices from which to form a trend.

INSURANCE

The Company's insurance coverage includes policies such as employers' liability, cyber and directors and officers insurance (D&O) that are standard given the current early-stage, desktop-based nature of operations of the Company, as well as its limited number of personnel. Once the Company moves from Phase 2 to Phase 3 (as described under "—*Property acquisition and project development—Indicative project timeline*"), it will appoint insurance brokers to put in place appropriate insurance policies for the activities to be performed at that time. The Company does not have any outstanding insurance claims. The Company cannot, however, guarantee that it will not incur any losses or be the subject of claims that exceed the scope of the relevant insurance coverage or that its insurers would not dispute coverage due to any non-compliance with policy conditions.

LEGAL AND ARBITRATION PROCEEDINGS

There are no, and during the 12 months preceding the date of this Prospectus there have not been, any governmental, regulatory or legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is currently aware) that may have, or have had in the recent past, significant effects on (i) the Company, Cupcake, EC1 Property Management Limited and ETL, and/or (ii) the financial position or profitability of the Company, Cupcake, EC1 Property Management Limited and ETL.

INTELLECTUAL PROPERTY

Subject to the Intellectual Property Sale Agreement (see "—*Material Agreements—Intellectual property sale agreement*"), the Company is not dependent on any patents or licences, industrial, commercial or financial contracts, or new manufacturing processes, where such are of fundamental importance to the Company's business or profitability.

REGULATORY

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

(a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
(b) carrying out the business of the Company and the administering of interests in the Company;
(c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
(d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate, it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and (b) transfer personal data outside of the United Kingdom or EEA to countries or territories which do not offer the same level of protection for the rights or freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

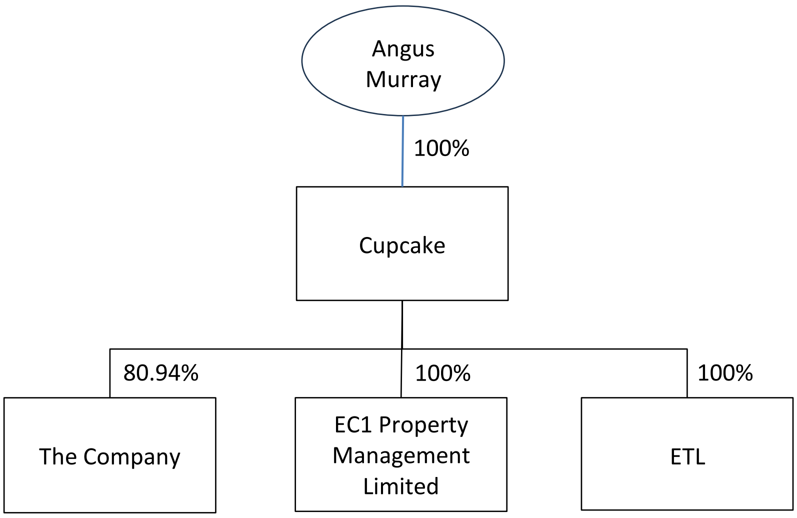
Regulatory environment

The Company does not operate in a sector which is subject to a particular regulatory regime (over and above the regulatory regime governing companies incorporated in England and Wales) which would materially affect its business, nor are there any governmental, economic, fiscal, monetary or political policies or factors that have materially affected its business to date.

GROUP STRUCTURE

The Company is part of a group of four companies, comprising Cupcake as the parent company and three directly owned subsidiaries: the Company, EC1 Property Management Limited and ETL.

On the date of this Prospectus, Cupcake is interested in 80.94% of the issued share capital in the Company and 100% of the issued share capital of EC1 Property Management Limited and ETL.



The Company has no subsidiaries.

CAPITALISATION, INDEBTEDNESS AND WORKING CAPITAL

The tables below set out the Company's capitalisation and indebtedness as at 9 June 2024, as extract from the Company's unaudited management information as at that date.

The information set forth in the table below should be read in conjunction with, and is qualified by reference to, "*Operating and Financial Review*", the Company Financial Statements and the Company Interim Financial Statements.

Capitalisation

	Unaudited **As at 9 June 2024 £**	***Adjustment*** **Conversion of Convertible Bonds[(1)] £**	**Adjusted balances £**
Total current debt (including current portion of non-current debt)			
Guaranteed	–	–	–
Secured	9,400,000	–	9,400,000
Unguaranteed/Unsecured	11,731,559	(6,778,000)	4,953,559
Total non-current debt (excluding current portion of non-current debt)			
Guaranteed	–	–	–
Secured	–		–
Unguaranteed/Unsecured	1,360,750	–	1,360,750
Shareholder equity			
Share capital	5,455,119	7,455,800	12,910,919
Legal reserve(s)	–	–	–
Other reserves	1,363,551	(677,800)	685,751
Total	**29,310,979**	**-**	**29,310,979**

Note:

(1) The adjustment represents the conversion of the £6,778,000 Convertible Bonds into 3,727,900 Ordinary Shares at £2.00 per Ordinary Share for total value of £7,455,800 to take place on the business day prior to the Listing Date. The conversion of the Convertible Bonds will result in a decrease to *"unguaranteed/unsecured current debt*" of £6,778,000, an increase to "*share capital and share premium*" of £7,455,800 and a decrease to *"other reserves"* of £677,800.

There has been no material change in the Company's capitalisation since 9 June 2024.

Indebtedness

	Unaudited **As at 9 June 2024 £**	***Adjustment*** **Conversion of Convertible Bonds[(1)] £**	**Adjusted balances £**
A. Cash	2,790,378	–	2,790,378
B. Cash equivalents[(2)]	18,500	–	18,500
C. Other current financial assets	880,000	–	880,000
D. Liquidity (A + B + C)	**3,688,878**	–	**3,688,878**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	21,131,559	(6,778,000)	**14,353,559**
F. Current portion of non-current financial debt	–	–	–
G. Current financial indebtedness (E + F)	**21,131,559**	**(6,778,000)**	**14,353,559**
H. Net current financial indebtedness (G - D)	**17,442,681**	**-6,778,000**	**10,664,681**
I. Non-current financial debt (excluding current portion and debt instruments)[(3)]	–	–	–
J. Debt Instruments	1,360,750	–	1,360,750
K. Non-current trade and other payables	–	–	–
L. Non-current financial indebtedness (I + J + K)	**1,360,750**	–	**1,360,750**
M. Total financial indebtedness (H + L)	**18,803,431**	**-6,778,000**	**12,025,431**

Notes:

(1) The adjustment represents the conversion of the £6,778,000 Convertible Bonds into 3,727,900 Ordinary Shares at £2.00 per Ordinary Share for total value of £7,455,800 to take place on the business day prior to the Listing Date. The conversion of the Convertible Bonds will result in decreases to items E, G, H and M by the value of the Convertible Bonds, being £6,778,000.

(2) The amount of £18,500 relates to cash held on deposit with one of the Company's advisers. There are no restrictions on the availability of this balance.

(3) The amount of £9,300,000 relates to non-current lease liabilities.

There has been no material change in the Company's indebtedness since 9 June 2024.

Indirect and contingent indebtedness

In addition to the indebtedness stated above, the Company had a contingent liability due to a related party to the value of £1,000,000 as at 9 June 2024. The contingent liability comprises fees owing to CSG which are only payable with Directors' approval and are subject to the Company having raised sufficient funds in the Placing.

Working capital statement

In the opinion of the Company, taking into account the net proceeds to be received from the part of the Placing that is irrevocably committed (being £24,980,000), the Company has sufficient working capital for its present requirements, that is for at least the next 12 months following the date of this Prospectus.

SELECTED FINANCIAL AND OTHER INFORMATION

The following tables set forth the Company's Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and certain other financial data as at the dates and for the periods indicated.

The selected financial information as at 31 December 2021 and for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and as at 31 March 2023 and for the 15-month period ended 31 March 2023 and the notes thereto has been derived from the Company Financial Statements and the financial information as at 30 September 2023 and for the 6-month period then ended and the notes thereto has been derived from the Company Interim Financial Statements.

The selected financial information set out below may not contain all of the information that is important to prospective investors and, accordingly, should be read in conjunction with the Company Financial Statements, the Company Interim Financial Statements, "*Important Information*" and "*Operating and Financial Review*".

The Financial Statements presented below do not constitute statutory financial statements for the periods under review.

Statements of comprehensive income

Summarised below are the audited Statements of Comprehensive Income of the Company for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statement of Comprehensive Income of the Company for the six-month periods ended 30 September 2023:

	Audited Period ended		***Unaudited 6 months ended***	
	31 March 2023	**31 December 2021**	**30 September 2023**	**30 September 2023**
	£	**£**	**£**	**£**
Revenue	—	—	—	—
Administrative expenses	(91,702)	(308,904)	(610,135)	—
Other operating income	—	89,210	—	—
Operating loss	**(91,702)**	**(219,694)**	**(610,135)**	—
Interest receivable and similar income	—	—	520	—
Interest payable and similar expenses	—	(180,560)	(753,772)	—
Loss before taxation	**(91,702)**	**(400,254)**	**(1,363,387)**	—
Income tax expense	—	—	—	—
Loss for the financial period	**(91,702)**	**(400,254)**	**(1,363,387)**	—

Statements of Financial Position

Summarised below are the audited Statements of Financial Position of the Company as at 31 December 2021 and 31 March 2023, together with the unaudited Statements of Financial Position of the Company as at 30 September 2023:

	Audited As at		***Unaudited As at***
	31 March 2023	**31 December 2021**	**30 September 2023**
	£	**£**	**£**
Right-of-use assets (*Tunnels*)	—	—	9,600,000
Intangible assets (*intellectual property in relation to the Tunnels*)	—	—	14,105,463
Non-current assets	**—**	**—**	**23,705,463**
Trade and other receivables	174,240	32,400	879,034
Cash and cash equivalents	2,716,725	—	1,176,218
Current assets	**2,890,965**	**32,400**	**2,055,252**
Total assets	**2,890,965**	**32,400**	**25,760,715**
Trade and other payables	(149,961)	—	(1,510,227)
Accruals	(20,000)	(91,702)	(10,000)
Lease liabilities (*Tunnels*)	—	—	(9,000,000)
Current liabilities	**(169,961)**	**(91,702)**	**(10,520,227)**
Zero Coupon Convertible Bonds	(2,848,543)	—	(4,658,276)
Loan from Cupcake	—	—	(4,968,100)
Non-current liabilities	**(2,848,543)**	**—**	**(9,626,376)**
Total liabilities	**(3,018,504)**	**(91,702)**	**(20,146,603)**
Net (liabilities)/assets	**(127,539)**	**(59,302)**	**5,614,112**
Called up share capital	32,400	32,400	32,400
Equity reserve	332,017	—	7,437,055
Accumulated losses	(491,956)	(91,702)	(1,855,343)
Total equity	**(127,539)**	**(59,302)**	**5,614,112**

Statements of Cash Flows

Summarised below are the audited Statements of Cash Flows of the Company for the period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statement of Cash Flows of the Company for the six-month period ended 30 September 2023:

	Audited		***Unaudited***	
	Period ended		***6 months ended***	
	31 March 2023	**31 December 2021**	**30 September 2023**	**30 September 2023**
	£	**£**	**£**	**£**
Cash flows from operating activities				—
Loss for the period	(400,254)	(91,702)	(1,363,387)	—
Adjustments for:				—
Finance income	—	—	(520)	—
Finance costs	180,560	—	753,772	—
Movement in trade and other receivables	(141,840)	—	(186,694)	—
Movement in trade and other payables	78,259	91,702	1,350,785	—
Cash flow from operations	(283,275)	—	553,956	—
Tax paid	—	—	—	—
Net cash (used in)/from operating activities	**(283,275)**	**—**	**553,956**	—
Development of intangible assets	—	—	(2,105,463)	—
Intercompany loan from Cupcake	—	—	—	500
Intercompany loan paid to EC1 Property Management Limited	—	—	(450,000)	—
Intercompany loan paid to ETL	—	—	(100,000)	—
Net cash used in investing activities	**—**	**—**	**(2,655,463)**	—
Proceeds from issue of Zero Coupon Convertible Bonds	3,000,000	—	1,161,000	—
Lease deposit paid to ETL	—	—	(600,000)	500
Net cash from financing activities	**3,000,000**	**—**	**561,000**	—
Net cash inflow/(outflow)	**2,716,725**	**—**	**(1,540,507)**	500
Cash brought forward	—	—	**2,716,725**	—
Cash carried forward	**2,716,725**	**—**	**1,176,218**	**500**

OPERATING AND FINANCIAL REVIEW

The following operating and financial review contains financial information that has been extracted or derived from the Company Financial Statements beginning on page F-4 and the Company Interim Financial Statements beginning on page F-14, both prepared in accordance with IFRS. The audited financial statements of the Company for the year ended 31 March 2024 will be published on or before 31 July 2024.

The following discussion should be read in conjunction with the other information in this Prospectus, the Company Financial Statements and the Company Interim Financial Statements.

The discussion in this section contains forward-looking statements that reflect the Company's plans, estimates and beliefs and involve risks and uncertainties. The Company's actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly in "*Risk Factors*" and "*Important Information—Information regarding forward-looking statements*".

The Company may receive payments and incur expenses denominated in euro, US dollar and pound sterling, creating a risk that exchange rate movements will reduce the value of assets and increase the extent of liabilities in differed currency or asset class pairs. Where possible the Company seeks to internally hedge by matching assets and liabilities in the same currency or asset class. Where this is not possible assets are held in the currency or asset class which is likely to be the most stable, typically pound sterling.

OVERVIEW

The Tunnels

The Company intends to develop a series of visitor attractions in the Tunnels, which were built as part of the United Kingdom Government's strategy to protect its citizens from bombing during the London Blitz. The Company intends to restore, adaptively reuse and bring back to life the Tunnels, offering a combination of heritage experiences and a cultural, well-designed, multi-sensory, digital experience. It is anticipated that the Tunnels will ultimately have a design capacity of approximately 3 million visitors per annum. The content could be based around a single theme, or could form a series of regularly changing exhibitions.

The Tunnels' scale and available space provide a blank canvas for a wide variety of opportunities for visitor experiences, with multiple such experiences being hosted at any one time. Working in partnership with major technological and entertainment companies with licensed branded content, as well as with local artists and curators, visitors would be able to explore and discover experiences from around the world across history, the arts, nature and sciences. The current vision for the Tunnels includes plans for a 'must-see' attraction in central London, with ticketed visitors experiencing the rich, cultural heritage that the Tunnels embody.

Business model

London is one of the most visited cities in the world, with people travelling to London from all over the world to admire its monuments and explore its richly vibrant culture. London, considered to be a year-round destination, is the third most visited city in the world and tourism is one of the key drivers of its economy. London has numerous major visitor attractions, with a high proportion of visits to London being repeat visitors looking for new experiences. Accordingly, the Board believes there is a material opportunity to create and launch a new visitor attraction in London providing a cultural and interactive experience to visitors using some of the latest digital technologies.

The Company expects to generate revenue from ticket sales following full commercial launch. In addition, at full commercial launch, the Company expects to generate revenue from secondary spend such as the sale of souvenirs, general merchandise, and photographs. The Company currently anticipates full commercial launch of a visitor attraction in the Tunnels in 2027. Ticket prices will be set in the run up to launch. Based on the analysis of existing visitor attractions in London, the Company expects to target adult ticket prices in the range of £30-£55 (before discounts and concessions).

KEY FACTORS AFFECTING THE COMPANY'S RESULTS OF OPERATIONS

The Company's results of operations and financial condition could be affected by a variety of factors, a number of which are outside the control of its control. Set out below are some of the most significant factors that could affect the Company's financial results during future operational periods and which the Company currently expects could affect its financial results in the future. Factors other than those presented below could also have a significant impact on the Company's results of operations and financial condition in the future.

For a description of risk factors that may adversely affect the Company's operations and financial condition, see "*Risk Factors*".

Changes in tourist habits

The success of the business operation depends on the continued popularity of London as a destination for both domestic and international tourists. For example, before the COVID-19 pandemic, London ranked number 3 as the most visited city in the world, achieving 19.1 million visitors who stayed for at least 24 hours in 2018[7], and the UK overall welcomed a total of 37.9 million visitors. The USA, France, and Germany were the top markets in terms of the number of visits to the UK, accounting for 29% of visits in 2018. These markets also accounted for 27% of all overseas visitor spend. Travellers from the US contribute most to the travel industry in the United Kingdom. 3.9 million American tourists visited in 2018 and spent a collective £3.4 billion. 54% of all inbound visitor spend is accounted for by London. The rest of England accounts for 33%, Scotland 10% and Wales 2%.[8]

Competition

London is one of the most visited cities in the world, with people travelling to London from all over the world to admire its monuments and explore its richly vibrant culture. London, considered to be a year-round destination, is the third most visited city in the world and tourism is one of the key drivers of its economy, with approximately 10% of the city's gross value-added income. London has numerous major visitor attractions, with a high proportion of visits to London being repeat visitors looking for new experiences.

General economic environment and trends in customer spending

The Companies future operations and financial condition could be impacted by global economic developments that affect customer spending generally. General economic factors affecting customer spending include unemployment levels, increased personal debt levels, the availability of discretionary income and soft or weakening economic conditions.

Seasonality

Visitors do not visit attractions evenly over the year. However, London is a year-round tourist destination and seasonality is not as pronounced as in a holiday resort location. Visits to paid attractions generally experience a higher degree of seasonality than free to enter attractions, with peaks during the main school Easter and summer holiday periods. The peak months for visits to the project is expected to be during the UK summer months. Attractions with greater appeal to the UK family market, such as the Tower of London and Madame Tussauds, show a greater correlation with school holidays. The Company could incur additional expenses in advance of these peak periods in anticipation of an increase in customers.

Impact of another COVID pandemic

In the event of another COVID pandemic the country could see restrictions imposed by governments including, without limitation, business closures, restrictions on non-essential business activities, travel restrictions, and quarantines.

PRESENTATION OF FINANCIAL INFORMATION

Accounting periods presented

The Company was incorporated on 27 January 2021 in England and Wales and, as such, had an initial statutory reporting period through to 31 January 2022. On 6 October 2022, the Company shortened its initial statutory reporting period from 31 January 2022 to 31 December 2021 and this 12-month period is the first period of account included in the Company Financial Statements. On 5 June 2023, the Company extended its second statutory reporting period from 31 December 2022 to 31 March 2023, resulting in a 15-month reporting period. The extension to 31 March 2023 was to meet the capacity constraints of the Company's auditor. Following this extension to its statutory reporting period, the Company's second reporting period in the Company Financial Statements is the 15-month period ended 31 March 2023. The Company Financial Statements therefore includes audited financial information of the Company for its first 12-month reporting period, being the date of incorporation on 27 January 2021 to 31 December 2021, and its second 15-month reporting period, being 1 January 2022 to 31 March 2023. The Company Financial Statements have been prepared in accordance with IFRS.

As is required by the Prospectus Regulation, this Prospectus includes unaudited interim financial information. The interim reporting period covers the six-month period from 1 April 2023 to 30 September 2023. The comparative interim financial information covers the six-month period from 1 April 2022 to 30 September 2022. The Company Interim Financial Statements therefore include unaudited financial information of the Company for the six-month period ended 30 September 2023 and the comparative six-month period ended 30 September 2022. The Company Interim Financial Statements have been prepared in accordance with IFRS.

STATEMENTS OF COMPREHENSIVE INCOME

Summarised below are the audited Statements of Comprehensive Income of the Company for the 12-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statements of Comprehensive Income of the Company for the six-month periods ended 30 September 2023 and 30 September 2022:

[7] Source: https://www.statista.com/statistics/310355/overnight-visitors-to-top-city-destinations-worldwide/

[8] Source: https://www.condorferries.co.uk/uk-tourism-statistics.

	Audited 12 months ended 31 December 2021 £	Audited 15 months ended 31 March 2023 £	Unaudited 6 months ended 30 September 2023 £	Unaudited 6 months ended 30 September 2022 £
Revenue	—	—	—	—
Administrative expenses	(91,702)	(308,904)	(610,135)	—
Other operating income	—	89,210	—	—
Operating loss	**(91,702)**	**(219,694)**	**(610,135)**	—
Interest receivable and similar income	—	—	520	—
Interest payable and similar expenses	—	(180,560)	(753,772)	—
Loss before taxation	**(91,702)**	**(400,254)**	**(1,363,387)**	—
Income tax expense	—	—	—	—
Loss for the financial period	**(91,702)**	**(400,254)**	**(1,363,387)**	—

STATEMENTS OF FINANCIAL POSITION

Summarised below are the audited Statements of Financial Position of the Company as at 31 December 2021, 31 March 2023, together with the unaudited Statement of Financial Position of the Company as at 30 September 2023:

	Audited As at 31 December 2021 £	Audited As at 31 March 2023 £	Unaudited As at 30 September 2023 £
Right-of-use assets (*Tunnels*)	—	—	9,600,000
Intangible assets (*intellectual property in relation to the Tunnels*)	—	—	14,105,463
Non-current assets	**—**	**—**	**23,705,463**
Other receivables	32,400	174,240	879,034
Cash and cash equivalents	—	2,716,725	1,176,218
Current assets	**32,400**	**2,890,965**	**2,055,252**
Total assets	**32,400**	**2,890,965**	**25,760,715**
Trade and other payables	—	(149,961)	(1,510,227)
Accruals	(91,702)	(20,000)	(10,000)
Lease liabilities (*Tunnels*)	—	—	(9,000,000)
Current liabilities	**(91,702)**	**(169,961)**	**(10,520,227)**
Zero Coupon Convertible Bonds	—	(2,848,543)	(4,658,276)
Loan from Cupcake	—	—	(4,968,100)
Non-current liabilities	**—**	**(2,848,543)**	**(9,626,376)**
Total liabilities	**(91,702)**	**(3,018,504)**	**(20,146,603)**
Net (liabilities)/assets	**(59,302)**	**(127,539)**	**5,614,112**
Called up share capital	32,400	32,400	32,400
Equity reserve	—	332,017	7,437,055
Accumulated losses	(91,702)	(491,956)	(1,855,343)
Total equity	**(59,302)**	**(127,539)**	**5,614,112**

STATEMENTS OF CASH FLOWS

Summarised below are the audited Statements of Cash Flows of the Company for the 12-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023, together with the unaudited Statement of Cash Flows of the Company for the six-month periods ended 30 September 2023 and 30 September 2022:

	Audited 12 months ended 31 December 2021 £	Audited 15 months ended 31 March 2023 £	Unaudited 6 months ended 30 September 2023 £	Unaudited 6 months ended 30 September 2022 £
Cash flows from operating activities				
Loss for the period	(91,702)	(400,254)	(1,363,387)	—
Adjustments for:				—
Finance income	—	—	(520)	—
Finance costs	—	180,560	753,772	—
Movement in trade and other receivables	—	(141,840)	(186,694)	—
Movement in trade and other payables	91,702	78,259	1,350,785	—
Cash flow from operations	—	(283,275)	553,956	—
Tax paid	—	—	—	—
Net cash (used in)/from operating activities	**—**	**(283,275)**	**553,956**	—
Development of intangible assets	—	—	(2,105,463)	—
Intercompany loan from Cupcake	—	—	—	500
Intercompany loan paid to EC1 Property Management Limited	—	—	(450,000)	—
Intercompany loan paid to ETL	—	—	(100,000)	—
Net cash used in investing activities	**—**	**—**	**(2,655,463)**	**500**
Proceeds from issue of Zero Coupon Convertible Bonds	—	3,000,000	1,161,000	—
Lease deposit paid to ETL	—	—	(600,000)	—
Net cash from financing activities	**—**	**3,000,000**	**561,000**	—
Net cash inflow/(outflow)	**—**	**2,716,725**	**(1,540,507)**	**500**
Cash brought forward	—	—	**2,716,725**	—
Cash carried forward	**—**	**2,716,725**	**1,176,218**	**500**

RESULTS FOR THE 12-MONTH PERIOD FROM INCORPORATION ON 27 JANUARY 2021 TO 31 DECEMBER 2021

The Company was incorporated on 27 January 2021 in England and Wales with the company number 13160590. The Company's initial statutory reporting period was through to 31 January 2022. However, on 6 October 2022, the Company shortened its initial statutory reporting period from 31 January 2022 to 31 December 2021 and this 12-month period is the Company's first statutory reporting period.

On incorporation, 32,400 Ordinary Share of £1 each were issued and paid. During the this first reporting period, there was limited operational activity as the Company was undertaking research and studies to ensure the viability of the development scheme in general.

Trading results

Revenue

Revenue relates to the sale of visitor tickets to the Tunnels. On the basis that the Tunnels remained under development during the period, no ticket sales were made and hence revenue of £nil was reported during the period.

Administrative expenses

Administrative expenses relate to head office expenditure incurred by the Company to operate its business. During its first reporting period, the Company incurred initial incorporation and administrative expenditure of £91,702, comprising:

	Audited 12 months ended 31 December 2021 £
Advisory fees (*Angus Murray*)	89,210
Accountancy fees	2,480
Legal fees	12
Administrative expenses	**91,702**

Operating loss

Operating loss represents the excess of administrative costs over revenues for the period. On the basis that the Company reported £nil revenue for the period and administrative costs of £91,702, an operating loss of £91,702 was reported for the Company's first reporting period.

Loss before taxation

Loss before taxation represents the operating loss, less "*interest payable and similar expenses*" plus "*interest receivable and similar income*". On the basis that the Company reported £nil "*interest payable and similar expenses*" and £nil "*interest receivable and similar income*" during its first reporting period, the Company's loss before taxation was the same as its operating loss, being £(91,702).

Loss for the financial period

Loss for the financial period represents the loss before taxation, less taxation charged or credited. On the basis that the Company was loss making during its first reporting period, no corporation tax was payable. As such, the Company's loss for the financial period was the same as its loss before taxation, being £91,702.

Assets, liabilities and equity

Other receivables

Other receivables relate to current assets of the Company. As at 31 December 2021, the Company had one receivable, comprising £32,400 owed by Cupcake, the Company's parent company, in relation to the nominal value of the share capital issued by the Company to Cupcake on incorporation on 27 January 2021.

Current assets

Current assets comprise the aggregate of the Company's cash and cash equivalents and any other current assets. As at 31 December 2021, the only current asset of the Company comprised amounts owed to it by Cupcake, being £32,400 in relation to shares issued to Cupcake on incorporation of the Company on 27 January 2021.

Total assets

Total assets comprise the aggregate of the Company's non-current assets and its current assets. As at 31 December 2021, the Company had no non-current assets and one current asset, being the £32,400 owed to it by Cupcake in relation to shares issued to Cupcake on incorporation of the Company on 27 January 2021.

Accruals

Accruals comprise costs incurred by the Company for which purchase invoices had yet to be received and recorded at the period end. Accruals are included within "*current liabilities*" on the Statement of Financial Position. As at 31 December 2021, the Company had yet to received invoices from Angus Murray and its other professional advisers for the services provided during the Company's first reporting period. As such, the accruals balance as at 31 December 2021 was for the full amount of the Company's "*administrative expenses*" for the period, being £91,702.

Current liabilities

Current liabilities represent liabilities of the Company due within twelve months of the reporting period. As at 31 December 2021, the Company had one such liability, being the accruals balance of £91,702.

Total liabilities

Total liabilities comprise the aggregate of the Company's current liabilities and non-current liabilities. On the basis that the Company had no non-current liabilities as at 31 December 2021, its total liabilities comprised its accruals of £91,702.

Net assets / (liabilities)

Net assets / (liabilities) comprise the aggregate of the Company's total assets and its total liabilities. As at 31 December 2021, the Company reported total assets of £32,400 and total liabilities of £(91,702), resulting in net liabilities at the end of the reporting period of £(59,302).

Called up share capital

Share capital comprises the aggregate nominal value of the Ordinary Shares issued by the Company. During the Company's first reporting period, 32,400 Ordinary Shares of £1 each were issued on incorporation on 27 January 2021 to Cupcake, the Company's parent. As at 31 December 2021, Cupcake had yet to pay the Company the £32,400 owing, resulting in the Company's "other receivable" balance of this amount at the reporting period end.

Accumulated losses

Accumulated losses represent the aggregate of the Company's profits and losses since its incorporation on 27 January 2021. As the period ended 31 December 2021 represents the Company's first reporting period, the "*accumulated losses*" balance as at 31 December 2021 is the same as its reported "*loss for the financial period*" above, being £91,702).

Total equity

Total equity comprises the aggregate of the Company's "*called up share capital*" and its "*accumulated losses*", and is equal to its "*total assets / (liabilities)*" balance. As at 31 December 2021, the Company reported "*called up share capital*" of £32,400 and "*accumulated losses*" of £(91,702), giving rise to "*total equity*" of £59,302 at the reporting period end.

Cash flows, financing and capital reserves

During the Company's first reporting period ended 31 December 2021, the Company issued Ordinary Shares to the value of £32,400, which remained unpaid as at the period end, and incurred £91,702 of administrative expenses, which had yet to be invoiced and remained payable as at the period end. As such, no cash flows were reported by the Company during its first reporting period.

Material investments

As at 31 December 2021 there were no material investments.

RESULTS FOR THE 15-MONTH PERIOD ENDED 31 MARCH 2023

On 5 June 2023, the Company extended its statutory accounting reference date from 31 December 2022 to 31 March 2023 in order to meet the capacity constraints experienced by the Company's UK auditors. As such, the Company's second reporting period covered the 15-month period ended 31 March 2023.

During the period, the company commenced with its Stage 1 plan which includes RIBA Stages 0 (Strategic Definition) to 2 (Concept Design) (as described under "— *Project development, RIBA stages*") and formally appointed the Project Team. Key administrative costs included legal and professional fees and costs in relation to the development of the Tunnels.

To fund its increased operating activities, the Company created the Zero Coupon Convertible Bonds on 28 November 2022, pursuant to which 6,000 Zero Coupon Convertible Bonds of £600 each were created. During the period, four tranches of the Zero Coupon Convertible Bonds were issued, generating a cash inflow of £3,000,000 for the Company. Against this cash inflow, development costs for the Tunnels and increased administrative expenses to the aggregate value of £283,275 were incurred, resulting in the Company having a cash balance of £2,716,725 as at 31 March 2023. In accordance with IFRS, planning and development expenditure on the Tunnels to the value of £131,494 was expensed to the Statement of Comprehensive Income as opposed to being capitalised on the Statement of Financial Position as a "*non-current asset*".

Trading results

Revenue

Revenue relates to the sale of visitor tickets to the Tunnels. As in the previous reporting period, the Tunnels remained under development during the Company's second reporting period. As such, no ticket sales were made and hence revenue of £nil was again reported during the period.

Administrative expenses

Administrative expenses relate to development costs of the Tunnels and head office expenditure incurred by the Company to operate its business. During its second reporting period, the Company incurred initial RIBA 0, RIBA 1 and RIBA 2 development costs in relation to the Tunnels of £131,494 and administrative expenditure of £177,409. The £177,409 of administrative expenditure incurred during the 15-month period was £85,707 more than that incurred in the Company's first 12-month reporting period, an increase of 93.5%.

On an annualised basis, the 15-month period expenditure of £177,409 would have been £141,927, or £56,707 more than that incurred in the Company's first 12-month reporting period, an increase of 65.6%.

A comparison of the administrative expenses incurred during the Company's first and second reporting periods is as follows:

	Audited 12 months ended 31 December 2021 £	*Audited* 15 months ended 31 March 2023 £	*Increase / (decrease)* £	*Difference* %
RIBA 0 development expenditure	—	115,886	*115,886*	—
RIBA 1&2 development expenditure		15,608	*15,608*	—
Development of the Tunnels	—	*131,494*	*131,494*	—
Management charges	—	102,000	*102,000*	—
Legal fees	12	46,594	*46,582*	*388,183%*
Audit fees	—	17,500	*17,500*	—
Directors' remuneration	—	6,440	*6,440*	—
Accountancy fees	2,480	2,430	*50*	*2.1%*
Finance charges	—	2,382	*2,382*	—
Advisory fees *(Angus Murray)*	89,210	63	*(89,147)*	*(141,503)%*
Subtotal	*91,702*	*177,409*	*85,707*	*93.5%*
Administrative expenses	**91,702**	**308,903**	***217,201***	***236.9%***

The period ended 31 March 2023 included the expansion of the Company's operating activities, with development and planning work being carried out in respect of the Tunnels, management charges commencing, the Directors being employed and audit fees being incurred. No such costs were incurred during the Company's prior reporting period.

Other operating income

Other operating income comprises income of the Company outside of its usual operating activities. During the Company's second reporting period, amounts owed by the Company to Angus Murray to the value of £89,210 were forgiven. This debt arose at the early stages of the Company when Angus Murray paid bills on behalf of the Company. He decided to forgive the total debt due to him for the benefit of the Company. The forgiveness of the amount due is reported as "*other operating income*" in the Statement of Comprehensive Income and a reduction in "*accruals*" on the Statement of Financial Position. No such income was reported in the Company's first reporting period.

Operating loss

Operating loss represents the excess of "*administrative expenses*" over "*revenues*" and "*other operating income*" for the period. On the basis that the Company again reported £nil revenue for the period, administrative costs of £308,904 and other operating income of £89,210, an operating loss of £219,694 was reported in the Company's second reporting period of 15 months. This compares to an operating loss of £(91,702) during the Company's first reporting period of 12 months, an increase of £127,992, or 139.6%.

On an annualised basis, the 15-month period operating loss of £219,694 would have been £175,755, or £84,053 more than that reported in the Company's first 12-month reporting period, an increase of 91.7%.

Interest payable and similar charges

Interest payable and similar charges comprises interest payable on the Company's financing facilities and non-cash components of the Company's financial instruments, in compliance with IFRS. During its second reporting period, the Company issued 5,000 Zero Coupon Convertible Bonds to the value of £3,000,000. In accordance with IFRS, each Zero Coupon Convertible Bond included an "*equity component*" and a "*liability component*". The liability component of the Zero Coupon Convertible Bonds is measured at amortised cost, and the difference between the carrying amount of the "*liability component*" at the date of issue and the amount reported on the Statement of Financial Position represents the finance charge for the reporting period, being £180,560. No such finance charge was incurred during the Company's first reporting period as this period pre-dated the issue of the Zero Coupon Convertible Bonds.

Loss before taxation

Loss before taxation represents the "*operating loss*", less "*interest payable and similar expenses*" plus "*interest receivable and similar income*". On the basis that the Company reported an operating loss of £219,694 and interest payable and similar expenses of £180,560, the Company's loss before taxation for the 15-month period was £400,254. This compares to an operating loss of £91,702 during the Company's first reporting period of 12 months, an increase of £308,552, or 336.5%.

On an annualised basis, the 15-month period operating loss of £400,254 would have been £320,203, or £80,051 more than that reported in the Company's first 12-month reporting period, an increase of 245.5%.

Loss for the financial period

Loss for the financial period represents the loss before taxation, less taxation charged or credited. On the basis that the Company was again loss making during its second reporting period, as it was during its first reporting period, no corporation tax was payable. As such, the Company's loss for its second financial period was the same as its loss before taxation, being £400,254.

Assets, liabilities and equity

Other receivables

Other receivables relate to current assets of the Company. As at 31 March 2023, the Company had three receivables with an aggregate value of £174,200, arising from the increased activities of the Company during its second reporting period. Other receivables of £174,200 as at 31 March 2023 comprised:

- £31,900 owed by Cupcake, the Company's parent company, in relation to the balance of nominal value of the share capital issued by the Company to Cupcake on incorporation on 27 January 2021. £500 was received by the Company during the second reporting period, from an opening balance of £32,400 as at 31 December 2021;
- £65,740 in relation to input VAT recoverable from HMRC. No such receivable was due as at 31 December 2021; and
- £76,600 of prepayments in relation to monies extended to three suppliers for services yet to be provided. No such receivable was due as at 31 December 2021.

Current assets

Current assets comprise the aggregate of the Company's cash and cash equivalents and any other current assets. As at 31 March 2023, the Company had cash and cash equivalents of £2,716,725 and other receivables of £174,240, giving rise to current assets of £2,890,965 as at 31 March 20023.

As at 31 December 2021, the Company's only asset comprised amounts owed to it by Cupcake, being £32,400 in relation to shares issued to Cupcake on incorporation of the Company on 27 January 2021.

Total assets

Total assets comprise the aggregate of the Company's non-current assets and its current assets. As at 31 March 2023, the Company had no non-current assets and current assets to the value of £2,890,965, comprising cash of £2,716,725, amounts owed by Cupcake to the value of £31,900, amounts owed by HMRC in respect of VAT recoverable to the value of £65,740 and prepaid supplier invoices to the value of £76,600.

As at 31 December 2021, the Company had no non-current assets and one current asset, being the £32,400 owed to it by Cupcake in relation to shares issued to Cupcake on incorporation of the Company on 27 January 2021.

Trade payables

Trade payables comprise amounts owed to suppliers for invoiced services provided. On the basis that the Company commenced the development of the Tunnels and expanded its administrative operations, a trade payables balance of £149,961 arose at the end of the reporting period. No such balance arose at the end of the prior period on the basis that no supplier invoices were received, with all supplier liabilities being recorded within "*accruals*" at the period end.

Accruals

Accruals comprise costs incurred by the Company for which purchase invoices had yet to be received and recorded at the period end. Accruals are included within "*current liabilities*" on the Statement of Financial Position. As at 31 March 2023, an accruals balance of £20,000 related to un-invoiced accounting services.

As at 31 December 2021, the Company had yet to received invoices from its professional advisers for the services provided during the Company's first reporting period. As such, the accruals balance as at 31 December 2021 was for the full amount of the Company's "*administrative expenses*" for the period, being £91,702.

Current liabilities

Current liabilities represent liabilities of the Company due within twelve months of the reporting period. As at 31 March 2023, the Company had two such liabilities, being the trade payables balance of £149,961 and the accruals balance of £20,000, giving rise to aggregate current liabilities of £169,961.

As at 31 December 2021, the Company had one such liability, being the accruals balance of £91,702.

Non-current liabilities

Non-current liabilities represent liabilities of the Company due in more than twelve months of the reporting period. As at 31 March 2023, the only non-current liability of the Company was the carrying value of the 5,000 Zero Coupon Convertible Bonds issued during the Company's second reporting period. As described above and in accordance with IFRS, each Zero Coupon Convertible Bond included an "*equity component*" and a "*liability component*". The liability component of the Zero Coupon

Convertible Bonds is measured at amortised cost. Upon issue of the Zero Coupon Convertible Bonds, cash of £3,000,000 was received. As at 31 March 2023, the amortised cost of the Zero Coupon Convertible Bonds was £2,848,543.

No such liability was reported as at 31 December 2021 as the Zero Coupon Convertible Bonds were issued post this date.

Total liabilities

Total liabilities comprise the aggregate of the Company's current liabilities and non-current liabilities. As at 31 March 2023, the Company reported current liabilities of £169,961 and non-current liabilities of £2,848,543, giving rise to total liabilities of £3,018,504.

On the basis that the Company had no non-current liabilities as at 31 December 2021, its total liabilities comprised its accruals of £91,702 as at that date.

Net assets / (liabilities)

Net assets / (liabilities) comprise the aggregate of the Company's total assets and its total liabilities. As at 31 March 2023, the Company reported total assets of £2,890,965 and total liabilities of £(3,018,504), resulting in net liabilities at the end of its second reporting period of £(127,539), a net decrease of £68,237 over the prior period.

As at 31 December 2021, the Company reported total assets of £32,400 and total liabilities of £(91,702), resulting in net liabilities at the end of its first reporting period of £(59,302).

Called up share capital

Share capital comprises the aggregate nominal value of the Ordinary Shares issued by the Company. During the Company's first reporting period, 32,400 Ordinary Shares of £1 each were issued on incorporation on 27 January 2021 to Cupcake, the Company's parent. No Ordinary Shares were issued during the Company's second reporting period.

As at 31 March 2023, Cupcake had yet to pay the Company the £31,900 in relation to the 32,400 Ordinary Shares issued during the prior period, a reduction of £500 from the brought forward balance of £32,400. The amount of £31,900 is included in the Company's *"other receivable"* balance at 31 March 2023.

Equity reserve

The equity reserve comprises the carrying value of the "*equity component*" of the Zero Coupon Convertible Bonds, calculated in accordance with IFRS. As described above and in accordance with IFRS, each Zero Coupon Convertible Bond included an "*equity component*" and a "*liability component*". The equity component of the Zero Coupon Convertible Bond is determined by deducting the amount of the "*liability component*" from the fair value of the Zero Coupon Convertible Bond as a whole. This amount is recognised and included in the "*equity reserve*" with "*equity*" on the Statement of Financial Position, net of income tax effects and is not subsequently remeasured. The calculation of fair value of the Zero Coupon Convertible Bonds by discounting total cash flows to maturity is sensitive to the Directors' estimate of the appropriate discount rate applied in the event that the conversion rights were not embedded in the Zero Coupon Convertible Bonds. The Directors have concluded the discount rate to be 35.70%–39.16% across the various dates of drawdown of the tranches of Zero Coupon Convertible Bonds issued during the Company's second reporting period. Having completed the valuations of the liability component and the fair value of the Zero Coupon Convertible Bonds, an amount of £332,017 has been recorded within the "*equity reserve*" as at 31 March 2023.

No such equity reserve was reported as at 31 December 2021 as the Zero Coupon Convertible Bonds were issued post this date.

Accumulated losses

Accumulated losses represent the aggregate of the Company's profits and losses since its incorporation on 27 January 2021 to 31 March 2023. The Company reported a loss for the year of £91,702 in its first reporting period and a further loss of £400,254 in its second reporting period, the aggregate of which is £491,956 and the balance of the Company's accumulated losses as at 31 March 2023.

Total equity

Total equity comprises the aggregate of the Company's *"called up share capital*", its "*equity reserve*" and its "*accumulated losses*" and is equal to its "*total assets / (liabilities)*" balance. As at 31 March 2023, the Company reported "*called up share capital*" of £32,400, an "*equity reserve*" of £332,017 and "*accumulated losses*" of £(491,956), giving rise to "*total equity*" of £(127,539) at the reporting period end. This represents a net decrease in equity of £68,237 over the prior period.

As at 31 December 2021, the Company reported "*called up share capital*" of £32,400 and "*accumulated losses*" of £(91,702), giving rise to "*total equity*" of £(59,302) at the reporting period end.

Cash flows, financing and capital reserves

No Ordinary Shares were issued during the Company's second reporting period. However, the Company issued 5,000 Zero Coupon Convertible Bonds for £3,000,000 in cash, which represented the company's only cash inflow during the 15-month period ended 31 March 2023. During the prior period, no cash inflows were reported as the 32,400 Ordinary Shares issued remained unpaid at that period end.

The £3,000,000 cash inflow from the issue of the Zero Coupon Convertible Bonds funded operating expenditure and initial development costs in respect of the Tunnels to the value of £283,275. During the prior period, administrative expenditure of £91,702 remained unpaid as the Company had no cash available.

The net cash inflow reported for the Company's second reporting period was £2,716,725. No cash inflow or outflow was reported in the prior period.

As at 31 March 2023, the Company had cash and cash equivalents of £2,716,725, an increase of this amount over the prior period end balance of £nil.

Material investments

As with the prior period, there were no material investments as at 31 March 2023.

RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2023

During the six-month period ended 30 September 2023, the Company entered into a lease purchase agreement on 10 July 2023 for the Tunnels with ETL, resulting in the recognition of a right-of-use asset valued at £9,600,000 and a lease liability of £9,000,000. Additionally, the Company recognised an intellectual property asset valued at £12,000,000. This IP asset was funded through a capital contribution and an intercompany loan as part of a separate agreement in which Cupcake is a party (see "*Business—Material Agreements—Intellectual property sale agreement*").

The Company continued with its Stage 1 plan and incurred cash outflows of further capitalised expenditure of £2,105,463 in relation to the further development of the Tunnels, a lease deposit and intercompany loans. To offset the cash outflows, the Company received inflows of £1,161,000 during this period from the issuance of further Zero Coupon Convertible Bonds.

At the end of the period the Company was well placed to continue its Stage 1 plan as anticipated.

Trading results

Revenue

Revenue relates to the sale of visitor tickets to the Tunnels. As in the previous reporting periods, the Tunnels remained under development during the Company's interim reporting period. As such, no ticket sales were made and hence revenue of £nil was again reported during the interim period.

Administrative expenses

Administrative expenses relate to head office expenditure incurred by the Company to operate its business. During the interim reporting period, the Company incurred administrative expenditure of £610,135. The £610,135 of administrative expenditure incurred during the 6-month period was £301,231 more than that incurred in the Company's second 15-month reporting period, an increase of 97.5%.

No administrative expenditure was reported during the Company's comparative six-month interim reporting period ended 30 September 2022.

On 15-month basis, the 6-month period expenditure of £610,135 would have been £1,525,338, or £1,216,434 more than that incurred in the Company's second 15-month reporting period, an increase of 393.8%.

A comparison of the administrative expenses incurred during the Company's interim 6-month reporting period and its second 15-month reporting period is as follows:

	Audited 12 months ended 31 December 2021 £	Audited 15 months ended 31 March 2023 £	*Increase / (decrease)* £	*Difference* %
Development of the Tunnels	131,494	—	(131,494)	—
Subtotal	*131,494*	—	*(131,494)*	—
Legal fees	46,594	287,694	*241,100*	*517.4%*
Management charges	102,000	204,000	*102,000*	*100.0%*
Directors' remuneration	6,440	74,670	*68,230*	*1,059.5%*
Travelling expenses	—	39,320	*39,320*	—
Finance charges	2,382	3,782	*1,400*	*58.8%*
Accountancy fees	2,430	490	*(1,940)*	*(79.8)%*
Other	—	179	*179*	—
Audit fees	17,500	—	*(17,500)*	—
Advisory fees *(Angus Murray)*	63	—	*(63)*	—
Subtotal	*91,702*	*177,409*	*85,707*	*93.5%*
Administrative expenses	**91,702**	**308,903**	***217,201***	***236.9%***

No development expenditure on the Tunnels was expensed during the interim reporting period.

Legal fees increased during the interim reporting period as planning applications and contractual arrangements with relevant suppliers were advanced during the interim reporting period. No such costs were incurred in the comparative interim reporting period.

Management charges continued to be charged at the rate of £204,000 per each six-month period.

The Directors salaries increased during the interim reporting period as their time commitments increased. No Directors fees were incurred in the comparative interim reporting period.

Investor presentations were conducted during the interim reporting period to promote the further issues of Zero Coupon Convertible Bonds and the proposed admission. Travel costs were incurred in relation to these presentations, which occurred in Europe, Central America, North America and the Far East.

Other operating income

Other operating income comprises income of the Company outside of its usual operating activities. No such income was reported during the Company's interim reporting period or its comparative interim reporting period.

During the Company's second reporting period ended 31 March 2023, amounts owed by the Company to Angus Murray to the value of £89,210 were forgiven. The forgiveness of the amount due is reported as "*other operating income*" in the Statement of Comprehensive Income and a reduction in "*accruals*" on the Statement of Financial Position. No such income was reported in the Company's first reporting period.

Operating loss

Operating loss represents the excess of "*administrative expenses*" over "*revenues*" and "*other operating income*" for the period. On the basis that the Company again reported £nil revenue for the period and administrative costs of £610,135, an operating loss of £610,135 was reported in the Company's interim reporting period of 6 months. This compares to an operating loss of £219,694 during the Company's second reporting period of 15 months, an increase of £390,441, or 177.7%.

No operating activities were conducted during the comparative interim reporting period.

On a 15-month basis comparable basis, the 6-month period operating loss of £610,135 would have been £1,525,338, or £1,305,644 more than that reported in the Company's second 15-month reporting period, an increase of 594.3%.

Interest receivable and similar income

Interest receivable and similar income comprises interest receivable on the Company's cash and cash equivalents and other receivables, in compliance with IFRS. During the Company's interim reporting period, interest of £520 was receivable from HM Revenue and Customs in relation to VAT receivable. The VAT receivable arose as a consequence of the Company incurring input VAT on supplier invoices.

No such interest receivable was reported in either the Company's comparative interim reporting period or its second reporting period.

Interest payable and similar charges

Interest payable and similar charges comprises interest payable on the Company's financing facilities and non-cash components of the Company's financial instruments, in compliance with IFRS. During the interim reporting period, the Company issued an aggregate 1,935 Zero Coupon Convertible Bonds to the value of £1,161,000. In accordance with IFRS, each Zero Coupon Convertible Bond included an "equity component" and a "liability component". The liability component of the Zero Coupon Convertible Bonds is measured at amortised cost, and the difference between the carrying amount of the "liability component" at the date of issue and the amount reported on the Statement of Financial Position represents the finance charge for the reporting period. The interest payable and similar charges of £753,772 for the interim reporting period represents the finance costs associated with the 5,000 Zero Coupon Convertible Bonds issued in the Company's second reporting period and the 1,935 Zero Coupon Convertible Bonds issued during the interim reporting period.

No such finance charge was incurred during the Company's comparable interim reporting period as no Zero Coupon Convertible Bonds were issued during that comparative period.

Loss before taxation

Loss before taxation represents the "operating loss", less "interest payable and similar expenses" plus "interest receivable and similar income". On the basis that the Company reported an operating loss of £610,135, interest receivable and similar income of £520 and interest payable and similar expenses of £753,772, the Company's loss before taxation for the 6-month interim period was £1,363,387. This compares to an operating loss of £219,694 and interest payable and similar expenses of £180,560 to give rise to a loss before taxation of £400,254 during the Company's second reporting period of 15 months, an increase of £963,133, or 240.6%.

No loss before taxation was reported during the comparative interim reporting period on the basis that no operating activities were undertaken.

On a 15-month basis comparable basis, the 6-month interim reporting period's loss before taxation of £1,363,387 would have been £3,408,468, or £3,008,214 more than that reported in the Company's second 15-month reporting period, an increase of 751.6%.

Loss for the financial period

Loss for the financial period represents the loss before taxation, less taxation charged or credited. On the basis that the Company was again loss making during its interim reporting period, as it was during its first reporting period and its second report period, no corporation tax was payable. As such, the Company's loss for its interim financial period was the same as its loss before taxation, being £1,363,387.

Assets, liabilities and equity

Right-of-use assets (non-current assets)

Right-of-use assets comprises the fair value of the Company's long-term lease of the Tunnels. On 10 July 2023, the Company entered into a lease purchase agreement for the Tunnels with ETL, resulting in the recognition of a non-current "*right-of-use asset*" to the value of £9,600,000.

No such asset was recorded as at 31 March 2023 on the basis that the lease had yet to be entered into.

Intangible assets (non-current assets)

Intangible assets comprise the Company's intellectual property acquired from Cupcake in relation to the Tunnels upon entering into the long-term lease agreement on 10 July 2023. The fair value ascribed to the acquired intellectual property was £12,000,000, representing the value of work performed to date by Cupcake and the future value of the Tunnels. Subsequent to the recognition the initial purchase price of the intellectual property on 10 July 2023, the Company incurred additional development expenditure of £2,105,463 on the Tunnels during the interim reporting period, giving rise to a carrying value of £14,105,463 as at 30 September 2023. The development additions of £2,105,463 comprised:

	RIBA stage	*Unaudited* 6 months ended 30 September 2023 £
Architect & master plan	RIBA 1&2	859,785
Multi-disciplined engineer	RIBA 1&2	749,438
Marketing costs	RIBA 1&2	148,986
Communication & culture	RIBA 1&2	142,041
Project Manager	RIBA 1&2	68,800
Town Planning Consultant	RIBA 1&2	60,701
Quantity Surveyor	RIBA 1&2	36,400
Survey costs	RIBA 1&2	22,943
Professional fees	RIBA 1&2	16,370
Administrative expenses		**2,105,463**

No such asset was recorded as at 31 March 2023 on the basis that the lease had yet to be entered into and, as such, no intellectual property had been acquired.

Non-current assets

Non-current assets comprise the aggregate of the Company's right-of-use assets and its intangible assets. As at 30 September 2023, the Company had a right-of-use asset of £9,600,000 in respect of the lease on the Tunnels and intellectual property in respect of the Tunnels of £14,105,463, giving rise to non-current assets of £23,705,463 as at 30 September 2023.

As at 31 March 2023, the Company did not have any non-current assets on the basis that the leasehold purchase had yet to be entered into.

Other receivables (current assets)

Other receivables relate to current assets of the Company.

As at 30 September 2023, the Company had three receivables with an aggregate value of £879,034, arising from the increased activities of the Company during the interim second reporting period. Other receivables of £879,034 as at 30 September 2023 comprised:

- £133,608 owed by ETL. The amount owed by ETL increased by £133,608 over the brought forward balance as at 31 March 2023 due to ETL entering into a binding conditional agreement for the freehold acquisition of the Tunnels. No corresponding amount was owed as at 31 March 2023;
- £450,000 owed by EC1 Property Management Limited, a wholly owned subsidiary of Cupcake. The amount owed by EC1 Property Management Limited increased by £450,000 over the brought forward balance as at 31 March 2023 due to EC1 Property Management Limited having conditionally agreed to purchase a leasehold over one of the surface level buildings. No corresponding amount was owed as at 31 March 2023;
- £288,280 in relation to input VAT recoverable from HMRC. The comparable amount due as at 31 March 2023 was £65,740, with the increase of £222,540 was due to the increased value of supplier invoices paid during the interim reporting period; and
- £7,146 of prepayments in relation to monies extended to suppliers for services yet to be provided. The comparable amount due as at 31 March 2023 was £76,600, with the decrease of £69,454 was due to the timing of the prepaid expenses and the reporting period end date.

Current assets

Current assets comprise the aggregate of the Company's cash and cash equivalents and any other current assets. As at 30 September 2023, the Company had cash and cash equivalents of £1,176,218 and other receivables of £879,034, giving rise to current assets of £2,055,252 as at 30 September 2023.

As at 31 March 2023, the Company had cash and cash equivalents of £2,716,725 and other receivables of £174,240, giving rise to current assets of £2,890,965 as at 31 March 2023.

Total assets

Total assets comprise the aggregate of the Company's non-current assets and its current assets. As at 30 September 2023, the Company had non-current assets to the value of £23,705,463 and current assets to the value of £2,055,252, giving rise to total assets of £25,760,715. The increase in total assets of £22,869,750 principally comprised the carrying value of the leasehold on the Tunnels of £9,600,000, the acquisition of the initial intellectual property in relation to the Tunnels of £12,000,000 on the entering into of the lease and the subsequent additional developments costs of £2,105,463 through to the end of the interim reporting period.

As at 31 March 2023, the Company had no non-current assets and current assets to the value of £2,890,965, comprising cash of £2,716,725, amounts owed by Cupcake to the value of £31,900, amounts owed by HMRC in respect of VAT recoverable to the value of £65,740 and prepaid supplier invoices to the value of £76,600.

Trade payables (current liabilities)

Trade payables comprise amounts owed to suppliers for invoiced services provided. On the basis that the Company continued the development of the Tunnels and expanded its administrative operations, a trade payables balance of £1,510,227 arose at the end of the interim reporting period. The corresponding balance as at 31 March 2023 was £149,961. The increase of £1,360,266 is a reflection of the increased capital expenditure on the development of the Tunnels following the entering of the lease on 10 July 2023.

Accruals (current liabilities)

Accruals comprise costs incurred by the Company for which purchase invoices had yet to be received and recorded at the period end. Accruals are included within "*current liabilities*" on the Statement of Financial Position. As at 30 September 2023, an accruals balance of £10,000 related to un-invoiced accounting services. The corresponding balance as at 31 March 2023 was £10,000. The decrease of £10,000 is a reflection of the shortened accounting period to six months when compared to the comparable 15-month period.

Lease liabilities (current liabilities)

Lease liabilities comprises the fair value of the future lease payments of the Company's long lease contracts. As discussed above, the Company entered into a lease purchase agreement for the Tunnels with ETL on 10 July 2023, resulting in the recognition of a non-current "right-of-use asset" to the value of £9,600,000 and a corresponding current lease liability of £9,600,000.

No such liability was recorded as at 31 March 2023 on the basis that the lease had yet to be entered into.

Current liabilities

Current liabilities represent liabilities of the Company due within twelve months of the reporting period. As at 30 September 2023, the Company had three such liabilities, being the trade payables balance of £1,510,227, the accruals balance of £10,000 and the lease liability of £9,000,000, giving rise to aggregate current liabilities of £10,520,227. The increase in current liabilities of £10,350,266 principally comprised the carrying value of the lease liability in respect of the Tunnels of £9,000,000 and the increase to the value of trade payables at the interim period end.

As at 31 March 2023, the Company had two such liabilities, being the trade payables balance of £149,961 and the accruals balance of £20,000, giving rise to aggregate current liabilities of £169,961.

Zero Coupon Convertible Bonds (non-current liabilities)

Zero Coupon Convertible Bonds comprise the carrying value of the "liability component" of the issued Zero Coupon Convertible Bonds at the interim period end.

On 28 November 2022, the Company created 6,000 unsecured Zero Coupon Convertible Bonds of £600 each. The Zero Coupon Convertible Bonds are repayable on 30 September 2024 at an agreed price of £1,000 per Zero Coupon Convertible Bond plus £0.60 per Zero Coupon Convertible Bonds conversion price. During the Company's second reporting period ended 31 March 2023, the Company issued 5,000 of the Zero Coupon Convertible Bonds for £3,000,000 in five separate tranches between the date of the instrument and 31 March 2023. On 12 April 2023, the Company issued the final 1,000 Zero Coupon Convertible Bonds for £600,000.

On 11 September 2023, the Company created 1,200 unsecured Zero Coupon Convertible Bonds of £600 each. The Zero Coupon Convertible Bonds are repayable on 30 September 2024 at an agreed price of £1,000 per Zero Coupon Convertible Bond, plus £1.75 per Zero Coupon Convertible Bonds conversion price. On 14 September 2023, the Company issued 935 Zero Coupon Convertible Bonds for £561,000.

The carrying value of the brought forward 5,000 Zero Coupon Convertible Bonds and the 1,935 Zero Coupon Convertible Bonds issued during the interim reporting period was £4,658,276.

As at 31 March 2023, the Company had issued 5,000 Zero Coupon Convertible Bonds with a carrying value of £2,848,543 as at 31 March 2023.

Loan from Cupcake (non-current liabilities)

As discussed above, the Company acquired intellectual property to the value £12,000,000 from Cupcake upon the Company entering into lease for the Tunnels on 10 July 2023. The £12,000,000 was settled by way of a £5,000,000 loan from Cupcake and a £7,000,000 capital contribution, with the capital contribution being reflected as an increase to the "equity reserve" within "equity". The £5,000,000 loan is interest free and Cupcake has confirmed that the loan will not be called for a period of at least twelve months from the date of this Prospectus. As at 30 September 2023, the carrying value of the Cupcake loan was £4,968,100.

No such liability was recorded as at 31 March 2023 on the basis that the lease had yet to be entered into and, consequently, no loan had yet been made.

Non-current liabilities

Non-current liabilities represent liabilities of the Company due in more than twelve months of the reporting period. As at 30 September 2023, the Company had £4,658,276 of Zero Coupon Convertible Bonds and a loan from Cupcake to the value of £4,968,100, giving rise to total non-current liabilities of £9,626,376. The increase in non-current liabilities of £6,777,833 principally comprised the receipt of the Cupcake loan of £5,000,000 and the additional issue of 1,935 Zero Coupon Convertible Bonds during the interim reporting period.

As at 31 March 2023, the only non-current liability of the Company was the carrying value of the 5,000 Zero Coupon Convertible Bonds issued during the Company's second reporting period. As described above and in accordance with IFRS, each Zero Coupon Convertible Bond included an "*equity component*" and a "*liability component*". The liability component of the Zero Coupon Convertible Bonds is measured at amortised cost. Upon issue of the Zero Coupon Convertible Bonds, cash of £3,000,000 was received. As at 31 March 2023, the amortised cost of the Zero Coupon Convertible Bonds was £2,848,543.

Total liabilities

Total liabilities comprise the aggregate of the Company's current liabilities and non-current liabilities. As at 30 September 2023, the Company reported current liabilities of £10,520,227 and non-current liabilities of £9,626,376, giving rise to total liabilities of £20,146,603. This represents an increase of £17,128,099 over the total liabilities of £3,018,504 reported as at 31 March 2023.

As at 31 March 2023, the Company reported current liabilities of £169,961 and non-current liabilities of £2,848,543, giving rise to total liabilities of £3,018,504.

Net assets / (liabilities)

Net assets / (liabilities) comprise the aggregate of the Company's total assets and its total liabilities. As at 30 September 2023, the Company reported total assets of £25,760,715 and total liabilities of £(20,146,603), resulting in net assets at the end of its interim reporting period of £5,614,112, a net increase of £5,741,651 over the prior period.

As at 31 March 2023, the Company reported total assets of £2,890,965 and total liabilities of £(3,018,504), resulting in net liabilities at the end of its second reporting period of £(127,539), a net decrease of £68,237 over the prior period.

Called up share capital

Share capital comprises the aggregate nominal value of the Ordinary Shares issued by the Company. During the Company's first reporting period, 32,400 Ordinary Shares of £1 each were issued on incorporation on 27 January 2021 to Cupcake, the Company's parent. No Ordinary Shares were issued during the Company's second reporting period or the interim reporting period.

As at 30 September 2023, Cupcake had yet to pay the Company the balance of £31,900 in relation to the 32,400 Ordinary Shares issued on incorporation. The amount of £31,900 is included in the Company's *"other receivable"* balance at 30 September 2023.

Equity reserve

The equity reserve comprises the carrying value of the "*equity component*" of the Zero Coupon Convertible Bonds, calculated in accordance with IFRS, and the £7,000,000 capital contribution from Cupcake to part-fund the acquisition of the £12,000,000 intellectual property acquired from Cupcake on 10 July 2023.

As described above and in accordance with IFRS, each Zero Coupon Convertible Bond included an "*equity component*" and a "*liability component*". The equity component of the Zero Coupon Convertible Bond is determined by deducting the amount of the "*liability component*" from the fair value of the Zero Coupon Convertible Bond as a whole. This amount is recognised and included in the "*equity reserve*" with "*equity*" on the Statement of Financial Position, net of income tax effects and is not subsequently remeasured. The calculation of fair value of the Zero Coupon Convertible Bonds by discounting total cash flows to maturity is sensitive to the Directors' estimate of the appropriate discount rate applied in the event that the conversion rights were not embedded in the Zero Coupon Convertible Bonds. The Directors have concluded the discount rate to be 28.7%–48.5% across the various dates of drawdown of the tranches of Zero Coupon Convertible Bonds issued during the Company's interim reporting period. The Directors have concluded the discount rate to be 35.70%–39.16% across the various dates of drawdown of the tranches of Zero Coupon Convertible Bonds issued during the Company's second reporting period. Having completed the valuations of the liability component and the fair value of the Zero Coupon Convertible Bonds, an amount of £105,038 has been recorded within the "*equity reserve*" during the interim reporting period, which when added to the brought forward balance of £332,017 as at 31 March 2023 and the £7,000,000 capital contribution from Cupcake, gives rise to a balance of £7,437,055 as at 30 September 2023.

As at 31 March 2023, the carrying value of the "*equity reserve*" was £332,017, being the value of the equity component of the 5,000 Zero Coupon Convertible Bonds issued during the Company's second reporting period.

Accumulated losses

Accumulated losses represent the aggregate of the Company's profits and losses since its incorporation on 27 January 2021 to 30 September 2023. The Company reported a loss for the year of £91,702 in its first reporting period, a further loss of £400,254 in its second reporting period and a further loss of £1,363,387 in its interim reporting period, the aggregate of which is £1,855,343 and the balance of the Company's accumulated losses as at 30 September 2023.

Total equity

Total equity comprises the aggregate of the Company's "called up share capital", its "equity reserve" and its "accumulated losses" and is equal to its "total assets / (liabilities)" balance. As at 30 September 2023, the Company reported "called up share capital" of £32,400, an "equity reserve" of £7,437,055 and "accumulated losses" of £(1,855,343), giving rise to "total equity" of £5,614,112 at the reporting period end. This represents a net increase in equity of £5,741,651 over the prior period.

As at 31 March 2023, the Company reported "called up share capital" of £32,400, an "equity reserve" of £332,017 and "accumulated losses" of £(491,956), giving rise to "total equity" of £(127,539) at the reporting period end. This represents a net decrease in equity of £68,237 over the prior period.

Cash flows, financing and capital reserves

No Ordinary Shares were issued during the Company's interim reporting period. However, the Company issued 1,953 Zero Coupon Convertible Bonds for £1,161,000 in cash, which represented the Company's only cash inflow during the 6-month period ended 30 September 2023. During the prior 15-month period, a cash inflow of £3,000,000 was reported from the issue of 5,000 Zero Coupon Convertible Bonds.

The £1,161,000 cash inflow from the issue of the Zero Coupon Convertible Bonds funded operating expenditure and the continued development costs in relation to the Tunnels to the value of £2,105,463. A further £600,000 was paid during the interim reporting period in respect of lease liabilities for the Tunnels. During the prior 15-month period, the £3,000,000 cash inflow from the issue of the Zero Coupon Convertible Bonds funded operating expenditure and initial development costs in respect of the Tunnels to the value of £283,275.

The net cash outflow reported for the Company's 6-month interim reporting period was £(1,540,507). During the prior 15-month period, the net cash inflow reported for the Company's second reporting period was £2,716,725.

As at 30 September 2023, the Company had cash and cash equivalents of £1,176,218, a decrease of £1,540,507 over the prior period end balance of £2,716,725.

Material investments

The Company recognised right-of-use assets totalling £9,600,000. The Company also invested £12,000,000 in acquiring intellectual property rights and capitalised a further £2,105,463 of Phase 1 research & development costs (as described under "*Business—Capital expenditure*"). In addition, the Company paid a further £600,000 in respect of the deposit on the Tunnels on 24 November 2023 and a further £410,000 in respect of the deposit on 40 Furnival Street on 27 and 28 December 2023.

Events subsequent to 30 September 2023

Subsequent to 30 September 2023, the Company:

- issued 265 Zero Coupon Bonds on 11 October 2023 for £600 each to the value of £159,000;
- issued 200 Zero Coupon Bonds on 18 October 2023 for £600 each to the value of £120,000;
- issued 100 Zero Coupon Bonds on 20 October 2023 for £600 each to the value of £60,000;
- undertook a share split on 26 October 2023, such that its Ordinary Shares of £1.00 each were converted at a ratio of 1 ordinary share to 1,000 new Ordinary Shares, resulting in a new nominal value of £0.001. The share split was approved by the Shareholders by ordinary resolution;
- re-registered as a PLC on 2 November 2023;
- paid a further £600,000 in respect of the deposit on the Tunnels on 24 November 2023;
- Exchange Tunnels Lease premium increased by £1,000,000 on 29 November 2023;
- paid in aggregate a further £410,000 in respect of the deposit on 40 Furnival Street on 27 and 28 December 2023;
- issued £6,778,000 of Convertible Bonds;
- converted £5,396,044 of Zero Coupon Convertible Bonds into 2,698,022 Ordinary Shares on 31 March 2024; and
- paid £491,000 of the £1,491,000 contingent liability on 9 April 2024 and 10 April 2024.

These transactions have collectively influenced the Company's financial position by increasing its capital through bond issuances, restructuring its share capital, and managing liabilities through bond conversions and payments. The overall impact includes enhanced liquidity, potential dilution of existing shares, and changes in the debt-to-equity ratio, all of which contribute to the Company's financial stability and growth potential.

LIQUIDITY AND CAPITAL RESOURCES

As at the date of this Prospectus, the Company has:

- capital resources of £2,808,878 comprising cash and cash equivalents;
- in issue £6,778,000 of Convertible Bonds;
- amounts owing to group undertakings of £4,950,500; and
- no material restrictions on the use of its capital resources.

CRITICAL ACCOUNT POLICIES AND ESTIMATES

The preparation of the Company Financial Statements and the Company Interim Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. The Directors also exercise judgements in applying the Company's accounting policies.

MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

GENERAL

Set out below is a summary of relevant information concerning the Board and the Company's employees and a brief summary of certain provisions of the QCA Code and the Articles of Association, in each case as it will be constituted and in force prior to and following Listing.

This summary does not purport to give a complete overview and is qualified in its entirety by English and Dutch law and regulations as in force on the date of this Prospectus and the Articles of Association as they will be in effect ultimately on the Listing Date. This summary does not constitute legal advice regarding those matters and should not be regarded as such. The full text of the Articles of Association will be available free of charge in the governing English language thereof at the offices of the Company during business hours and in electronic form on the Company's website (www.thelondontunnels.com).

MANAGEMENT STRUCTURE

The Board is responsible for the continuity and business of the Company. The Board is responsible for the Company's general affairs and is in charge of oversight of the day-to-day management, formulating a strategy and policies, and setting and achieving the Company's objectives. The Board focuses on long-term value creation for the Company. The Board is responsible for creating a culture aimed at long-term value creation (e.g. through a code of conduct, consultations with employee representatives, procedures for reporting irregularities and misconduct).

The members of the Board appointed as non-executive directors (the **Non-Executive Directors**) shall in particular have regard to and supervise the manner in which the members of the Board appointed as executive director (the **Executive Directors**) implement the long-term value creation strategy and regularly discuss the strategy, the implementation of the strategy and the principal risks associated with it.

The Board shall ensure that the Company maintains internal governance arrangements, processes and mechanisms that are consistent with and conducive to the alignment of their respective business objectives, strategies and risk management framework.

The Directors of the Company will need to act in accordance with their duties under English law to promote the success of the Company. This means the Board must act in the best interests of the Company and the Shareholders as a whole, considering the likely consequences of any decision in the long term, the interests of the Company's employees, the need to foster the Company's business relationships, the impact of such operations on the community and the environment, the desirability of the Company maintaining a reputation for high standard business conduct and the need to act fairly as between members of the Company.

THE BOARD

Powers, responsibility and function

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the general meeting of Shareholders by law or by the Articles of Association.

Appointment and retirement

Shareholders will normally appoint Directors at the Company's annual general meeting or, if there is a need for an urgent appointment, Shareholders may appoint Directors at a general meeting by ordinary resolution. In addition, the Board may also appoint new Directors. If appointed by the Board, such appointment will need to be ratified by the Shareholders of the Company at the next annual general meeting of the Company. Accordingly, a Director appointed by the Board shall hold office only until the next annual general meeting and shall not be taken into account in determining the number of Directors who are to retire by rotation.

At each annual general meeting of the Company, any Directors appointed by the Board since the last annual general meeting shall retire.

At each annual general meeting, any Director who held office at the time of the two preceding annual general meetings and who did not retire at either of them shall retire from office and may offer himself for election/re-election by the Shareholders.

Any Director who would not otherwise be required to retire shall also retire if he has been with the Company for a continuous period of nine years or more at the date of the meeting.

Number of Directors

Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors (other than alternate Directors) shall be not less than two and the number is not subject to a maximum.

Meetings and decision

Subject to the provisions of the UK Companies Act, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any transaction or arrangement in which he has an interest which is to his knowledge a material interest, or any further transaction or arrangement set out in the terms of reference of a committee of the Board, and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply in respect of any resolution concerning any one or more of the following matters:

(a) any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
(b) the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
(c) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
(d) the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
(e) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
(f) any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Part 22 of the UK Companies Act) in 1% or more of the issued equity share capital of any class of such body corporate (calculated exclusively of any shares of that class in that company held as treasury shares) nor to his knowledge holds 1% or more of the voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;
(g) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
(h) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
(i) any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure.

Directors' interests

The Board may authorise any matter proposed to it in accordance with the Articles of Association which would, if not so authorised, involve a breach by a Director of his duty to avoid conflicts of interest under the UK Companies Act, including any matter which relates to a situation in which a Director has or can have an interest which conflicts, or possibly may conflict, with the interest of the Company (including the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). Any authorisation will only be effective if any quorum requirement at any meeting at which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.

Subject to having, where required, obtained authorisation of the conflict from the Board, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he has a duty of confidentiality to another person. In particular, a Director shall not be in breach of the general duties he owes to the Company under the UK Companies Act because he fails to disclose any such information to the Board or to use or apply any such information in performing his duties as a Director, or because he absents himself from meetings of the Board at which any matter relating to a conflict of interest, or possible conflict, of interest is discussed and/or makes arrangements not to receive documents or information relating to any matter which gives rise to a conflict of interest or possible conflict of interest and/or makes arrangements for such documents and information to be received and read by a professional adviser.

Provided that his interest is disclosed at a meeting of the Board, or in the case of a transaction or arrangement with the Company, in the manner set out in the UK Companies Act, a Director, notwithstanding his office:

(a) may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
(b) may hold any other office or place of profit under the Company (except that of auditor of the Company or any of its subsidiaries);
(c) may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange;
(d) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and

(e) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction or arrangement or from any interest in any body corporate. No such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty not to accept benefits from third parties.

To the extent a conflict of interest that has been declared gives rise within one of the Committees (as set out in "—*Committees*"), in the relevant Committee's opinion, to a conflict, the relevant Committee will consider whether steps can be taken to avoid or manage the conflict and assess the extent to which a Committee member who is likely to have to recuse themselves from issues and decisions as a result of a conflict will be able to discharge their functions as a Committee member.

Indemnity of officers

Subject to the provisions of the UK Companies Act, but without prejudice to any indemnity to which he may otherwise be entitled, every past or present Director (including an alternate Director) or officer of the Company or a director or officer of an associated company (except the auditors or the auditors of an associated company) may at the discretion of the Board be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by him for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, or as a trustee of an occupational pension scheme (as defined in Section 235(6) of the UK Companies Act). In addition the Board may purchase and maintain insurance at the expense of the Company for the benefit of any such person indemnifying him against any liability or expenditure incurred by him for acts or omissions as a Director or officer of the Company (or of an associated company).

COMPOSITION OF THE BOARD

As at the date of this Prospectus, the Board comprises the following Directors:

Name	Age	Position	Director since	Term
Angus Murray	54	Executive Director/ Chief Executive Officer	27 January 2021	Until terminated
Katharine Leo	60	Executive Director/ Chief Operations Officer	9 February 2021	Until terminated
Peter Curtin	75	Non-Executive Director/Chair	27 January 2021	Until terminated
Charles Nelson	62	Non-Executive Director	25 August 2023	Until terminated
Andrew Jones	61	Non-Executive Director	25 August 2023	Until terminated

The business address of each of the Directors is 2nd Floor, Nicola Jane House, Southern Gate, Terminus Road, Chichester, West Sussex, United Kingdom PO19 8SE.

Directors' biographies

Angus Stewart Douglas Murray, Chief Executive Officer

Angus Murray is the founder and Chief Executive Officer of the Company, and its major shareholder.

Mr Murray is the founder and managing principal of Castlestone Management LLC, a United States registered investment adviser which has been managing assets since 2001. Castlestone Management LLC currently advises two Maltese regulated UCITS compliant funds and one Cayman Islands Private Fund.

In addition, Mr Murray is a director of a Private Fund domiciled in the Cayman Islands.

Previously, Mr Murray held the position as Co-Head of International Equities for NatWest Markets USA. In October 1997, he joined Macquarie Bank's equity department in London, before being appointed as President of Macquarie Holdings (USA) Inc. Between October 1997 and March 2000, he held the dual responsibilities as President of Macquarie Holdings (USA) Inc and managing principal of Castlestone Management LLC. He resigned from Macquarie in March 2000 to manage Castlestone Management LLC.

Mr Murray holds a number of Securities Licences in the US (NASD Series 7, 24, 63 & 65) and is registered as an Investment Advisor Representative with the Securities & Exchange Commission. Mr Murray was granted a wavier, given his experience, by the NJ Bureau of Securities on 27 October 2016 for his Series 65. He is also registered with the Directors Registration and Licensing Act of the Cayman Islands.

In December 1996, Mr Murray also founded Castlestone Management Incorporated, which was formed to advise a European family office on its alternative investment strategies. Castlestone Management Incorporated was an independently owned investment manager that managed alternative assets between 1996 and 2020. In addition to being a director of Castlestone Management Incorporated, he was the principal fund manager and on the investment committee for a number of British Virgin Islands public, professional, and private funds.

Mr Murray was born in Sydney, Australia. He received a Bachelor of Financial Economics from the University of London, England.

Katharine Jane Leo, Chief Operations Officer

Katharine (Katy) Leo, has over 40 years' experience in finance across a number of sectors, including asset management, fund administration, risk assessment and regulatory compliance. She has also worked with a diverse range of clients including institutional investors, family offices, high-net-worth individuals and corporations and has extensive experience in accounting, financial administration, fund accounting, audit and operations.

Ms Leo began her career in the motor trade, working for a group of BMW dealerships where she assumed responsibility for the management of the finance department, alongside managing the operations of several departments. She subsequently held several accounting and financial controller positions before joining Castlestone Management Ltd, where she held senior roles as Head of Operations and Finance Manager, assuming overall responsibility for the firms finance function and participating in strategic decision making as a member of the executive management team.

For the last decade, Ms Leo has owned and operated a group of UK limited companies that provide back-office services to investment advisers and collective investment schemes in various jurisdictions. As part of her role Ms Leo is responsible for managing financial and cash flow planning, and oversees group financial performance, alongside maintaining oversight of all business functions. Ms Leo also holds the role of Treasurer for the Art of Preventable Extinction, a charity dedicated to protecting and expanding the natural environment by supporting conservation programs.

Peter Francis Curtin, Independent Non-Executive Director and Chair

Peter Curtin has over forty years' experience of the securities industry both in broking and investment management. Before retiring as an active fund manager with Merrill Lynch Investment Managers in March 2000 he was responsible for managing over US$2 billion of assets. He has extensive experience in international equity markets in particular those of the Asia Pacific region.

For a number of years after retirement Mr Curtin was a non-executive director of a Hong Kong based hedge fund, being Hindsight Investment Management, an AIM listed investment company, being MG capital, and also acted as an adviser to a small family wealth office. Mr Curtin is a Director of the Company and was previously a director of a number of other Cayman Islands private funds and British Virgin Islands public funds.

Throughout his career in the finance industry Mr Curtin has held a number of positions, starting in 1964 as a broker's settlement clerk before working his way up to vice president/director level with large investment management businesses.

Mr Curtin is a member of the Chartered Institute for Securities & Investment.

Charles Edward Johannes Nelson, Independent Non-Executive Director

Mr Nelson has over 35 years' experience in the Financial Services industry, principally in investment banking. His career at Macquarie Securities Group London spanned over two decades where as a Senior Managing Director he was responsible for numerous equity sales teams and European equity syndication. Mr Nelson led the EMEA and APAC business for Meetyl, a leading independent fintech corporate access business, and is currently Managing Director Head of UK at Morrow Sodali, the global consultancy specialising in shareholder and bondholder services, corporate governance, proxy solicitation and capital markets transactions. During his time at Macquarie Securities Group, Mr Nelson held the following Controlled Functions designations: CF1, Director; CF8, Apportionment and Oversight; CF21, Investment Adviser; and CF30, Customer Function.

Andrew Peter Britton Jones, Independent Non-Executive Director

Andrew Jones graduated with a Bachelor of Commerce from the University of Western Australia.

Commencing on the trading floor of the Perth Stock Exchange in Oct 1980, Mr Jones specialised in arbitrage trading of Australian resource equities, spending a number of secondments over the following years with member firms of London Stock Exchange.

Following the move to dual capacity in early 1986, Mr Jones moved permanently to London in September to work on the floor of London Stock Exchange as a market maker in Australian equities for White & Cheesman.

Over the following two decades, Mr Jones held several trading, sales and leadership roles in Australasian equities with a range of global Investment banks, finishing with Citigroup in Dec 2004.

Mr Jones established Bespoke Sports Limited in early 2005 to manage the affairs of professional golfers, teaching instructors and media personalities. In April 2016, Mr Jones commenced consulting to Jago Partners (London) Limited, a brand marketing agency focussing on digital strategies.

COMMITTEES

The Quoted Companies Alliance (the **QCA**) has published the QCA Corporate Governance Code in 2023 (the **QCA Code**), which takes key elements of good governance and applies them in a manner which is workable for the different needs of growing companies. The QCA Code is a set of corporate governance guidelines, which include a code of best practice, comprising principles intended as a minimum standard, and recommendations for reporting corporate governance matters. It does not refer to specific legal or regulatory requirements. The Board acknowledges the importance of high standards of corporate governance and intend, given the Company's size and the constitution of the Board, to comply with the QCA Code despite the QCA Code not being mandatory for the Company.

Accordingly, the Board has established the Audit and Risk Committee, the Nomination and Remuneration Committee, the Disclosure Committee and a Sustainability and ESG Committee (the **Committees**), each with formally delegated duties and responsibilities and with written terms of references. A further description of the Committees is set out below.

Nomination and Remuneration Committee

In respect of the nomination duties the Nomination and Remuneration Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is also responsible for periodically reviewing the Board's structure and composition and identifying potential candidates to be appointed as Directors or committee members as the need may arise. The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board, and retirements and appointments of additional and replacement Directors and committee members, and will make appropriate recommendations to the Board on such matters.

In respect of the remuneration duties, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to Directors' remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Company's remuneration policy and determining the individual remuneration and benefits package of each of the Executive Directors (being the senior management) (including fees paid to the Company Secretary). The Nomination and Remuneration Committee will give due regard to the provisions and recommendations in the QCA Code when determining the remuneration policy. The Nomination and Remuneration Committee will meet not less than twice a year. From the Listing, it is intended that the chair of the Nomination and Remuneration Committee will be available at annual general meetings of the Company to respond to questions from the Shareholders on the activities of the Nomination and Remuneration Committee.

Pursuant to Principle 6 of the QCA Code, a remuneration committee should comprise at least a majority of independent non-executive directors and ideally aim for full independence. As such, the terms of reference of the Nomination and Remuneration Committee provides that the majority of the Nomination and Remuneration Committee shall comprise independent Non-Executive Directors (if there is at least one independent Non-Executive Director on the Board).

From the Listing, the Nomination and Remuneration Committee will consist of independent Non-Executive Directors, as it will be chaired by Andrew Jones and its other members will be Charles Nelson and Peter Curtin.

Audit and Risk Committee

The Audit and Risk Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Company's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Company's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal audit, internal controls, risk management, whistleblowing and fraud systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit and Risk Committee will give due consideration to laws and regulations, the provisions of the QCA Code and the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Audit and Risk Committee is also responsible for (i) advising the Board on the Company's risk strategy, risk appetite, tolerance and risk policies and current risk exposures (principal and emerging); (ii) evaluating the Company's principal risks to be taken into account when assessing the Company's prospects; (iii) overseeing the implementation and maintenance of the overall risk management framework and systems; and (iv) reviewing the Company's risk assessment processes and capability to identify and manage new risks. The Audit and Risk Committee will meet at least two times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required. From the Listing, it is intended that the chair of the Audit and Risk Committee will be available at annual general meetings of the Company to respond to questions from the Shareholders on the activities of the Audit and Risk Committee.

Pursuant to Principle 6 of the QCA Code, an audit committee, should comprise at least a majority of independent non-executive directors and ideally aim for full independence. As such, the terms of reference of the Audit and Risk Committee provides that the Audit and Risk Committee shall comprise at least two members, all of which shall be independent Non-Executive Directors (if there are two or more independent Non-Executive Directors on the Board).

From the Listing, the Audit and Risk Committee will consist of independent Non-Executive Directors, as it will be chaired by Charles Nelson and its other members will be Peter Curtin and Andrew Jones.

Disclosure Committee

There is no specific requirement for UK listed companies to establish a Disclosure Committee. However, the Company considered that a Disclosure Committee was important for the Company's overall corporate governance. From the Listing, the Disclosure Committee will be responsible for oversight of: (i) the identification of inside information and related announcement and record-keeping obligations, including considering whether conditions for delaying the announcement of inside information or selectively disclosing inside information are satisfied; (ii) consideration, review and verification of announcements and other public disclosures (for example, relating to regular reporting or website disclosures and publications); (iii) consideration, review and verification of the company's regular public reporting and other disclosures; (iv) systems, controls and procedures to ensure compliance with the rules related to inside information and other disclosure requirements and guidance (including changes and developments); and (v) training available to Board members, Disclosure Committee members and the broader workforce on the EU Market Abuse Regulation and the UK Market Abuse Regulation.

From the Listing, the Disclosure Committee will be chaired by Peter Curtin and its other members will be Angus Murray, Katharine Leo and Charles Nelson.

Sustainability and ESG Committee

There is no specific requirement for UK listed companies to establish a Sustainability and Environmental, Social and Governance (ESG) Committee. However, the Company considered that a Sustainability and ESG Committee was important for the Company's overall corporate governance. The Sustainability and ESG Committee will be responsible for supporting the Board to execute oversight of ESG-related issues relevant to the Financial Conduct Authority (the **FCA**). The Sustainability and ESG Committee will ensure that there is an appropriate framework of policies, procedures, systems and controls in relation to sustainability and ESG maters, promoting the appropriate culture, behaviours and decisions in relation to those matters and communicating the Board's commitment to these matters to the Company's staff, contractors and other stakeholders.

From the Listing, the Sustainability and ESG Committee will be chaired by Charles Nelson and its other members will be Katharine Leo and Andrew Jones.

FURTHER INFORMATION RELATING TO THE DIRECTORS

Other directorships and partnerships of the Directors

The table below sets out the names of all companies and partnerships of which a Director has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner, as at the date of this Prospectus, other than a subsidiary of the Company.

Name	Company	Position	Active/resigned
Angus Murray[(1)]	EC1 Property Management Limited	Director	Active
	Exchange Tunnels Limited	Director	Active
	The London Tunnels PLC	Director	Active
	Signal Hill Battery Pty Ltd; Australia (*inactive*)	Director	Active
	Gap Park Conservancy Pty Ltd; Australia (*inactive*)	Director	Active
	Nature Walks Pty Ltd; Australia (*inactive*)	Director	Active
	Asset Allocation & Research LLC	Member	Active
	Cupcake Partners Limited	Director	Active
	Preventable Extinction; Paraguay (*inactive*)	Joint Founding Member	Active
	SW3 Property Management Ltd	Director	Active
	Crystal Ball Properties 27	Director	Active
	Crystal Ball Properties 58	Director	Active
	Castlestone Management LLC	Director	Active
	Aliquot Gold Bullion	Director	Resigned
	Art For Preventable Extinction (UK) Ltd	Director	Resigned
	Castlestone Management Inc	Director	Resigned
	Emerging Markets Equity High Yield & Premium Income Fund Inc	Director	Resigned
	Low Volatility Income Fund Inc	Director	Resigned
	Imbazo Trading 102	Director	Resigned
Katharine Leo	EC1 Property Management Limited	Director	Active
	Exchange Tunnels Limited	Director	Active
	Art For Preventable Extinction (UK) Ltd (*inactive*)	Director	Active

	The London Tunnels PLC	Director	Active
	Client Services (Global) Limited	Director	Active
	Chichester Wharf Management Company Limited	Director	Active
	Client Services (Investor Relations) Ltd	Director	Active
	Client Services & Support Limited	Director	Active
Peter Curtin	Exchange Tunnels Limited	Director	Active
	The London Tunnels PLC	Director	Active
	Emerging Markets Equity High Yield & Premium Income Fund Inc	Director	Resigned
	Low Volatility Income Fund Inc	Director	Resigned
	Aliquot Gold Bullion	Director	Resigned
Charles Nelson	The London Tunnels PLC	Director	Active
	CN Consulting (Henley) Ltd	Director	Active
	Fintran Ltd	Director	Active
Andrew Jones	The London Tunnels PLC	Director	Active
	Bespoke Sports Ltd	Director	Active
	The Wisley Foundation (Trustee)	Trustee	Resigned

Notes:
(1) The other positions of Angus Murray require limited time involvement and he is available full-time as a director of the Company.

Potential conflicts of interest and other information

Other than that:
(a) Angus Murray is interested in 50,000,000 Ordinary Shares held by Cupcake (76.33% of the Company's issued share capital on the Listing Date), a company wholly owned by him, and 1,722,993 Ordinary Shares held by PEF (7.33% of the Company's issued share capital on the Listing Date), an investment fund in which he is a director and which holds these shares for the benefit of Castlestone Management LLC, an investment adviser wholly owned by him;
(b) Angus Murray, Katharine Leo and Peter Curtin are a director of ETL, from which the Company has agreed to lease the Tunnels;
(c) Angus Murray is a director of EC1 Property Management Limited, from which the Company may purchase a leasehold over a surface level buildings; and
(d) Katharine Leo is the director and ultimate controller of CSG, which provides general services to the Company on an ongoing basis,

whereby each party is interested in maximising its financial position as shareholder or counterparty of the Company to the abovementioned agreements, no director has a conflict of interest (actual or potential) between his or her duties to the Company and his or her private interests and/or duties.

During the five years preceding the date of this Prospectus, none of the Directors: (i) has been convicted of fraudulent offenses; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation; or (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

There are no arrangements or understandings with the Major Shareholders or others, pursuant to which any Director was selected as a member of a management body of the Company.

REMUNERATION OF THE DIRECTORS

Remuneration

Pursuant the Articles of Association, the Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors, including for retainers, board meeting fees, committee meeting fees and other similar fees, such sum as the Board may from time-to-time determine (not exceeding in aggregate £500,000 per annum or such other sum as the Company in general meeting shall from time-to-time determine). Any such fees payable shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of the Articles of Association or otherwise and shall accrue from day-to-day.

The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors. No amounts are set aside or accrued by the Company to provide for pension, retirement, or similar benefits.

Service agreements

In advance of the Listing, (i) each of the Executive Directors has entered into a service agreement with the Company and a letter of appointment with the Company, and (ii) each of the Non-Executive Directors has entered into a letter of appointment with the Company.

Angus Stewart Douglas Murray

Pursuant to an agreement with the Company dated 20 December 2023, Mr Murray is employed by the Company as the Chief Executive Officer. Mr Murray's salary is £140,000 gross per annum. Mr Murray's commencement date for the purpose of his continuous employment is 16 March 2023. In addition to the usual conduct-related termination rights, the agreement entitles Mr Murray to terminate his employment on not less than three months' notice. Mr Murray is not entitled to a payment on termination of his employment (other than any payments for remuneration, expenses, pay in lieu of accrued but untaken holiday and notice pay which may be payable as at the termination date). Mr Murray's agreement contains confidentiality undertakings and prohibitions (which apply for a period of between three to six months following termination of employment) on soliciting and dealing with suppliers and poaching employees.

Katharine Jane Leo

Pursuant to an agreement with the Company dated 20 December 2023, Ms Leo is employed by the Company as Chief Operations Officer. Ms Leo's salary is £30,000 gross per annum. Ms Leo's commencement date for the purpose of her continuous employment is 1 January 2023. In addition to the usual conduct-related termination rights, the agreement entitles Ms Leo to terminate her employment on not less than three months' notice. Ms Leo is not entitled to a payment on termination of her employment (other than any payments for remuneration, expenses, pay in lieu of accrued but untaken holiday and notice pay which may be payable as at the termination date). Ms Leo's agreement contains confidentiality undertakings and prohibitions (which apply for a period of between three to six months following termination of employment) on soliciting and dealing with suppliers and poaching employees.

Peter Francis Curtin

Pursuant to an agreement with the Company dated 20 December 2023 and as amended by amending deed dated 21 June 2024, Mr Curtin was appointed as Non-Executive Director and chair of the Board (the **Chair**). The appointment will continue until terminated at any time by the Company in accordance with the Articles of Association and subject to Shareholder review and re-election and is terminable earlier by either side giving three months' notice at any time. The fee payable to Mr Curtin will be £25,000 per annum before tax in respect of his role as Chair. This fee is based on the anticipated time commitment of a minimum of two days per month. Mr Curtin has agreed that he will not be entitled to receive any pay under this agreement until the Company's shares are admitted to trading on a Recognised Stock Exchange.

Charles Edward Johannes Nelson

Pursuant to an agreement with the Company dated 20 December 2023 and as amended by amending deed dated 21 June 2024, Mr Nelson was appointed as an independent Non-Executive Director. The appointment will continue until terminated at any time by the Company in accordance with the Articles of Association and subject to Shareholder review and re-election and is terminable earlier by either side giving three months' notice at any time. The fee payable to Mr Nelson will be £25,000 per annum before tax in respect of his role as an independent Non-Executive Director. This fee is based on the anticipated time commitment of a minimum of two days per month. Mr Nelson has agreed that he will not be entitled to receive any pay under this agreement until the Company's shares are admitted to trading on a Recognised Stock Exchange.

Andrew Peter Britton Jones

Pursuant to an agreement with the Company dated 20 December 2023 and as amended by amending deed dated 22 June 2024, Mr Jones was appointed as an independent Non-Executive Director. The appointment will continue until terminated at any time by the Company in accordance with the Articles of Association and subject to Shareholder review and re-election and is terminable earlier by either side giving three months' notice at any time. The fee payable to Mr Jones will be £25,000 per annum before tax in respect of his role as an independent Non-Executive Director. This fee is based on the anticipated time commitment of a minimum of 2 days per month. Mr Jones has agreed that he will not be entitled to receive any pay under this agreement until the Company's shares are admitted to trading on a Recognised Stock Exchange.

Severance arrangements

As at the Listing Date, none of the agreements of the Directors enjoy a contractual severance provision.

Directors' remuneration over the period ended 31 March 2023

The remuneration for the Directors for the period ended 31 March 2023 is set out below:

	Base salary £	Other benefits £	Total £
Angus Murray	3,440	–	3,440
Katharine Leo	3,000	–	3,000
Peter Curtin(1)	–	–	–
Charles Nelson(1)(2)	–	–	–
Andrew Jones(1)(2)	–	–	–

Notes:

(1) The Non-Executive Directors agreed that they will not be entitled to receive any pay under their agreement until the Company's shares are admitted to trading on a recognised stock exchange.

(2) These Non-Executive Directors were only appointed after 31 March 2023.

As at 31 March 2023, no amounts were set aside or accrued by the Company to provide for pension, retirement or similar benefits of the Directors.

DIRECTORS' INTEREST

The table below provides an overview of the equity positions directly or indirectly held by the Directors at the date of this Prospectus:

	Number of shares
Angus Murray(1)	51,722,993
Katharine Leo	–
Peter Curtin	–
Charles Nelson	–
Andrew Jones	–

Note:

(1) Angus Murray is interested in all 50,000,000 Ordinary Shares held by Cupcake, a company wholly owned by him, in the capital of the Company and 1,722,993 Ordinary Shares held by PEF, an investment fund in which he is a director and which holds these shares for the benefit of Castlestone Management LLC, an investment adviser wholly owned by him. In addition, a further 466,000 Ordinary Shares are held by Castlestone FAANG+ UCITS Fund, an investment fund in respect of which Castlestone provides investment advice.

EMPLOYEES

The table below provides an overview of the number of employees of the Company employed at the end of the period per region. These numbers are measured in the number of employees.

Region	31 December 2021	31 March 2023	30 September 2023
United Kingdom	3	3	5

CORPORATE GOVERNANCE

In anticipation of the Listing, the Company conducted a review of its corporate governance to determine the most appropriate recognised governance code for it to report against going forward given that the UK Corporate Governance Code, the QCA Code and the Dutch corporate governance code will not mandatorily apply to the Company from the Listing. Following this review, the Company determined to voluntarily adopt the QCA Code from the Listing.

The Company believes that the QCA Code provides a framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders. The Company will comply with the ten principles of the QCA Code, with effect from the Listing as detailed below.

Principle 1: Establish a purpose, strategy and business model which promote long-term value for Shareholders

The Company's business model, purpose and strategy are set out under the section titled "*Business*". The Board believes that the Company's model and growth strategy will help to promote long-term value for Shareholders. An update on strategy will be given from time to time in the strategic report that is included in the annual report and accounts of the Company. The principal risks facing the Company are set out under the section titled "*Risk Factors*". The Board will continue to take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks following the Listing, including implementing a risk management framework.

Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company and that this will impact performance. The culture is set by the Board and is considered and discussed at Board meetings and the Board is aware that the tone and culture its sets impacts all aspects of the Company and the way that employees behave. The

Board promotes a culture of integrity, honesty, trust and respect and all employees of the Company are expected to operate in an ethical manner in all of their internal and external dealings.

The Board takes responsibility for the promotion of ethical values and behaviours throughout the Company, and for ensuring that such values and behaviours guide the objectives and strategy of the Company. The Company also has an established code for directors' and employees' dealings in securities, and is in accordance with UK MAR.

The Directors believe that a long-term sustainable business model is essential for discharging the Board's responsibility to promote the success of the Company, its employees, shareholders and other stakeholders of the business. In considering the Company's strategic plans for the future, the Directors will proactively consider the potential impact of its decisions on all stakeholders within its business, in additional to considering the broader environmental and social impact as well as the positive impact it can have within the local community in which the Company operates.

The Company fully endorses the aims of the Modern Slavery Act 2015, and takes a zero-tolerance approach to slavery and human trafficking within the Company and supply chain.

Principle 3: Seek to understand and meet Shareholder needs and expectations

The Board is committed to and actively encourages effective relationships and communication with the Company's Shareholders.

All Shareholders are actively encouraged to participate in the Company's future annual general meetings. The Company will prepare an annual report and notice of the annual general meeting, which will be available for download from the Company's website.

The Company will seek to maintain an active dialogue with Shareholders, who will be kept up to date with the Company's developments by way of press releases on matters of a significant substance and/or a regulatory nature. Updates will be provided to the market from time to time, including any financial information, and any expected deviations to market expectations will also be announced through via press releases. The Company's annual general meeting will be an opportunity for Shareholders to meet with the Chair and other members of the Board.

The meeting will be open to all Shareholders, giving them the opportunity to ask questions and raise issues during the formal business or, more informally, following the meeting. The results of the annual general meeting will be announced through a press release.

The Board is keen to ensure that the voting decisions of Shareholders are reviewed and monitored, and the Company intends to engage, as appropriate with Shareholders who do not vote in favour of resolutions at annual general meetings.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Company takes its stakeholder interests, including its corporate social responsibilities very seriously and is focused on maintaining effective working relationships across a wide range of stakeholders including Shareholders and customers part of its business strategy. The Board will maintain an ongoing and collaborative dialogue with such stakeholders and take all feedback into consideration as part of the decision-making process and day-to-day running of the business.

The Company has established the Sustainability and ESG Committee.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The principal risks facing the Company are set out under the section titled "*Risk Factors*". The Board will take appropriate steps to identify risks and undertake internal controls, assurance activities and a mitigation strategy to manage these risks following the Listing. A review of these risks will be carried out at least on an annual basis, the results of which will be included in the annual report and accounts going forward.

The Board has overall responsibility for the determination of the Company's risk management objective and policies and has also established the Audit and Risk Committee.

Principle 6: Establish and maintain the board as a well-functioning, balanced team led by the chair

On the Listing Date, the Board will comprise two Executive Directors and three Non-Executive Directors, two of those Non-Executive Directors being Independent Non-Executive Director. The biographies of the Directors are set out in "*—Composition of the Board—Directors' biographies*". The Board considers that it combines a blend of sector and market expertise, with an effective executive management team and appropriate oversight by independent Non-Executive Directors.

The Company is satisfied that the current Board is sufficiently resourced to effectively discharge its governance obligations on behalf of all of its Shareholders and other stakeholders in the Company.

The Board will meet regularly, and processes are in place to ensure that each Director is, at all times, provided with such information as is necessary to enable each Director to discharge their respective duties. The Board is also supported by the Audit and Risk Committee, the Nomination and Remuneration Committee, the Disclosure Committee and the Sustainability and ESG Committee. The Nomination and Remuneration Committee has responsibility for reviewing the structure, size and composition of the Board, giving consideration to succession planning and reviewing the leadership needs of the organisation.

The QCA Code recommends that the Board should comprise of a balance of executive and non-executive directors, with at least two non-executive directors being independent. The QCA Code suggests that independence is a board judgement, but where there are grounds to question the independence of a director, through length of service or otherwise, this must be explained. Two of the Non-Executive Directors are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board. None of the Non-Executive Directors are employees, have significant business relationships with the Company, or are significant Shareholders in the Company.

As recommended by the QCA Code guidance, the Independent Non-Executive Directors will not participate in performance-related remuneration schemes.

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

The skills and experience of the Directors are summarised in their biographies set out in "*—Composition of the Board—Directors' biographies*".

The Directors believe that the Board has a balance of sector, financial and public market skills and experience appropriate for the size and stage of current development of the Company and that the Board has the skills and requisite experience necessary to execute the Company's strategy and business plan whilst also enabling each director to discharge his or her fiduciary duties effectively. Experiences are varied and contribute to maintaining a balanced board that has the appropriate level and range of skill to develop the Company. The Board is not dominated by one individual and all Directors have the ability to challenge proposals put forward to the meeting, democratically.

While the Board has not yet adopted any formal policy on gender balance, ethnicity or age group, it is committed to fair and equal opportunity and fostering diversity subject to ensuring appointees are appropriately qualified and experienced for their roles.

The Company retains the services of independent advisers including financial, legal, and investor relations advisers that are available to the Board and who provide support and guidance to the Board and complement the Company's internal expertise. The Board has also received a briefing from the Company's lawyers in respect of continued compliance with, *inter alia*, the EU Market Abuse Regulation and the UK Market Abuse Regulation.

The Chair leads the Board and is responsible for its governance structures, performance and effectiveness. The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the executive team.

Angus Murray is Chief Executive Officer who, supported by the other Executive Director, Katharine Leo, is responsible for the operation of the business and delivering the strategic goals agreed by the Board. The Non-Executive Directors (including the Chair) are responsible for bringing independent, where applicable, and objective judgement to Board decisions and were selected with the objective of bringing experience and independent judgement, where applicable, to the Board.

The Board is supported by the Audit and Risk Committee, Nomination and Remuneration Committee, Disclosure Committee and Sustainability and ESG Committee, further details of which are set out above. There are certain material matters which are reserved for consideration by the full Board. Each of the committees has access to information and external advisers, as necessary, to enable the committee to fulfil its duties.

The Board intends to review the Company's governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Directors will consider the effectiveness of the Board, Audit and Risk Committee, Nomination and Remuneration Committee, Disclosure Committee, Sustainability and ESG Committee and individual performance of each Director. The outcomes of performance will be described in the annual report and accounts of the Company.

The Board considers that the corporate governance policies it has currently in place for Board performance reviews are commensurate with the size and development stage of the Company.

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Board is supported by the Nomination and Remuneration Committee, further details of which are set out above.

In respect of the remuneration duties, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to directors' remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Company's remuneration policy and determining the individual remuneration and benefits package of each of the Executive Directors (being the senior management) (including fees paid to the company secretary of the Company). The Nomination and

Remuneration Committee will give due regard to the provisions and recommendations in the QCA Code when determining the remuneration policy.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

Responses to the principles of the QCA Code and the information that will be contained in the Company's annual report and accounts and the Company's website provide details to all stakeholders on how the Company is governed. The Board is of the view that the annual report and accounts as well as its half year report are key communication channels through which progress in meeting the Company's objectives and updating its strategic targets can be given to Shareholders following the Listing.

Additionally, the Board will use the Company's annual general meetings as a mechanism to engage directly with Shareholders, to give information and receive feedback about the Company and its progress.

The Company's website (www.thelondontunnels.com) will be updated on a regular basis with information regarding the Company's activities and performance, including financial information.

All contact details for investor relations are included on the Company's website.

SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Shareholder structure

Shareholders at the date of this Prospectus

As at the date of this Prospectus, the Shareholders will hold the following interests:

Shareholders	Number of Ordinary Shares	Percentage of issued share capital and voting rights
Cupcake Partners Limited[(1)]	50,000,000	80.94%
Private Equity Fund (ESG) Inc.[(2)]	4,452,850	7.21%
Other Shareholders[(3)]	7,320,172	11.85%
Total	**61,773,022**	**100.00%**

Notes:

(1) Cupcake Partners Limited is wholly owned by Angus Murray.

(2) PEF is an investment fund of which Angus Murray is a director. PEF holds (i) 1,722,993 Ordinary Shares (2.79%) for the benefit of Castlestone Management LLC (**Castlestone**), an investment adviser wholly owned by Angus Murray, and (ii) 2,729,857 Ordinary Shares (4.42%) for the benefit of a number of independent Shareholders.

(3) This category consists of a group of 324 Shareholders, consisting of both individual and institutional investors who are mainly located outside the UK/EU, of which the largest Shareholder holds 1.87% of the Ordinary Shares. As far as the Company is aware, none of the other Shareholders has a substantial shareholding in the Company within the meaning of Chapter 5.3 of the DFSA or acts in concert.

Besides as stated above, the Company is not aware of any persons who, as at the date of this Prospectus, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

Shareholders on the Listing Date

On the business day prior to the Listing Date, the Company shall issue 349,250 Conversion Shares to PEF (*see "Business—Material Agreements—Convertible Bonds*"). After the issuance of the Conversion Shares, the Shareholders will hold the following interest:

Shareholders[(1)]	Number of Ordinary Shares	Percentage of issued share capital and voting rights
Cupcake Partners Limited[(2)]	50,000,000	76.33%
Private Equity Fund (ESG) Inc.[(3)]	4,802,100	7.33%
Other Shareholders[(4)]	10,698,822	16.34%
Total	**65,500,922**	**100.00%**

Notes:

(1) All Shareholders holding Ordinary Shares on the Listing Date will be subject to a lock-up, see "*The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements*".

(2) Cupcake Partners Limited is wholly owned by Angus Murray.

(3) PEF is an investment fund of which Angus Murray is a director. PEF will hold (i) 1,722,993 Ordinary Shares (2.63%) for the benefit of Castlestone, an investment adviser wholly owned by Angus Murray, and (ii) 3,079,107 Ordinary Shares (4.70%) for the benefit of a number of independent Shareholders.

(4) As far as the Company is aware, none of the other Shareholders has a substantial shareholding in the Company within the meaning of Chapter 5.3 of the DFSA or acts in concert.

The issue of the Conversion Shares on the business day prior to the Listing Date will result in a dilution of 6.03% of issued shares in the share capital of the Company on the date of this Prospectus.

Shareholders immediately following the Placing Period

The table below reflects the number and percentage of Ordinary Shares the Shareholders will hold immediately following the Placing Period assuming that the Placing raises £30,000,000 through the issue of 15,000,000 Ordinary Shares.

	Assuming no conversion of the outstanding balance of the Zero Coupon Convertible Bonds		**Assuming the conversion of the outstanding balance of the Zero Coupon Convertible Bonds[(1)]**	
	Number of Ordinary Shares	**Percentage of issued share capital and voting rights**	**Number of Ordinary Shares**	**Percentage of issued share capital and voting rights**
Cupcake Partners Limited[(2)]	50,000,000	62.21%	50,000,000	61.31%
Private Equity Fund (ESG) Inc. (PEF)[(3)]	4,802,100	5.97%	5,854,078	7.18%
Other Shareholders[(4)]	25,698,822	31.82%	25,698,822	31.51%
Total	**80,500,922**	**100.00%**	**81,552,900**	**100.00%**

Notes:
(1) If the Company and PEF would agree to the early cash redemption of any remaining outstanding balance of the Zero Coupon Convertible Bonds, being £2,103,955 at the Listing, and that the cash amount, receivable by PEF, be applied to subscribe for further new Ordinary Shares at £2.00 per share, this would result in the issue of up to a further 1,051,978 Ordinary Shares.
(2) Cupcake Partners Limited is wholly owned by Angus Murray.
(3) PEF is an investment fund of which Angus Murray is a director. PEF will hold 1,722,993 Ordinary Shares (2.14%) for the benefit of Castlestone and 3,079,107 Ordinary Shares (3.82%) for the benefit of a number of independent Shareholders.
(4) As far as the Company is aware, none of the other Shareholders has a substantial shareholding in the Company within the meaning of Chapter 5.3 of the DFSA or acts in concert.

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company. The rights and obligations of Shareholders, including minority Shareholders, are governed by applicable laws and regulations. See for example, "*Description of Share Capital and Corporate Structure—Takeover rules*". The Articles of Association do not provide for any specific provisions in addition to the provisions of the applicable laws and regulations that ensure control by the major or controlling Shareholders is not abused.

The Shareholders, including the Major Shareholders, do not on the date of this Prospectus and will not on the Listing Date, have different voting rights than other Shareholders.

Business address of the Major Shareholders

The Major Shareholders have the following business address:

- Cupcake Partners Limited: 20th Floor, 283 Lockhart Road, Wah Hing Commercial Building, Kwanchai, Hong Kong; and
- Private Equity Fund (ESG) Inc.: c/o Bolder Corporate Services (Cayman) Limited, 3-212 Governors Square, 23 Lime Tree Bay Ave, West Bay Road, PO Box 30746 SMB, Grand Cayman KY1-1203, Cayman Islands.

Related party transactions

Related parties

Angus Murray is a director and ultimate owner of each of ETL and EC1 Property Management Limited through his sole ownership of Cupcake. Angus Murray is also a director of the PEF.

Katharine Leo is also a director of ETL, EC1 Property Management Limited and the ultimate owner and director of CSG.

Peter Curtin is also a director of ETL.

Agreements with related parties

The Company has entered into the following agreements with related parties between incorporation and the date of this Prospectus:

(a) the ASA with CSG, a company ultimately owned and controlled by Katharine Leo, an Executive Director, as described in "*Business—Material Agreements—Arrangement services agreement*";
(b) a general services agreement with CSG, a company ultimately owned and controlled by Katharine Leo, an Executive Director, as described in "*Business—Material Agreements—Arrangement services agreement*";
(c) the IPSA with Cupcake, a company owned and controlled by Angus Murray, an Executive Director, as described in "*Business—Material Agreements—Intellectual property sale agreement*";
(d) the Exchange Tunnels Lease with ETL, a company whole owned by Cupcake, as described in "*Business—Material Agreements—Exchange Tunnels Lease*"; and
(e) a lock-up deed with Cupcake, as described in *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements—Lock-up Cupcake"*).

In addition, the Company, Cupcake and Angus Murray entered into the Relationship Agreement agreeing, *inter alia*, that they will not act to unduly influence the Company or the Board or otherwise interfere with the day-to-day management of the Company (see "*Business—Material Agreements—Relationship Agreement*").

Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, considered to the Directors, is as follows:

	Audited	*Audited*	*Unaudited*	*Unaudited*
	Period ended 31 December 2021 £	**Period ended 31 March 2023 £**	**6 months ended 30 September 2023 £**	**From 1 October 2023 until the date of this Prospectus £**
Angus Murray	—	3,440	68,556	106,257
Katharine Leo	—	3,000	6,114	20,216

Transactions with related parties

The Company entered into the following transactions with related parties:

	Purchases	**Purchases**	**Purchases**	**Purchases**
	Audited	*Audited*	*Unaudited*	*Unaudited*
	Period ended 31 December 2021 £	**Period ended 31 March 2023 £**	**6 months ended 30 September 2023 £**	**From 1 October 2023 until the date of this Prospectus £**
CSG fees in relation to the ASA and general services agreement	—	102,000	322,835	1,446,625

In addition to the amounts charged by CSG shown above, there are contingent liabilities of £1,000,000 (2021: £408,000) payable to CSG upon the granting of Planning Permission for the Company's planned development by the authorities subject also to the Company having raised sufficient funds to complete RIBA stages 3 and 4.

	Audited	*Audited*	*Unaudited*	*Unaudited*
	Period ended 31 December 2021 £	**Period ended 31 March 2023 £**	**6 months ended 30 September 2023 £**	**From 1 October 2023 until the date of this Prospectus £**
Amounts due from related parties				
Cupcake	32,400	31,900	—	—
Amounts due to related parties				
Cupcake	—	—	4,968,100	4,950,500
CSG	—	40,800	58,800	98,200

Directors' remuneration

The compensation of the Company's 'key management personnel' for purposes of IFRS must be disclosed as a related party transaction under IFRS. Accordingly, this has been disclosed as a related party transaction in note 18 of the Company Financial Statements and the Company Interim Financial Statements. In addition, information on remuneration for the Board,which forms part of the Company's 'key management personnel' for purposes of IFRS, can be found in the section "*Management, Employees and Corporate Governance—Remuneration of the Directors*".

DESCRIPTION OF SHARE CAPITAL AND CORPORATE STRUCTURE

Set out below is a summary of certain relevant information concerning the Company's share capital and a brief summary of certain significant provisions of English, Dutch and EU laws and the Articles of Association. It is based on relevant provisions of English, Dutch and EU laws and the Articles of Association as in effect on the date of this Prospectus.

This summary does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the Articles of Association and the relevant provisions of English and Dutch law as in force on the date of this Prospectus. The Articles of Association in the governing English language are available on the Company's website (www.thelondontunnels.com). See also "*Management, Employees and Corporate Governance*" for a summary of certain material provisions of the Articles of Association and English law relating to the Board.

THE COMPANY

The Company was incorporated under the laws of England and Wales on 27 January 2021 with registered number 13160590 under UK Companies Act as a private company limited by shares with the name London Light Line Limited. On 10 March 2023, the Company changed its name to The London Tunnels Limited. On 2 November 2023, the Company re-registered as a public company limited by shares and changed its legal and commercial name to The London Tunnels PLC.

The principal legislation under which the Company operates is the UK Companies Act. The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them.

The Company's registered office is 2nd Floor, Nicola Jane House, Southern Gate, Terminus Road, Chichester, West Sussex, United Kingdom, PO19 8SE and the telephone number is +44 (0)1243 790 298. The legal entity identifier (LEI) of the Company is 2138004SGDBMQ6VPDI31 and its SEDOL is BS28ZN5. The ISIN of the Ordinary Shares is GB00BS28ZN53.

The Company does not have any subsidiaries or investments or any investments in progress.

CORPORATE OBJECTS

Pursuant to the Articles of Association and in accordance with the UK Companies Act, the Company's corporate objects are unrestricted.

SHARES AND SHARE CAPITAL

Authorised and issued share capital

The Ordinary Shares are fully paid ordinary shares in the share capital of the Company with a nominal value of £0.001 each. The Ordinary Shares have been created under the UK Companies Act and the Articles of Association. The Articles of Association do not specify an authorised share capital.

The issued share capital of the Company as at the date of this Prospectus and the Listing is as follows:

	Number of Ordinary Shares allotted and fully paid	**Nominal value of Ordinary Shares**
On the date of this Prospectus	61,773,022	£61,773
On the Listing Date	65,500,922	£65,501

The Company does not hold any shares in treasury.

History of share capital

The history of the share capital prior to the Listing is as follows:

(a) The Company entered into:
   (i) a zero coupon convertible bond instrument on 28 November 2022, as amended by the deed of consent and variation between the Company and Private Equity ESG Fund Inc (**PEF**) on 11 September 2023 and further amended by amendment deed on 9 April 2024 (**2022 Bond Instrument**);
   (ii) a zero coupon convertible bond instrument on 11 September 2023, as amended by amendment deed on 9 April 2024 (**First 2023 Bond Instrument**); and
   (iii) a zero coupon convertible bond instrument on 12 October 2023, as amended by amendment deed on 9 April 2024 (**Second 2023 Bond Instrument**),

   and granted a number of zero coupon convertible bonds (**Zero Coupon Convertible Bonds**) to PEF, further details of which are set out in below.

(b) The Company's authorised share capital on 28 September 2023 was 50,000 ordinary shares of £1.00 each held by Cupcake.

(c) The Company entered into a convertible bond instrument on 6 October 2023 (**Original Convertible Bond Instrument**) and an amendment deed to the Original Convertible Bond Instrument on 26 October 2023 and the amendment and restatement deed 23 May 2024 (together with the Original Convertible Bond Instrument, the **Convertible Bond Instrument**). The Company granted a number of convertible bonds (**Convertible Bonds**) to a number of investors

(**Convertible Bondholders**), under the Convertible Bond Instrument, which are convertible automatically on the Listing, further details of which are set out under "*Business—Material Agreements—Convertible Bonds*".

(d) Under the:

(i) 2022 Bond Instrument, the Company issued 6,000 Zero Coupon Convertible Bonds of £600 each to PEF, redeemable partly in cash in 2025 and partly in shares, with the redemption price used to subscribe for new Ordinary Shares. Share redemption for all of these Zero Coupon Convertible Bonds took place on 26 October 2023, pursuant to a letter agreement between the Company and PEF dated 24 October 2023 (**Letter Agreement**), resulting in the issue of 5,556 new Ordinary Shares (before the share split below) in the Company;

(ii) First 2023 Bond Instrument, the Company issued 1,200 unsecured Zero Coupon Convertible Bonds of £600 each to PEF, redeemable partly in cash in 2025 and partly in shares, with the redemption price used to subscribe for new Ordinary Shares. Share redemption for all of these Zero Coupon Convertible Bonds took place on 26 October 2023, pursuant to the Letter Agreement, resulting in the issue of 3,241 new Ordinary Shares in the Company (before the share split below); and

(iii) Second 2023 Bond Instrument, the Company issued 300 unsecured Zero Coupon Convertible Bonds of £600 each to PEF, redeemable partly in cash in 2025 and partly in shares, with the redemption price used to subscribe for new Ordinary Shares. Share redemption for all of these Zero Coupon Convertible Bonds took place on 26 October 2023, pursuant to the Letter Agreement, resulting in the issue of 278 new Ordinary Shares in the Company (before the share split below).

Further details of the Zero Coupon Convertible Bonds are set out under "*Business—Material agreements—Zero Coupon Convertible Bonds*".

(e) On 26 October 2023, the Company undertook a share split so that its ordinary shares of £1.00 each were converted at a ratio of 1 ordinary share to 1,000 new Ordinary Shares, resulting in a new nominal value of £0.001. The share split was approved by the Shareholders by ordinary resolution. The issued share capital immediately before and after the share split was as follows:

Shareholders	**Ordinary Shares held immediately before the share split**	**Ordinary Shares held immediately after the share split**
Cupcake	50,000	50,000,000
PEF	9,075	9,075,000

(f) The Company re-registered as a public limited company under the UK Companies Act on 2 November 2023 and changed its legal and commercial name to The London Tunnels PLC. The re-registration was approved by the Shareholders at the time by special resolution and new articles of association were adopted. The articles were subsequently amended by special resolution to become the existing Articles of Association on 13 June 2024.

(g) On 31 March 2024, the Company entered into an agreement with PEF whereby PEF agreed to the early cash redemption of £5,396,045 of the outstanding balance of the Zero Coupon Convertible Bonds, and that the cash amount, receivable by PEF, be applied to subscribe for 2,698,022 new Ordinary Shares, at £2.00 per share. Subsequently, the Company issued 2,698,022 Ordinary Shares to PEF on 31 March 2024.

The issue of the Conversion Shares will result in the Ordinary Shares on the date of this Prospectus being diluted. See "*Shareholders and Related Party Transactions—Shareholders on the Listing Date*".

Other than as set out above, there are no acquisition rights or obligations in relation to the issue of Ordinary Shares in the capital of the Company or an undertaking to increase the capital of the Company.

Form and transfer of Ordinary Shares

All Ordinary Shares held by Cupcake and the Ordinary Shares to be allotted and issued pursuant to the Placing will be delivered in book-entry form and will be credited to the securities accounts of the investors via Euroclear Nederland, the Dutch central securities depository with registered office at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands (**Euroclear Nederland**).

Shares traded on Euronext Amsterdam will be transferred through book-entry on the accounts of investors with intermediaries that are participants in Euroclear Nederland or intermediaries that hold, directly or indirectly, accounts with participants in Euroclear Nederland. The Articles of Association reflect this fact and, for this reason, include reference to '**EI Holders**', being the holders of interests in the Ordinary Shares of the Company traded and settled through Euroclear Nederland.

The Articles of Association treat EI Holders in the same way as they treat 'members' of the Company for English law purposes. Under the Articles of Association, the Company agrees that any and all rights and obligations attaching to the shares of the Company held by Euroclear Nederland (as 'member', and in relation to which shares each EI Holder holds its interest) shall, to the extent legally permissible, accrue to, be exercisable by and against, and be enforced by and against, the relevant EI Holder in accordance with and pursuant to the Dutch Securities Giro Act. Such rights shall include the right to exercise voting rights and receive dividends in respect of the relevant shares. Interests in Ordinary Shares (voting securities) are held in accordance with the provisions of the Dutch Securities Giro Act (through the systems maintained by Euroclear Nederland). The Company expects to be able to exercise and enforce its rights to the fullest extent permitted by law against any EI Holder breaching the

Articles of Association, and expects EI Holders to be able to enforce their rights to the fullest extent permitted by law against the Company. In this regard, references in the Articles of Association to 'Shareholders' include those persons entered into the Company's register of members as 'members', and those persons holding interests in the Company's shares traded and settled through Euroclear Nederland as 'EI Holders'.

Shareholders' register

The Ordinary Shares held by Cupcake that will form part of the liquidity pool (see *"The Listing, Subsequent Listings and Lock-Up and Liquidity Arrangements—Lock-up and liquidity arrangements—Liquidity pool and interest Cupcake"*) and the Ordinary Shares to be allotted and issued pursuant to the Placing will be held in a collective deposit (*verzameldepot*) or giro deposit (*girodepot*) as referred to in the Dutch Securities Giro Act as set out above, and so the name and address of the intermediary or the central institute, being Euroclear Nederland, shall be entered in the shareholders' register, stating the date on which those Ordinary Shares became part of a collective deposit or the giro deposit, the date of acknowledgement or service as well as the paid-up amount on each Ordinary Shares.

The other Ordinary Shares held by Shareholders on the Listing Date will be recorded in the Company's shareholders' register and may subsequently, following the lock-up period, be transferred for inclusion in a giro deposit along with the remainder of the Ordinary Shares in the future.

Issue of shares, pre-emption rights and authority

Subject to the provisions of the UK Companies Act, and without prejudice to any rights attached to any existing shares or class of shares: (i) any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the Board shall determine; and (ii) shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder and the Board may determine the terms, conditions and manner of redemption of such shares provided that it does so prior to the allotment of those shares.

The Company may from time to time pass an ordinary resolution authorising, in accordance with section 551 of the UK Companies Act, the Board to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to the maximum nominal amount specified in the resolution.

The Company passed written resolutions of the Shareholders of the Company on 26 October 2023, which provided that, amongst other resolutions, the Company may undertake a share split so that the Ordinary Shares could be converted at a share split ratio of 1 ordinary share to 1,000 Ordinary Shares, from £1 nominal value to £0.001 nominal value. The share split was approved by the Shareholders by ordinary resolution.

At a general meeting on 13 June 2004, the Company passed resolutions of the Shareholders which provided that:

(a) in accordance with section 551 of the UK Companies Act, the Directors are generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £3,800 for the conversion of the convertible bonds issued to certain investors pursuant to the convertible bond instrument dated 6 October 2023 (as amended), and otherwise up to an aggregate nominal amount of £65,500, provided that the authority shall, unless renewed, varied, or revoked by the Company, expire on the date that is 15 months following the date of the resolution, or if earlier, the date of the next annual general meeting of the Company; and
(b) in accordance with section 570 of the UK Companies Act, the Directors, are generally empowered to disapply pre-emption rights in relation to the equity securities to which the resolution in (a) above relates as well as in relation to certain limited circumstances relating to pre-emptive issues.

These shareholder authorities allow for:

(a) the conversion of the Convertible Bonds into Ordinary Shares on the business day prior to the Listing Date; and
(b) the Directors to issue up to a further 65,500,000 Ordinary Shares, representing approximately 100% of the Company's issued share capital following the Listing, and disapplying pre-emption rights in relation to any such issue.

Save as disclosed herein:

(x) no share or loan capital of the Company has, within three years of the date of this Prospectus, been issued or agreed to be issued, or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash, to any person;
(y) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company; and
(z) no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

The Company remains subject to the provisions of section 561 of the UK Companies Act (which confers on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employees' share scheme as defined in section 1166 of the UK Companies Act) which will apply to any further issuances of share capital of the Company, save to the extent disapplied.

Acquisition of own Ordinary Shares and authority

The Articles of Association do not restrict the Company's ability to purchase its own shares. Therefore, subject to the UK Companies Act and without prejudice to any relevant special rights attached to any class of shares, the Company may purchase any of its own shares of any class in any way and at any price (whether at par or above or below par).

However, English law generally prohibits the Company from repurchasing its own shares by way of off market purchases without the prior approval of shareholders by ordinary resolution. Such approval has not currently been sought or obtained. English law prohibits the Company from conducting on market purchases as its shares will not be traded on a recognised investment exchange in the United Kingdom. Therefore, the Company will not be able to effect any buy-back of its shares until a buy-back contract has been approved by ordinary resolution of the Company's relevant shareholders. Such approval may last for up to five years from the date of the ordinary resolution, and renewal of such approval for additional five year terms may be sought more frequently.

The Company held a general meeting on 13 November 2023, which provided that subject to the Listing, the Company be generally and unconditionally authorised for the purpose of section 701 of the UK Companies Act to make market purchases (within the meaning of section 693(4) of the UK Companies Act) of Ordinary Shares on such terms and in such manner as the directors may from time to time determine, provided that:

(a) the maximum aggregate number of Ordinary Shares which may be purchased is 11,433,750, (being approximately 17.5% of the Company's issued ordinary share capital following the Listing and the Placing (assuming that the Placing raises £30 million));
(b) the minimum price (excluding expenses) which may be paid for each ordinary share is £0.001;
(c) the maximum price (excluding expenses) which may be paid for each ordinary share is the price of an Ordinary Share immediately following the Listing.

The authority conferred by this resolution shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Company's next annual general meeting or, if earlier, on 30 June 2024.

Transfer of shares

Subject to any applicable restrictions in the Articles of Association, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register of members.

The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form (or renunciation of a renounceable letter of allotment) unless:

(a) it is in respect of a share which is fully paid up;
(b) it is in respect of only one class of shares;
(c) it is in favour of a single transferee or not more than four joint transferees;
(d) it is duly stamped (if so required); and
(e) it is deposited for registration to the registered office for the time being of the Company or such other place as the Board may from time-to-time determine, accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any shares.

If an Ordinary Share is transferred for inclusion in a collective deposit, the transfer will be accepted by the intermediary concerned. If a registered Ordinary Share is transferred for inclusion in a giro deposit, the transfer will be accepted by the central institute, being Euroclear Nederland. Upon issue of a new Ordinary Share to Euroclear Nederland or to an intermediary, the transfer and acceptance in order to include the Ordinary Share in the giro deposit or the collective deposit will be effected without the cooperation of the other participants in the collective deposit or the giro deposit, respectively. Deposit Shareholders are not recorded in the Company's shareholders' register. Ordinary Shares included in the collective deposit or giro deposit can only be delivered from a collective deposit or giro deposit with due observance of the related provisions of the Dutch Securities Giro Act and with the approval of the Board. The transfer by a deposit Shareholder of its book-entry rights representing such Ordinary Shares shall be effected in accordance with the provisions of the Dutch Securities Giro Act. The same applies to the establishment or transfer of a right of pledge and the establishment or transfer of a usufruct on these book-entry rights.

Variation of rights

If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any shares (whether or not the Company may be or is about to be wound up) may from time-to-time be varied or abrogated in such manner (if any) as may be provided in the Articles of Association by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the class duly convened and held in accordance with the UK Companies Act.

The quorum at every such meeting shall be not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and at an adjourned meeting not less than one person holding shares of the relevant class or his proxy.

Alteration of share capital

The Company may, from time to time, by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger nominal amount than its existing shares;

(b) subject to the provisions of the UK Companies Act, sub-divide its shares or any of them, into shares of smaller nominal amount and may by such resolution determine that, as between the shares resulting from such a sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions, as the Company has power to attach to new shares.

DIVIDENDS

General

Subject to the provisions of the UK Companies Act and of the Articles of Association, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

Interim distributions

Subject to the provisions of the UK Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.

Distribution in kind

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.

The Board may also, with the prior authority of an ordinary resolution of the Company and subject to the Articles of Association and such terms and conditions as the Board may determine, offer to holders of shares the right to elect to receive shares of the same class, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.

Payment

Payment of any dividend on the Ordinary Shares in cash will be made in pound sterling. Any dividends on the Ordinary Shares that are paid to the Shareholders through Euroclear Nederland, the Dutch centralised securities custody and administration system, will be credited automatically to the Shareholders' accounts without the need for the Shareholder to present documentation proving ownership of the Ordinary Shares.

All dividends, interest or other sums payable and unclaimed for a period of twelve months after having become payable may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having become payable shall, if the Board so resolves, be forfeited and shall cease to remain owing by, and shall become the property of, the Company.

GENERAL MEETINGS

Annual general meetings

The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the UK Companies Act.

Extraordinary general meetings

The Board may convene a general meeting (which is not an annual general meeting) whenever it thinks fit. A general meeting shall be convened by such notice as may be required by law from time to time.

Convocation notice and agenda

The notice of any general meeting shall include such statements as are required by the UK Companies Act and shall in any event specify:

(a) whether the meeting is convened as an annual general meeting or any other general meeting;
(b) whether the meeting shall be a physical or electronic general meeting or a hybrid meeting (both physically and electronically);
(c) for physical general meetings the place, the day, and the time of the meeting;
(d) the general nature of the business to be transacted at the meeting;
(e) if the meeting is convened to consider a special resolution, the text of the resolution and the intention to propose the resolution as such; and
(f) with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or (provided each proxy is appointed to exercise the rights attached to a different share held by the member) more proxies to attend and to speak and vote instead of the member and that a proxy need not also be a member.

The notice shall be given to the members (other than any who, under the provisions of the Articles of Association or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Board and the auditors and to any other person who may be entitled to receive it. The accidental omission to give or send notice of any meeting, or, in cases where it is intended that it be given or sent out with the notice, any other document relating to the meeting including an appointment of proxy to, or the non-receipt of either by, any person entitled to receive the same, shall not invalidate the proceedings at that meeting.

Voting rights

Subject to the provisions of the UK Companies Act, to any special terms as to voting on which any shares may have been issued or may from time-to-time be held and to any suspension or abrogation of voting rights pursuant to the Articles of Association, at any general meeting, every member holding Ordinary Shares who is present in person (or, being a corporation, by representative) or by proxy shall, on a show of hands, have one vote and every member holding Ordinary Shares present in person (or, being a corporation, by representative) or by proxy shall, on a poll, have one vote for each share of which he is a holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or vest all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Unless the Board otherwise determines, no member shall be entitled to receive any dividends or be present and vote at a general meeting or a separate general meeting of the holders of any class of shares, either in person or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other right or privilege as a member in respect of a share held by him, unless and until he shall have paid all calls for the time being due and payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by him to the Company or if he, or any other person whom the Company reasonably believes to be interested in such shares, has been issued with a notice pursuant to the UK Companies Act requiring such person to provide information about his interests in the Company's shares and has failed in relation to any such shares to give the Company the required information within 14 days.

Any reference in the Articles of Association to a vote of, voting by or voting in respect of, in each case, a share in the Company, class of shares and/or specified nominal value of a class of shares in the Company shall be deemed to include any votes cast by the EI Holder in respect of such share or shares in the Company, provided that in the event more than one vote is cast in respect of the same share in the Company then only the vote of the member (and not of any associated EI Holder) shall be counted by the Company.

Dissolution and liquidation

Except as provided by the rights and restrictions attached to any class of shares, the holders of the Company's shares will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings. A liquidator may, with the sanction of a special resolution and any other sanction required by the Insolvency Act 1986, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members.

OBLIGATIONS TO DISCLOSE HOLDINGS

Holders of the Ordinary Shares may be subject to notification obligations under the Dutch FSA. Shareholders are advised to seek professional advice on these obligations.

Shareholders

Pursuant to the Dutch FSA, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of a Dutch listed company must immediately notify the AFM through a designated portal, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the above-mentioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification must be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital.

In addition, every holder of 3% or more of the Company's share capital or voting rights whose interest changes in respect of the previous notification to the AFM by reaching or crossing one of the thresholds mentioned above as a consequence of the interest being differently composed due to having acquired shares or voting rights through the exercise of a right to acquire such shares or voting rights, must notify the AFM of the changes within four trading days after the date on which the holder knows or should have known that their interest reaches or crosses a relevant threshold.

Controlled entities, within the meaning of the Dutch FSA, do not themselves have notification obligations under the Dutch FSA, as their direct and indirect interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the Dutch FSA, including a natural person. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the Dutch FSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, inter alia, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (v) shares that determine the value of certain cash-settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares that are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares.

Special attribution rules apply to shares and voting rights that are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the same purpose, the following instruments qualify as shares: (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (a) or (b) (such as convertible bonds); and (iv) options for acquiring the instruments under (a) or (b).

Notification of short positions

Each person holding a gross short position in relation to the issued share capital of a Dutch listed company that reaches, exceeds or falls below any one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately notify the AFM through a designated portal. If a person's gross short position reaches, exceeds or falls below one of the above-mentioned thresholds as a result of a change in the Company's issued share capital, such person must make a notification not later than the fourth trading day after the AFM has published the Company's notification in the public register of the AFM. Shareholders are advised to consult with their own legal advisers to determine whether the gross short selling notification obligation applies to them.

In addition, pursuant to Regulation (EU) No 236/2012 (the **Short Selling Regulation**), each person holding a net short position attaining 0.1% of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% must also be notified. Each net short position equal to 0.5% of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1% will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third party that the shares have been located. The notification shall be made no later than 15:30 CET on the following trading day.

The Company

The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its issued share capital or voting rights changes by 1% or more since the Company's previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1% in that relevant quarter since the Company's previous notification.

PDMRs

Pursuant to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (including any relevant delegated regulations, the **EU Market Abuse Regulation**), persons discharging managerial responsibilities (each a PDMR) must notify the AFM and the Company of any transactions conducted for their own account relating to Ordinary Shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto. PDMRs within the meaning of the EU Market Abuse Regulation include: (i) managing director and supervisory directors, or (ii) members of the senior management who have regular access to inside information relating directly or indirectly to that entity and the authority to take managerial decisions affecting the future developments and business prospects of the Company.

In addition, pursuant to the EU Market Abuse Regulation and the regulations promulgated thereunder, certain persons who are closely associated with PDMRs, are also required to notify the AFM and the Company of any transactions conducted for their own account relating to Ordinary Shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto. The EU Market Abuse Regulation and the regulations promulgated thereunder cover, inter alia, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to under (i), (ii) or (iii) above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interest of which are substantially equivalent to those of such a person.

These notification obligations under the EU Market Abuse Regulation apply when the total amount of the transactions conducted by a PDMR or a person closely associated to a PDMR reaches or exceeds the threshold of €5,000 within a calendar year (calculated without netting). When calculating whether the threshold is reached or exceeded, PDMRs must add any transactions conducted by persons closely associated with them to their own transactions and vice versa. The first transaction reaching or exceeding the threshold must be notified as set forth above. The notifications pursuant to the EU Market Abuse Regulation described above must be made to the AFM and the Company no later than the third business day following the relevant transaction date.

Non-compliance

Non-compliance with the notification obligations under the EU Market Abuse Regulation and the Dutch FSA, set out in the paragraphs above, is an economic offence (*economisch delict*) and could lead to the imposition of criminal fines, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and vice versa, the AFM is no longer allowed to seek criminal prosecution if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more shareholders who alone or together with others represent(s) at least 3% or the Company's issued share capital or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose, include: an order requiring the person violating the disclosure obligations under the Dutch FSA to make appropriate disclosure, suspension of the voting rights in respect of such person's shares for a period of up to three years as determined by the court, voiding of a resolution adopted by the Company's general meeting, if the court determines that the resolution would not be have adopted but for the exercise of the voting rights of the person who is obliged to notify, or suspension of a resolution until the court makes a decision about such voiding and an order to the person violating the disclosure obligations under the Dutch FSA to refrain, during a period of up to five years as determined by the court, from acquiring the shares and/or voting rights in the shares.

The FCA takes enforcement action against market abuse and can impose significant penalties for non-compliance with the Market Abuse Regulation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018, as amended (the **UK Market Abuse Regulation**). The FCA will seek to deprive an individual of the financial benefit derived as a direct result of the market abuse (which may include the profit made or loss avoided) where it is practicable to quantify this. The FCA will ordinarily also charge interest on the benefit. The FCA will determine a figure dependent on the seriousness of the market abuse and whether or not it was referable to the individual's employment. The FCA has powers to impose a fine up to 40% of an individual's income in the case of a breach the UK Market Abuse Regulation.

Public registry

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the Dutch FSA on its website (www.afm.nl/en/professionals/registers). Third parties can request to be notified automatically by email of changes to the public register in relation to a particular company's shares or a particular notifying party.

Identity of shareholders

The Company does not fall under the scope of Chapter 3a of the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) (which only concerns companies incorporated under the laws of the Netherlands or under the laws of another Member State). For the purpose of identifying the Shareholders, the Company may however request Euroclear Nederland to apply the procedures in accordance with Chapter 3A of the Dutch Securities Giro Act on a voluntary basis and in turn request on a voluntary basis admitted institutions, intermediaries, institutions abroad, and managers of investment institutions, to provide under the conditions provided for by applicable laws and regulations, the identification of the Shareholders that have an immediate or future right to vote at the General Meetings as well as the number of Ordinary Shares held by each of the Shareholders and any restrictions applicable thereto. In line with rules under the Dutch Securities Giro Act, the request should only be made in relation to Shareholders with an interest of 0.5% or more of the issued share capital. The addressee of such request should send the information to the Company without delay. If the addressee does not have the requested information, the request should be passed on by it through the custody chain (i.e., to the next party for whom it holds the Ordinary Shares) until it reaches the party who has the requested information, which party should then send such information to the Company without delay. A Shareholder who, individually or together with other Shareholders, holds an interest of at least 10% of the issued share capital may request the Company to request Euroclear Nederland, on a voluntary basis, to apply the procedures set out above to establish the identity of the Shareholders. In line with the provisions of the Dutch Securities Giro Act, such request should be made during a period of 60 days until (and not including) the 42nd day before the day on which the general meeting will be held.

DUTCH FINANCIAL REPORTING SUPERVISION ACT

Pursuant to the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*), the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the issuer's financial reporting meets such standards and (ii) recommend the issuer to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the **Enterprise Chamber**) to order the Company to (a) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (b) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

MARKET ABUSE REGIME

The regulatory framework on market abuse is laid down in the EU Market Abuse Regulation and the Market Abuse Directive (2014/57/EU), as implemented in Dutch law. The provisions of the UK Market Abuse Regulation dealing with inside information, insider dealing, unlawful disclosure of inside information and market manipulation will also apply to the Ordinary Shares given that the UK Market Abuse Regulation is directly applicable to financial instruments admitted to trading on a UK or an EU regulated market.

Pursuant to the EU Market Abuse Regulation and the UK Market Abuse Regulation, no natural or legal person is permitted to: (i) engage or attempt to engage in insider dealing in financial instruments listed on a regulated market or for which a listing has been requested, such as the Ordinary Shares; (ii) recommend that another person engages in insider dealing or induce another person to engage in insider dealing; or (iii) unlawfully disclose inside information relating to the Ordinary Shares or the Company. Furthermore, no person may engage in or attempt to engage in market manipulation.

Inside information is information, of a precise nature, directly or indirectly relating to an issuer or one or more of its financial instruments, which has not yet been made public, and if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments (i.e. information a reasonable investor would be likely to use as part of the basis of his or her investment decision). An intermediate step in a protracted process can also deemed to be inside information.

The Company is required to inform the public as soon as possible and in a manner that enables fast access and complete, correct and timely assessment of the information, of inside information which directly concerns the Company. The Company is required to post and maintain on its website all inside information for at least five years. Under certain circumstances, the disclosure of inside information may be delayed, which needs to be notified to the AFM after the disclosure has been made. Upon request of the AFM, a written explanation needs to be provided setting out why a delay of the publication was considered permitted.

A PDMR is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to Ordinary Shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of a half-yearly report or an annual report of the Company.

Non-compliance

In accordance with the EU Market Abuse Regulation, the AFM has the power to take appropriate administrative sanctions, such as fines, and/or other administrative measures in relation to possible infringements. Non-compliance with the market abuse rules set out above could also constitute an economic offense (*economisch delict*) and/or a crime (*misdrijf*) and could lead to the imposition of administrative fines by the AFM. The public prosecutor could press criminal charges resulting in fines or imprisonment. If criminal charges are pressed, it is no longer allowed to impose administrative penalties and vice versa.

The AFM shall in principle also publish any decision imposing an administrative sanction or measure in relation to an infringement of the EU Market Abuse Regulation.

The UK Market Abuse Regulation makes insider dealing, unlawful disclosure, market manipulation and attempted manipulation civil offences, and gives the FCA powers and responsibilities for preventing and detecting market abuse. For breaches of the UK Market Abuse Regulation, the FCA can impose unlimited fines, order injunctions, or prohibit regulated firms or approved persons. Criminal insider dealing is an offence under Part V of the Criminal Justice Act 1993, and criminal market manipulation is an offence under sections 89-91 of the Financial Services Act 2012. Criminal sanctions for insider dealing and market manipulation can incur custodial sentences of up to 10 years and unlimited fines. Various notices connected to the FCA's enforcement on UK Market Abuse Regulation can be found on the FCA website.

Share dealing code

The Company has adopted, with effect from the Listing, a code of securities dealings in relation to the Ordinary Shares which is based on the requirements of the EU Market Abuse Regulation and the UK Market Abuse Regulation. The code adopted will apply to the Directors, PDMRs and certain other persons depending on their role or function as senior managers but who are not identified as PDMRs.

TAKEOVER RULES

Dutch takeover rules

The Directive on Takeover Bids (2004/25/EC) has been implemented in the Dutch FSA and certain rules promulgated thereunder, including the Dutch Decree on Takeover Bids (*Besluit openbare biedingen Wft*).

In general, under the Dutch takeover provisions, it is prohibited to launch a public offer for securities that are admitted to trading on a Dutch regulated market, such as the Ordinary Shares, unless an offer document has been approved by, in the case of the Company, the AFM and has subsequently been published. The Dutch takeover provisions are intended to ensure that, in the event of a public offer, sufficient information will be made available to the Shareholders, that the Shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period.

Certain parts of the Dutch takeover provisions, matters relating to the consideration offered in the case of a bid, in particular the price, and matters relating to the bid procedure, in particular the information on the offeror's decision to make a bid, the contents of the offer document and the disclosure of the bid, are applicable to the Company as the Ordinary Shares are admitted to trading on Euronext Amsterdam. However, the part of the Dutch takeover provisions regarding mandatory takeover bids, in terms of when a mandatory takeover bid is triggered (including as regards acting in concert related considerations), do not mandatorily apply to the Company, as the Company is not incorporated under the laws of the Netherlands.

UK Takeover Code

Other than as provided by the UK Takeover Code and Chapter 28 UK Companies Act, there are no rules or provisions relating to mandatory bids, squeeze-out and sell-out rules that apply to the Ordinary Shares.

The UK Takeover Code, which is issued and administered by the Panel on Takeovers and Mergers (the **Panel**), applies to all takeover and merger transactions, however effected, where the offeree company has its registered office in the UK, the Channel Islands or the Isle of Man, and it is considered by the Panel to have its place of central management and control in the UK, the Channel Islands or the Isle of Man.

The UK Takeover Code will apply to the Company from the Listing and the Shareholders will be entitled to the protection afforded by the UK Takeover Code.

Pursuant to a recent consultation paper published by the Code Committee of the UK Takeover Panel, it is proposed that the Takeover Code will no longer apply to a UK registered public company, whose securities are traded solely on an overseas market, at the end of a three-year period commencing from the time the proposed rule changes are implemented (which is currently anticipated to be one month after publication of a response statement published to be published by the Code Committee in Autumn 2024). This rule change will apply to the Company. Whilst the Company will remain subject to the UK Takeover Code during the three-year transitional period, assuming (i) its place of central management and control remains in the UK, the Channel Islands or the Isle of Man; and (ii) its securities are not admitted to trading on a UK regulated market, a UK multilateral trading facility or on any stock exchange in the Channel Islands or the Isle of Man, it however will cease to be subject to the UK Takeover Code at the end of that period. Within the three-year transitional period, the Company will prepare the necessary amendments to be made in the Articles of Association to accommodate the applicability of takeover rules equivalent to the UK or Dutch takeover rules to the Company.

Mandatory bid provisions

The UK Takeover Code applies to the Company. Under Rule 9 of the UK Takeover Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30% or more of the voting rights of a company which is subject to the UK Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30% of the voting rights of such a company but does not hold shares carrying more than 50% of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Company has agreed with the Panel that the following persons are acting in concert in relation to the Company: Cupcake (being a company owned and controlled by Angus Murray), PEF (being a company of which Angus Murray is a director), AQA UCITS Funds Sicav plc (an umbrella fund which includes three sub-funds to which Castlestone Management LLC, which is wholly owned by Angus Murray, is adviser) and Peter Schofield (being a director of Private Equity Fund (ESG) Inc.) (together, the **Concert Party**).

On the Listing Date, the members of the Concert Party will be interested in 56,676,925 Ordinary Shares, representing approximately 86.53% of the voting rights of the Company.

Immediately following the Placing Period, the members of the Concert Party will hold shares carrying more than 50% of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in shares without incurring any obligation to make an offer under Rule 9, although individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent.

Squeeze-out

Under UK Companies Act, if a "takeover offer" (as defined in section 974 UK Companies Act) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90% in value of the Ordinary Shares to which the offer relates and not less than 90% of the voting rights carried by the Ordinary Shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10%. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their Ordinary Shares and then, six weeks later, it would execute a transfer of the outstanding Ordinary Shares in its favour and pay the consideration for the outstanding Ordinary Shares to the Company, which would hold the consideration on trust for outstanding members. The consideration offered to the minority Shareholder whose shares are compulsorily acquired must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

Sell-out

The UK Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% in value of the Ordinary Shares and not less than 90% of the voting rights carried by the Ordinary Shares, any holder of Ordinary Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Ordinary Shares. The offeror is required to give any member notice of its right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises its rights, the offeror is entitled and bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

TRANSPARENCY DIRECTIVE

The Netherlands will be the Company's home Member State for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU), as a consequence of which the Company will be subject to the Dutch FSA in respect of certain ongoing transparency and disclosure obligations.

THE LISTING, SUBSEQUENT LISTINGS AND LOCK-UP AND LIQUIDITY ARRANGEMENTS

THE LISTING

Application has been made to admit all Ordinary Shares to listing and trading on Euronext Amsterdam under the symbol "TLT". The ISIN of the Ordinary Shares is GB00BS28ZN53. It is expected that the listing of the Ordinary Shares will become effective and that trading in the Ordinary Shares on Euronext Amsterdam will commence on 27 June 2024.

Reasons for the Listing

Development of the Tunnels requires investment over a number of years. The Company estimates that approximately £20-30 million will be required over the next 1-2 years and a further £120 million to bring the Tunnels into operation as a visitor attraction (to be funded through debt and equity, and assuming that technology hardware is leased).

In anticipation of the Listing, the Company has introduced the opportunity to invest in the Company to a number of investment platforms and the majority of these platforms are unable to acquire shares prior to or conditional on the Listing and can only participate once the Ordinary Shares are admitted to trading.

The Company has raised an aggregate amount of £11.3 million via the Zero Coupon Convertible Bonds (£4.5 million) and the Convertible Bonds (£6.8 million) (see *"Business—Funding and longer term working capital"*) prior to the Listing. The Convertible Bonds will be converted on the business day prior to the Listing Date and the Conversion Shares will, together with all other Ordinary Shares, be admitted to listing and trading on the Listing Date. In addition, the Company intends to raise further amounts under the Placing (see "*—The Subsequent Listings*" below).

The Listing provides the Company with access to the capital markets, which it will use, following receipt of the Planning Permission, to commence the detailed feasibility, design and engineering work required to progress the project towards construction. The Listing will also further enhance the Company's profile and brand recognition and permit the Company to incentivise current and future management and employees, and to attract talented individuals to join the Company in the future.

Listing Agent

ABN AMRO is the Listing Agent with respect to the listing of the Ordinary Shares on Euronext Amsterdam.

Fees and expenses of the Listing

No expenses or taxes will be charged by the Company in respect of the Listing.

THE SUBSEQUENT LISTINGS

Following the Listing, application will be made to admit all Placing Shares to listing and trading on Euronext Amsterdam under the symbol "TLT".

It is expected that the listings of Placing Shares will become effective and trading in the Placing Shares will commence on a rolling basis during the Placing Period (see "*—The Placing—Delivery*" and see "*— The Placing—Subsequent Listings*" below).

The Placing

The Company intends to raise up to £30 million through the issue up to a further 15,000,000 new Ordinary Shares (the **Placing Shares**) to institutional investors (the **Placing**) at the Issue Price for up to 90 days following the Listing (the **Placing Period**). This amount will be used for the development of the project over the next 1-2 years. The Company has received irrevocable commitments from 15 investors to subscribe for 12,490,000 Ordinary Shares at the Issue Price (i.e., for a total amount of £24,980,000) in the Placing.

Allocation

Prospective institutional investors may subscribe for Placing Shares during the Placing Period. Placing Shares will be allocated to eligible investors on a 'first come first served' basis. In the event the Placing is over-subscribed, the Placing will be closed and subscription for Placing Shares will no longer be possible. In such case, the Company will issue a press release with respect to the end of the Placing, which will also be posted on the Company's website (www.thelondontunnels.com).

Delivery

Delivery of the Placing Shares will take place on a rolling basis. Every Tuesday during the Placing Period, starting on the second Tuesday following the Listing Date, and ending on the Tuesday following the end of the Placing Period (each, a **Settlement Date**) all Placing Shares subscribed for during the previous week will be delivered. Delivery of the Placing Shares, will take place through the book-entry facilities of Euroclear Nederland in accordance with their respective normal settlement procedures applicable to equity securities and against payment of the Placing Shares in immediately available funds.

Subsequent Listings

On each Settlement Date, the relevant Placing Shares will be admitted to listing and trading on Euronext Amsterdam under the symbol "TLT" (each, a **Subsequent Listing**).

Payment

Payment for the Placing Shares will take place on each Settlement Date. The Issue Price must be paid in full in pound sterling and is exclusive of any taxes and expenses, if any, which must be borne by the investor (see "*Taxation*" for an overview of the material tax consequences of the acquisition of the Ordinary Shares).

Dilution

Assuming that the Placing raises £30 million, the issue of 15,000,000 Placing Shares will result in (i) a dilution of 24.28% of issued shares in the share capital of the Company on the date of this Prospectus, and (ii) a dilution of 22.90% of issued shares in the share capital of the Company on the Listing Date.

In addition, if the Company and PEF would agree to the early cash redemption of any remaining outstanding balance of the Zero Coupon Convertible Bonds, being £2,103,955 following the Listing, and that the cash amount, receivable by PEF, be applied to subscribe for further new Ordinary Shares at £2.00 per share, this would result in the issue of up to a further 1,051,978 Ordinary Shares, representing (i) an additional dilution of 1.70% to the issued share capital of the Company on the date of this Prospectus, and (ii) an additional dilution of 1.61% to the issued share capital of the Company on the Listing Date (see "*Business—Material Agreements—Zero Coupon Convertible Bonds*").

Listing Agent

ABN AMRO is the Listing Agent with respect to the listing of the Placing Shares on Euronext Amsterdam.

Fees and expenses of the Subsequent Listings

No expenses or taxes will be charged by the Company in respect of the Subsequent Listings.

LOCK-UP AND LIQUIDITY ARRANGEMENTS

The independent Non-Executive Directors (on behalf of the Company) may, in their sole discretion and at any time without prior public notice, waive in writing the restrictions, including those on sales, issues or transfers of Ordinary Shares, described below. If the consent of the independent Non-Executive Directors (on behalf of the Company) in respect of a lock-up arrangement is requested as described below, full discretion can be exercised by the independent Non-Executive Directors as to whether or not such consent will be granted. As at the date of this Prospectus, the independent Non-Executive Directors (on behalf of the Company) have not waived, or agreed to waive, any of the lock-up restrictions described below.

Lock-up Cupcake

Pursuant to a lock-up deed dated 14 June 2024, Cupcake has agreed with the Company that, without the prior written consent of the independent Non-Executive Directors (on behalf of the Company), it will not, and will not announce any intention to, during the period commencing on the date of the lock-up deed and ending 360 days after the Listing Date (the **Cupcake Lock-Up Period**), (a) offer, pledge, mortgage, charge, assign, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, cause the Company to issue, or otherwise transfer or dispose of (including agreeing to do the same), directly or indirectly, any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares or any other similar instrument that would give and equity-like economic interest in the Company to its holders or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Ordinary Shares, whether any such transaction described under (a) or (b) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise (each such transaction, a **Disposal**).

The foregoing restrictions shall not apply to:

(a) 10% of the Ordinary Shares, i.e. 5,000,000 Ordinary Shares, held by Cupcake on the Listing Date, solely for the purposes of the liquidity pool (see *"—Liquidity pool and interest Cupcake"* below);

(b) the subscription of Placing Shares as part of the Placing or the subscription of Ordinary Shares after the Placing Period of up to 5,000,000 Ordinary Shares at the Issue Price, provided that the total number of Ordinary Shares to be held by Cupcake during the lock-up period shall not exceed 50,000,000 Ordinary Shares;

(c) a Disposal in favour of any entity within the control of Cupcake or Angus Murray provided such transferee provides undertakings to the Company equivalent to those agreed in the lock-up deed;

(d) a Disposal in acceptance of a general offer made to shareholders of the Company to acquire all the issued Ordinary Shares (other than any Ordinary Shares which are already owned by the person making such offer and any other person acting in concert with him), including the provision by Cupcake of an irrevocable undertaking to accept such an offer;

(e) a Disposal pursuant to a compromise or arrangement between the Company and its shareholders in connection with a transaction which is subject to the City Code on Takeovers and Mergers and pursuant to which a person is to acquire the entire issued share capital of the Company and which compromise or arrangement is agreed by the members and sanctioned by the court under Part 26 of the Companies Act 2006, including the execution of an irrevocable commitment to vote in favour of any such compromise or arrangement;

(f) a Disposal pursuant to an intervening court order;

(g) a Disposal pursuant to an offer by the Company to purchase its own Ordinary Shares which is made on identical terms to, and is open for acceptance by all Shareholders, subject to applicable securities laws in various jurisdictions;

(h) a Disposal that has been consented to in advance in writing by the Company (represented by the independent Non-Executive Directors).

Lock-up Shareholders other than Cupcake

All Shareholders holding Ordinary Shares on the Listing Date, including Major Shareholder PEF, have agreed with the Company that, without the prior written consent of the independent Non-Executive Directors (on behalf of the Company), they will not, and will not announce any intention to, during the period commencing on the date of the lock-up deed, (a) offer, pledge, mortgage, charge, assign, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, cause the Company to issue, or otherwise transfer or dispose of (including agreeing to do the same), directly or indirectly, any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares or any other similar instrument that would give and equity-like economic interest in the Company to its holders or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Ordinary Shares, whether any such transaction described under (a) or (b) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise (each such transaction, a **Disposal**).

The foregoing restrictions shall not apply to:

(a) a Disposal in favour of any entity within the control of the Shareholder provided such transferee provides undertakings to the Company equivalent to those agreed in the form of lock-up deed.

(b) a Disposal in acceptance of a general offer made to Shareholders to acquire all the issued Ordinary Shares (other than any Ordinary Shares which are already owned by the person making such offer and any other person acting in concert with him), including the provision by the Shareholder of an irrevocable undertaking to accept such an offer;

(c) a Disposal pursuant to a compromise or arrangement between the Company and the Shareholders in connection with a transaction which is subject to the City Code on Takeovers and Mergers and pursuant to which a person is to acquire the entire issued share capital of the Company and which compromise or arrangement is agreed by the members and sanctioned by the court under Part 26 of the Companies Act 2006, including the execution of an irrevocable commitment to vote in favour of any such compromise or arrangement;

(d) a Disposal pursuant to an intervening court order;

(e) a Disposal pursuant to an offer by the Company to purchase its own Ordinary Shares which is made on identical terms to, and is open for acceptance by all Shareholders, subject to applicable securities laws in various jurisdictions;

(f) a Disposal that has been consented to in advance in writing by the Company (represented by the Non-Executive Directors).

The foregoing restrictions shall terminate in relation to each Shareholder (other than Cupcake): (a) 90 days following the Listing Date for 25% of the Ordinary Shares held by the Shareholder on the Listing Date; (b) 180 days following the Listing Date for 50% of the Ordinary Shares held by the Shareholder on the Listing Date; (c) 270 days following the Listing Date for 75% of the Ordinary Shares held by the Shareholder on the Listing Date; and (d) 360 days following the Listing Date for 100% of the Ordinary Shares held by the Shareholder on the Listing.

Liquidity pool and interest Cupcake

Cupcake will make available 10% of the Ordinary Shares it holds, i.e. 5,000,000 Ordinary Shares, to the Liquidity Provider to facility trades following the Listing Date and support an orderly market. The liquidity pool will be managed by the Liquidity Provider.

Since all Ordinary Shares issued on the Listing Date are subject to a lock-up (see "*—Lock-up Cupcake*" and "*—Lock-up Shareholders other than Cupcake*" above), a lack of supply of Ordinary Shares may arise following the Listing Date. The liquidity pool has solely been set up to facilitate trades and not to stabilise the price of the Ordinary Shares. The Liquidity Provider promotes and supports an orderly and liquid market and may therefore quote bid and offer prices. The liquidity provider may purchase and sell Ordinary Shares at its own discretion, and for its own risk and account. The technical reference price of the Ordinary Shares will be announced by Euronext Amsterdam. This price will be determined by the Board.

Cupcake has no intention to sell any Ordinary Shares during the Cupcake Lock-Up Period. In the event any Ordinary Shares of Cupcake will be used to facilitate trades under the liquidity arrangement, Cupcake intends to subscribe for an equal number of Placing Shares under the Placing or Ordinary Shares following the Placing Period at the Issue Price to procure that its interest in the Company will remain 50,000,000 Ordinary Shares during the Cupcake Lock-Up Period. Under the lock-up deed, Cupcake is not entitled to hold more than 50,000,000 Ordinary Shares during the Cupcake Lock-Up Period.

TAXATION

GENERAL

The statements summarise the current position and are intended as a general guide only. It is not a description of the tax considerations that may be relevant to a decision to invest in the Company.

Prospective investors should be warned that the tax legislation of their country of citizenship, domicile or residency may have an impact on the income received from the Ordinary Shares.

Prospective investors should carefully consider the tax consequences of investing in the Ordinary Shares and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

UK TAXATION CONSIDERATIONS

Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), 10% or more, of the shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £500 per annum dividend tax allowance.

Dividend receipts in excess of £1,000 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received, but will not be entitled to claim relief in respect of any underlying tax.

Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10% and for higher rate and additional rate taxpayers is 20%.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares, but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 25% for profits in excess of £250,000, with profits below £50,000 to be taxed at 19%, and a marginal rate on profits between these values. The profit limits are reduced under certain circumstances, with close investment-holding companies not being entitled to the lower rate.

Further information for shareholders subject to UK income tax and capital gains tax

"Transactions in securities"

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs (**HMRC**) to raise tax assessments so as to cancel *"tax advantages"* derived from certain prescribed *"transactions in securities"*.

Stamp duty and stamp duty reserve tax

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of Ordinary Shares pursuant to the Placing.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

TAXATION IN THE NETHERLANDS

The following summary outlines certain principle Netherlands tax consequences of the acquisition, holding, redemption and disposal of Ordinary Shares, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Ordinary Shares may include an individual or entity who does not have the legal title of these Ordinary Shares, but to whom nevertheless the Ordinary Shares or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Ordinary Shares or the income thereof.

Where this summary refers to "the Netherlands", or "Dutch", such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom. Furthermore, this summary does not address the Dutch tax consequences for a holder of the Ordinary Shares who is a resident of any non-European part of the Kingdom of the Netherlands.

This summary assumes that the Company is solely a tax resident in the United Kingdom and is not, nor will be or at any time has been, treated as a resident or deemed resident of the Netherlands for tax purposes or has not, will not have or at any time ever did have a permanent establishment (*vaste inrichting*) in the Netherlands.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not constitute tax or legal advice. This summary is intended as general information only and each prospective investor should consult a professional tax advisor with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Ordinary Shares.

This summary does not address the Dutch corporate and individual income tax consequences for:

- investment institutions (*fiscale beleggingsinstellingen*);
- pension funds (pensioenfondsen), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- corporate holders of Ordinary Shares which qualify for the participation exemption (*deelnemingsvrijstelling*) or would qualify for the participation exemption had the corporate holders of Ordinary Shares been a resident of the Netherlands or which qualify for participation credit (*deelnemingsverrekening*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital. A holder may also have a participation if (a) such holder does not have a shareholding of 5% or more but a related entity (statutory defined term) has a participation or (b) the company in which the shares are held is a related entity (statutory defined term);
- holders of Ordinary Shares having a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company under the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001). Generally speaking, a holder of Ordinary Shares is considered to hold a substantial interest in the Company if a person, alone or, in case of a individual, together with his/her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (a) an interest of 5% or more of the total issued capital of the Company or 5% or more of the issued capital of a certain class of shares of the Company, (b) rights to acquire, directly or indirectly, such interest or (c) certain profit-sharing rights in the Company that relate to 5% or more of the Company's annual profits and/or to 5% or more of the Company's liquidation proceeds;
- persons to whom the Ordinary Shares and the income from the Ordinary Shares are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 or the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- holders of Ordinary Shares which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Ordinary Shares or the benefits derived from or realised in respect of these Ordinary Shares; and

- individuals to whom Ordinary Shares or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands.

Corporate and individual income tax

Residents of the Netherlands

If a holder of Ordinary Shares is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Ordinary Shares are attributable, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares are generally subject to Dutch corporate income tax up to a maximum rate of 25.8% (2024 rates).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares are subject to Dutch individual income tax at the progressive rates up to a maximum rate of 49.5% (2024 rates), if:

(i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Ordinary Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde tot het vermogen*), to which enterprise the Ordinary Shares are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Ordinary Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies to the holder of the Ordinary Shares (and this person is not listed as excluded person in the list above), taxable income with regard to the Ordinary Shares must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The qualifying assets are subdivided into three categories, each with their own deemed rate of return. The fair market value of the Ordinary Shares will be included as 'other assets' in the individual's yield basis. The deemed return percentage to be applied to the yield basis for 'other assets', such as the Ordinary Shares, is 6.04%. The deemed return on income from savings and investments is taxed at a rate of 36% (2024 rates).

The Dutch Supreme Court ruled in December 2021 that the applicable tax regime for income from savings and investments, which was also based on a deemed return on investments, violated European law. As a result, the current interim regime for savings and investments was introduced. As this new regime is still based on a deemed return system, it is unclear whether the current regime is in line with European law and is therefore pending in court cases. The Dutch government is currently working on a tax regime for income from savings and investments that will tax actual (accrued) income.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares, unless:

(i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Ordinary Shares are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable; or

(ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Ordinary Shares are attributable, or (2) realises income or gains with respect to the Ordinary Shares that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Ordinary Shares that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable.

Income derived from the Ordinary Shares as specified under (i) (1) and (ii) (2) is subject to Dutch corporate income tax at a maximum rate of 25.8% (2024 rates). Income derived from the Ordinary Shares as specified under (ii) (1) and (ii) (2) is subject to Dutch individual income tax at progressive rates up to a maximum rate of 49.5% (2024 rates). Income derived from the Ordinary Shares as specified under (ii)(3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments. Save as described above regarding the tax regime for income from savings and investments.

Gift and inheritance tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Ordinary Shares by way of gift by, or on the death of a holder of the Ordinary Shares, unless:

(i) the holder of the Ordinary Shares is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Withholding tax

On the basis that the Company is not, and will not be, a resident of the Netherlands for tax purposes and has no, and will not have, presence or a permanent establishment in the Netherlands, payments of dividends on the Ordinary Shares are not subject to Dutch withholding tax under the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) or the Dutch Conditional Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

Value added tax

In general, no Dutch value added tax will be payable by a holder of the Ordinary Shares in respect of any payment in consideration for the acquisition, holding, redemption and disposal of Ordinary Shares.

Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty, other than court fees (if any matter is taken to court), will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Ordinary Shares.

GENERAL INFORMATION

Domicile, legal form and incorporation

The Company was incorporated and registered in England and Wales on 27 January 2021 under the Companies Act as a private limited company with registered number 13160590 under the name of London Light Line Limited. The principal legislation under which the Company operates is the Companies Act. On 10 March 2023, the Company changed its name to The London Tunnels Limited and on 2 November 2023, the Company re-registered as a public limited company and changed its name to its current name, The London Tunnels PLC. The legal and commercial name of the Company is The London Tunnels PLC.

The Company's registered office is 2nd Floor, Nicola Jane House, Southern Gate, Terminus Road, Chichester, West Sussex, United Kingdom, PO19 8SE and its telephone number is +44 (0)1243 790 298. The LEI of the Company is 2138004SGDBMQ6VPDI31.

Corporate resolutions

The Company passed written resolutions of the Shareholders of the Company on 13 June 204, which provided that:

(a) in accordance with section 551 of the UK Companies Act, the Directors are generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £3,800 for the conversion of the convertible bonds issued to certain investors pursuant to the convertible bond instrument dated 6 October 2023 (as amended), and otherwise up to an aggregate nominal amount of £65,500, provided that the authority shall, unless renewed, varied, or revoked by the Company, expire on the date that is 15 months following the date of the resolution, or if earlier, the date of the next annual general meeting of the Company; and

(b) in accordance with section 570 of the UK Companies Act, the Directors, are generally empowered to disapply pre-emption rights in relation to the equity securities to which the resolution in (a) above relates as well as in relation to certain limited circumstances relating to pre-emptive issues.

These shareholder authorities allow for:

(a) the conversion of the Convertible Bonds into Ordinary Shares on the business day prior to the Listing Date; and

(b) the Directors to issue up to a further 65,500,000 Ordinary Shares, representing approximately 100% of the Company's issued share capital following the Listing, and disapplying pre-emption rights in relation to any such issue.

Independent auditors

The Company Financial Statements have been audited by Crowe U.K. LLP, whose registered address is at 55 Ludgate Hill, London EC4M 7JW, United Kingdom and its registered number is OC307043. Crowe U.K. LLP is registered to carry out reporting accountant work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

Crowe U.K. LLP has issued an unqualified independent auditor's reports on the Company Financial Statements.

Following the Listing, BDO LLP will be the Company's independent auditor. BDO LLP's registered address is at 55 Baker Street, London W1U 7EU, United Kingdom and its registered number is OC305127. BDO LLP is registered to carry out reporting accountant work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

No significant change

Since 30 September 2023, being the date to which the Company Interim Financial Statements were prepared, there has been no significant change in the financial performance or financial position of the Company, save that the Company:

- issued 265 Zero Coupon Bonds on 11 October 2023 for £600 each to the value of £159,000;
- issued 200 Zero Coupon Bonds on 18 October 2023 for £600 each to the value of £120,000;
- issued 100 Zero Coupon Bonds on 20 October 2023 for £600 each to the value of £60,000;
- undertook a share split on 26 October 2023, such that its Ordinary Shares of £1.00 each were converted at a ratio of 1 ordinary share to 1,000 new Ordinary Shares, resulting in a new nominal value of £0.001. The share split was approved by the Shareholders by ordinary resolution;
- re-registered as a PLC on 2 November 2023;
- paid a further £600,000 in respect of the deposit on the Tunnels on 24 November 2023;
- Exchange Tunnels Lease premium increased by £1,000,000 on 29 November 2023;
- paid in aggregate a further £410,000 in respect of the deposit on 40 Furnival Street on 27 and 28 December 2023;
- issued £6,778,000 of Convertible Bonds;
- converted £5,396,044 of Zero Coupon Convertible Bonds into 2,698,022 Ordinary Shares on 31 March 2024; and
- paid £491,000 of the £1,491,000 contingent liability on 9 April 2024 and 10 April 2024.

These transactions have collectively influenced the Company's financial position by increasing its capital through bond issuances, restructuring its share capital, and managing liabilities through bond conversions and payments. The overall impact includes enhanced liquidity, potential dilution of existing shares, and changes in the debt-to-equity ratio, all of which contribute to the Company's financial stability and growth potential.

Expenses

The expenses, commissions and taxes related to the Listing and the Subsequent Listings payable by the Company are estimated to be approximately £380,000.

Available documents

Subject to any applicable securities laws, copies of the following documents will be available and can be obtained free of charge from the Company's website (www.thelondontunnels.com) from the date of this Prospectus until at least 12 months following the date of this Prospectus:

- this Prospectus; and
- the Articles of Association.

Incorporation by reference

The Articles of Association are incorporated in this Prospectus by reference and, as such, form part of this Prospectus. The Articles of Association can be obtained free of charge from the Company's website through the following hyperlink: articlesofassociation.pdf (thelondontunnels.com).

No incorporation of website

Prospective investors should only rely on the information that is provided in this Prospectus or incorporated by reference into this Prospectus. No other documents or information, including the contents of the Company's website (www.thelondontunnels.com), or of websites accessible from hyperlinks on that website, form part of, or are incorporated by reference, into this Prospectus. Other than this Prospectus, the contents of the Company's website (www.thelondontunnels.com), or of websites accessible from hyperlinks on that website, have not been scrutinised or approved by the AFM.

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of certain of the defined terms used in this Prospectus.

2022 Bond Instrument	a zero coupon convertible bond instrument entered into by the Company on 28 November 2022, as amended by the deed of consent and variation between the Company and on 11 September 2023 and as further amended by amending deed on 9 April 2024
ABN AMRO	ABN AMRO Bank N.V., a public company with limited liability (*naamloze vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 34334259
AFM	the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*)
Articles of Association	the articles of association of the Company dated 13 June 2024, as amended from time to time
Audit and Risk Committee	the audit and risk committee of the Board
ASA	an arrangement services agreement between the Company and CSG dated 12 December 2023, and as amended by an amending deed dated 17 June 2024
Board	the board of directors of the Company
Chair	the chair of the Board
Chief Executive Officer	the chief executive officer of the Company (CEO)
Chief Operations Officer	the chief operations officer of the Company (COO)
CET	Central European Time
certificated or in certificated form	in relation to a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form
Company	The London Tunnels PLC, a public limited company incorporated under the laws of England and Wales, registered under number 13160590
Company Financial Statements	the audited financial information of the Company for the 12-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023
Company Interim Financial Statements	the unaudited interim financial statements of the Company for the 6-month period ended 30 September 2023
Conversion Shares	the Ordinary Shares to be issued on conversion of the Convertible Bonds
Convertible Bonds	the convertible bonds issued to certain investors, pursuant to a convertible bond instrument entered into on 6 October 2023 and amended by the first amending deed on 26 October 2023, the second amending deed on 28 November 2023, the amendment and restatement deed on 5 April 2024 and the amendment and restatement deed on 23 May 2024, which are automatically convertible into new Ordinary Shares on the Listing
Cupcake	Cupcake Partners Limited, a private company limited by shares incorporated under the laws of Hong Kong, registered under number 1966001

CSG	Client Services (Global) Limited, a private company limited by shares incorporated under the laws of England & Wales, registered under number 8445854
Director	an Executive Director or a Non-Executive Director
Disclosure Committee	the disclosure committee of the Board
Dutch FSA	the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder
Dutch Securities Giro Act	the Dutch Securities giro act (*Wet giraal effectenverkeer*)
EI Holder	the holders of interests in the Shares of the Company settled through Euroclear Nederland
Enterprise Chamber	the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*), the Netherlands
ETL	Exchange Tunnels Limited, a private limited company incorporated under the laws of England and Wales, registered under number 13609564
EU Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, including any relevant delegated regulations
EUR, euro or €	the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended
Euroclear Nederland	the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*), a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 33149445, trading as Euroclear Nederland
Euronext Amsterdam	Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V., a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 34138585
Executive Director	a member of the Board appointed as executive director
FCA	the Financial Conduct Authority of the United Kingdom acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended, in the exercise of its functions
First 2023 Bond Instrument	a zero coupon convertible bond note entered into by the Company on 11 September 2023 and as amended by amending deed on 9 April 2024
GDPR	Regulation (EU) 2016/678 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data
IFRS	the International Financial Reporting Standards as adopted by the European Union
IPSA	an intellectual property sale agreement between Cupcake and the Company on 27 January 2021, as amended on 25 October 2023, 21 December 2023 and 5 June 2024

ISIN	international security identification number
Kingsway Tunnels	the previously named Kingsway Exchange or Kingsway Telephone Exchange tunnels
Issue Price	the price per Ordinary Shares pursuant to the Placing, being £2.00
LEI	legal entity identifier
Letter Agreement	a letter agreement between the Company and PEF dated 24 October 2023 pursuant to which the Company agreed to redeem 6,000 Zero Coupon Convertible Bonds against the issue of 5,556 new Ordinary Shares (before the share split below)
Liquidity Provider	ABN AMRO
Listing	the admission to listing and trading of the Ordinary Shares on Euronext Amsterdam
Listing Agent	ABN AMRO
Listing Date	the date of the Listing, expected to be 27 June 2024
Member State	a member state of the European Economic Area
Nomination and Remuneration Committee	the nomination and remuneration committee of the Board
Non-Executive Director	a member of the Board appointed as non-executive director
Ordinary Shares	the ordinary shares in the capital of the Company, with a nominal value of £0.001 each, including the Placing Shares (where applicable)
Panel	the UK Panel on Takeovers and Mergers
PEF	Private Equity (ESG) Fund Inc, an exempted company incorporated with limited liability under the laws of Cayman Islands, registered under number 1943443
PDMR	persons discharging managerial responsibilities within the meaning of the EU Market Abuse Regulation
Placing	the subscription by institutional investors of Placing Shares
Placing Period	a period of up to 90 days following the Listing Date
Placing Shares	up to 15,000,000 Ordinary Shares to be issued pursuant to the Placing
Planning Application	the formal request to the relevant local authority for permission to develop the Tunnels
Planning Permission	the official permissions that the Company requires from the relevant local authorities before developing the Tunnels
Pre-Planning Advice	the process where councils offer pre application advice service which provides an opportunity to discuss a proposed scheme and get clear written expert advice from a planning officer before submitting an application; the process lets projects know whether or not your proposal is likely to be acceptable
Prospectus	this prospectus dated 24 June 2024

Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and includes any relevant delegated regulations, as amended
Recognised Stock Exchange	has the meaning given in section 1137(1) of the Corporation Tax Act 2010
RIBA	Royal Institute of British Architects
Second 2023 Bond Instrument	a zero coupon convertible bond note entered into by the Company on 12 October 2023 and as amended by amending deed on 9 April 2024
Settlement Date	each date on which the subscription of Placing Shares under the Placing will be issued
Shareholder	a holder of one or more Ordinary Shares
Subsequent Listings	the admissions to listing and trading of the Placing Shares
Sustainability and ESG Committee	the sustainability and ESG committee of the Board
Treaty	the income tax treaty between the United States and the Netherlands as currently in force
The City of London Corporation	the City of London Corporation is the governing body of the Square Mile
The London Borough of Camden	the London Borough of Camden is the local authority for the Borough of Camden, in Greater London
Tunnels	the Kingsway Tunnels, together with two surface level entrance buildings at 31-33 High Holborn and 38-39 Furnival Street in central London
UK Companies Act	the UK Companies Act 2006, as amended
UK Market Abuse Regulation	the Market Abuse Regulation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018, as amended
UK Takeover Code	the City Code on Takeovers and Mergers
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. Securities Act	the U.S. Securities Act of 1933, as amended
Zero Coupon Convertible Bonds	the zero coupon convertible bonds of the Company

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HISTORICAL FINANCIAL INFORMATION

SECTION A – ACCOUNTANT'S REPORT ON THE COMPANY FINANCIAL INFORMATION

Crowe U.K. LLP
Chartered Accountants
Member of Crowe Global

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London EC4M 7JW, UK

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24 June 2024

The Directors
The London Tunnels PLC
2nd Floor, Nicola Jane House
Southern Gate
Chichester
West Sussex PO19 8SE

Dear Sirs and Madams,

Introduction

We report on the audited historical financial information of The London Tunnels PLC (the "**Company**") for the 12-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023 (together, the "**Company Financial Information**"), set out in Section B *"Company Financial Information"* of the Company's prospectus dated 24 June 2024 (the "**Prospectus**").

Opinion on financial information

In our opinion, the Company Financial Information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Company as at 31 December 2021 and 31 March 2023 and its profits, cash flows, statements of comprehensive income and changes in equity for the periods then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (**"IFRS"**).

Responsibilities

The directors of the Company (the "**Directors**") are responsible for preparing the Company Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the Company Financial Information and to report our opinion to you.

Basis of preparation

The Company Financial Information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 3 to the Company Financial Information. This report is required by item 18.3.1 of Annex 1 to the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our audit in accordance with Standards for Investment Reporting (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority in Ireland. We are independent of the Company in accordance with relevant ethical requirements. In the United Kingdom, this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Company Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Company Financial Information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Company to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Company Financial Information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule PRR 5.3.2 R (2)(f), we are responsible for this report as part of the Prospectus and we declare, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION B – COMPANY FINANCIAL STATEMENTS

Statement of Comprehensive Income

The audited Statements of Comprehensive Income of the Company for the 11-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023 are set out below:

	Notes	***Audited*** **Period ended 31 December 2021 £**	***Audited*** **Period ended 31 March 2023 £**
Total revenue		—	—
Administrative expenses		(91,702)	(308,904)
Other income		—	89,210
Operating loss		**(91,702)**	**(219,694)**
Interest payable and similar expenses	**7**	—	(180,560)
Loss before taxation		**(91,702)**	**(400,254)**
Tax on loss	**8**	—	—
Loss for the financial period		**(91,702)**	**(400,254))**
Loss per ordinary share from loss from continuing operation attributable to the ordinary equity holders of the Company:			
Basic	**13**	(0.003)	(0.012)

Statement of financial position

The audited Statements of Financial Position of the Company as at 31 December 2021 and 31 March 2023 are set out below:

	Notes	***Audited*** **As at 31 December 2021 £**	***Audited*** **As at 31 March 2023 £**
Current assets			
Trade and other receivables	**9**	32,400	174,240
Cash and cash equivalents		—	2,716,725
		32,400	**2,890,965**
Current liabilities			
Trade and other payables	**10**	**(91,702)**	**(169,961)**
		(91,702)	**(169,961)**
Non-current liabilities			
Zero Coupon Convertible Bonds	**11**	—	**(2,848,543)**
Net assets		**59,302**	**(127,539)**
Capital and reserves			
Called up share capital	**12**	32,400	32,400
Equity reserve	**14**	—	332,017
Accumulated losses		(91,702)	(491,956)
Total equity		**(59,302)**	**(127,539)**

Statement of Changes in Equity

The audited Statement of Changes in Equity of the Company for the 11-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023 are set out below:

	Notes	Share capital £	Equity reserve £	Accumulated losses £	Total £
On incorporation on 27 January 2021 (*audited*)		**1**	**—**	**—**	**1**
Loss and total comprehensive loss for the period		—	—	(91,702)	(91,702)
Issue of share capital	**12**	32,399	—	—	32,399
As at 31 December 2021 (*audited*)		**32,400**	**—**	**(91,702)**	**(59,302)**
Loss and total comprehensive loss for the period		—	—	(400,254)	(400,254)
Equity component of Zero Coupon Convertible Bonds issued	**14**	—	332,017	—	332,017
As at 31 March 2023 (*audited*)		**32,400**	**332,017**	**(491,956)**	**(127,539)**

Statements of Cash Flow

The audited Statements of Cash Flows of the Company for the 11-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period ended 31 March 2023 are set out below:

	Audited Period ended 31 December 2021 £	*Audited* Period ended 31 March 2023 £
Loss for the period	*(91,702)*	*(400,254)*
Adjustments for:		
Finance costs	—	180,560
Movement in trade and other receivables	—	(141,840)
Movement in trade and other payables	91,702	78,259
Cash from operations	—	(283,275)
Net cash used in operating activities	**—**	**(283,275)**
Proceeds from issue of shares	—	—
Proceeds from issue of bond	—	3,000,000
Net cash from financing activities	**—**	**3,000,000**
Net cash flow	**—**	**2,716,725**
Cash and cash equivalents at the beginning of period	—	—
Cash and cash equivalents at the closing period	**—**	**2,716,725**

Notes to the Company Financial Statements

1. Company information

The London Tunnels Limited (formerly London Light Line Limited) is a private company limited by shares incorporated in England and Wales ("**Company**"). On 2 November 2023, the Company re-registered as a public company in the name of The London Tunnels PLC. The registered office is 2nd Floor, Nicola Jane House, Southern Gate, Chichester, West Sussex, United Kingdom, PO19 8SE.

2. Basis of preparation

2.1. Reporting periods

The Company has changed its accounting reference date from 31 December to 31 March in order to coincide with the accounting period of its parent undertaking. The Company Financial Statements cover the 11-month period from the date of incorporation on 27 January 2021 to 31 December 2021 and the 15-month period from 1 January 2022 to 31 March 2023.

2.2. Accounting convention

The Company Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

The Company Financial Statements are prepared in £, which is the functional currency of the Company. Monetary amounts in the Company Financial Statements are rounded to the nearest £.

The Company Financial Statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.3. Going concern

The Company's business activities include the proposed development of the Kingsway Exchange Tunnels, together with the factors likely to affect this future development, including the timing of the project to start generating revenues have been discussed by the Directors. The Company has the financial resources based on commitments by investors which are expected to include a fund raising in 2024 to achieve the ownership and development of the Tunnels without the requirement to borrow further money.

As a consequence, the Directors believe that the Company is well-placed to manage its business risks successfully despite the current uncertain economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they have adopted the going concern basis of accounting in preparing the Company Financial Statements.

3. Accounting policies

3.1. Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

3.2. Financial instruments

Financial instruments are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the Company Financial Statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash and bank balances, are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including payables, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3.3. Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

3.4. Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

3.5. Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3.6. Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4. Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both periods.

Intellectual property

Management judgement is crucial in the valuation of intellectual property. This involves determining the fair value of the intellectual property, which requires estimates and assumptions about future cash flows, market acceptance, commercial viability, and potential regulatory and legal challenges. These judgements significantly impact the Company's financial statements. Further details on the methodologies and assumptions used in the valuation of intellectual property are provided in note 8 to the Company Financial Information.

Right-of-use assets

Management judgement is crucial in the valuation of right-of-use assets. This process involves determining the appropriate lease term and the discount rate to apply, which requires estimates and assumptions about lease renewals, market conditions, and the Company's incremental borrowing rate. These judgements significantly impact the Company's financial statements. Further details on the methodologies and assumptions used in the valuation of right-of-use assets are provided in note 13 to the Company Financial Information.

Financial instruments

Management judgement is required in determining the classification of the Zero Coupon Convertible Bonds whether as financial liability or equity instruments. Further details of the impact of this judgement on the Zero Coupon Convertible Bonds are given in note 11 to the Company Financial Information.

5. Segmental analysis

The business of the Company comprises of one operating segment being the proposed development of the Tunnels as set out under "Business". As such, the Company Financial Statements of the segment are the same as that set out in the Statement of Comprehensive Income, the Statement of Financial Position , the Statement of Changes in Equity and the Statement Of Cash Flows.

6. Employees

The average monthly number of persons (including the Directors) employed by the Company during the periods were:

	Audited **Period ended 31 December 2021**	***Audited*** **Period ended 31 March 2023**
Number	3	3

Their aggregate remuneration comprised:

	Audited **Period ended 31 December 2021 £**	***Audited*** **Period ended 31 March 2023 £**
Wages and salaries	—	6,115
Social security costs	—	325
	—	**6,440**

7. Interest payable and similar expenses

	Audited **Period ended 31 December 2021 £**	***Audited*** **Period ended 31 March 2023 £**
Other finance costs:		
Zero Coupon Convertible Bond finance cost	—	180,560

8. Tax on loss

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	Audited **Period ended 31 December 2021 £**	***Audited*** **Period ended 31 March 2023 £**
Loss before taxation	(91,702)	(400,254)
Expected tax credit based on the standard rate of corporation tax in the UK of 19%	(17,423)	(76,048)
Unutilised tax losses carried forward	17,423	76,048
Taxation charge for the period	—	—

The Company has not recognised deferred tax assets arising from the accumulated tax losses due to uncertainty of their future recovery. The deferred tax asset not recognised is approximately £490,000 at 31 March 2023 (2021: £90,000)

9. Other receivables

	Audited **As at 31 December 2021 £**	***Audited*** **As at 31 March 2023 £**
Amounts owed by Cupcake Partners Limited	32,400	31,900
Other receivables	—	65,740
Prepayments	—	76,600
	32,400	174,240

10. Trade and other payables

	Audited **As at 31 December 2021 £**	***Audited*** **As at 31 March 2023 £**
Trade payables	—	149,254
Taxation and social security	—	707
Accruals	91,702	20,000
	91,702	169,961

11. Zero Coupon Convertible bonds

	Audited **As at 31 December 2021 £**	***Audited*** **As at 31 March 2023 £**
Zero Coupon Convertible Bonds	—	2,848,543

On 28 November 2022, the Company created 6,000 unsecured Zero Coupon Convertible Bonds of £600 each. The Zero Coupon Convertible Bonds are redeemable partly in cash on 30 September 2025 and partly in shares, with the redemption price used to subscribe for new Ordinary Shares.

During the periods presented, the Company issued 5,000 of the Zero Coupon Convertible Bonds for £3,000,000.

The liability component of the Zero Coupon Convertible Bonds is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported on the Statement of Financial Position represents the finance charge for the reporting period.

The equity component of the Zero Coupon Convertible Bonds has been credited to the "equity reserve" within "equity" on the Statement of Financial Position.

	As at 31 December 2021 £	**As at 31 March 2023 £**
Liability component of Zero Coupon Convertible Bonds	—	2,848,543

The calculation of the fair value of conversion rights impacts the profit or loss over the period of the Zero Coupon Convertible Bonds. The calculation of fair value by discounting total cash flows to maturity is sensitive to the Directors' estimate of the appropriate discount rate applied in the event that the conversion rights were not embedded in the loan notes. The Directors have concluded the discount rate to be 35.70%–39.16% across the various dates of drawdown of the tranches of Zero Coupon Convertible Bonds issued.

Reconciliation of liabilities to cashflows arising from financing activities.

	Zero Coupon Convertible Bonds £
At date of incorporation on 27 January 2021	—
Non-cash	—
At 31 December 2021	—
Cash flow	3,000,000
Non-cash	(151,457)
At 31 March 2023	2,848,543

12. Share capital

Ordinary Shares issued and unpaid	*Audited* As at 31 December 2021 Number	*Audited* As at 31 March 2023 Number	*Audited* As at 31 December 2021 £	*Audited* As at 31 March 2023 £
Ordinary Shares of £1 each	32,400	32,400	32,400	32,400

13. Loss per Ordinary Share

The calculation of basic and diluted earnings per Ordinary Share has been based on the following loss attributable to Shareholders and weighted-average number of Ordinary Shares outstanding at the period end.

	Period ended 31 December 2021 £	Period ended 31 March 2023 £
Loss for the period	(91,702)	(400,254)
Weighted average number of Ordinary Shares	32,400,000	32,400,000
Loss per Ordinary Share	(0.003)	(0.012)

For diluted loss per Ordinary Share, the weighted average number of Ordinary Shares in issue is adjusted to assume conversion of all potential dilutive Zero Coupon Convertible Bonds over Ordinary Shares. Potential Ordinary Shares resulting from the conversion of Zero Coupon Convertible Bonds have an anti-dilutive effect due to the Company being in a loss position. As a result, diluted loss per Ordinary Share is disclosed as the same value as basic loss per Ordinary Share.

14. Equity reserve

During the period ended 31 March 2023, an amount of £332,017 (2021: £nil) was credited to the equity reserve, representing the fair value of the non-liability element of the Zero Coupon Convertible Bonds issued in the period, as disclosed in note 11 to the Company Financial Statements.

15. Contingent liabilities

The Company is seeking to obtain planning permission for a venue from which to establish and operate the business in the future. The outcome of this application is currently uncertain. Should the planning process be successful, fees totalling £1,491,000 (2021: £408,000) will become payable subject also to the Company having raised sufficient funds to complete RIBA stages 3 and 4.

16. Financial instruments

The Company's financial instruments comprise other receivables, trade and other payables and other financial liabilities. The Company's accounting policy and method adopted, including the criteria for recognition, is set out in note 3 "*Accounting policies*" to the Company Financial Statements. The Company does not use its financial instruments for speculative purposes.

The main risks arising from the Company's activities are market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market price. This risk is primarily comprised of interest risk and inflation.

Foreign currency risk management

The presentation currency of the Company is pound sterling. The Company has no exposure to foreign currency risk as it has no foreign currency denominated assets and liabilities. The Company does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises principally from the Company's cash balances and other receivables

The Company gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk. The Company considers the banks and financial institutions have low credit risks. Therefore, the Directors are of the view that the loss allowance is immaterial and hence no provision is required.

The concentration of the Company's credit risk is considered by counterparty and geography. The Company does not have any significant concentrations of credit risk at the reporting date related to external third parties.

Liquidity risk

Liquidity risk is the risk that an entity may not be able to generate sufficient cash resources to settle its obligations as they fall due. The Directors monitor the Company's cash flow requirements regularly and adopt a prudent liquidity risk management approach to ensure sufficient cash is available for operational expenses.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

As at 31 March 2023	**Within 1 year or on demand £**	**More than 1 year but less than 2 years £**	**More than 2 years but less than 5 years £**	**Total contractual undiscounted cash flows £**
Trade and other payables	169,961	—	—	91,702
Zero Coupon Convertible Bonds		2,848,543	—	3,000,000
Total	**91,702**	**2,848,543**	**—**	**5,169,961**

As at 31 December 2021	**Within 1 year or on demand £**	**More than 1 year but less than 2 years £**	**More than 2 years but less than 5 years £**	**Total contractual undiscounted cash flows £**
Trade and other payables	91,702	—	—	91,702
Total	**91,702**	**—**	**—**	**91,702**

17. Events after the reporting date

On 13 April 2023, the Company issued a further tranche of 1,000 Zero Coupon Convertible Bonds of £600 each to the value of £600,000.

On 29 June 2023, the Company paid £600,000 in respect of the deposit on the Tunnels.

On 30 June 2023, the Company paid £410,000 in respect of the deposit on 40 Furnival Street.

In July 2023, the Company entered into a lease purchase agreement with ETL in respect of the Tunnels.

On 13 September 2023, the Company created 935 Zero Coupon Convertible Bonds for £600 each to the value of £561,000.

On 11 October 2023, the Company issued 265 Zero Coupon Convertible Bonds for £600 each to the value of £159,000.

On 18 October 2023, the Company issued 200 Zero Coupon Convertible Bonds for £600 each to the value of £120,000.

On 20 October 2023, the Company issued 100 Zero Coupon Convertible Bonds for £600 each to the value of £60,000.

On 26 October 2023, the Company undertook a share split such that its Ordinary Shares of £1.00 each were converted at a ratio of 1 ordinary share to 1,000 new Ordinary Shares, resulting in a new nominal value of £0.001. The share split was approved by the Shareholders by ordinary resolution.

On 2 November 2023, the Company re-registered as a PLC.

On 24 November 2023, the Company paid a further £600,000 in respect of the deposit on the Tunnels.

On 27 and 28 December 2023, the Company paid in aggregate a further £410,000 in respect of the deposit on 40 Furnival Street.

On 29 November 2023, the Exchange Tunnels Lease premium increased by £1,000,000 from £9,600,000 to £10,600,000 by way of an amendment to the lease purchase agreement on 29 November 2023.

On 31 March 2024, £5,396,044 of Zero Coupon Convertible Bonds were converted into 2,698,022 Ordinary Shares.

Between 31 March 2023 and the date of this Prospectus, the Company issued £6,778,000 of Convertible Bonds.

On 9 April 2024 and 10 April 2024, the Company paid £491,000 of the £1,491,000 contingent liability.

18. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, considered to the Directors, is as follows:

	Audited Period ended 31 December 2021 £	*Audited* Period ended 31 March 2023 £
Angus Murray	—	3,440
Katharine Leo	—	3,000
Peter Curtin	—	—

Transactions with related parties

During the periods under review, the Company entered into the following transactions with related parties:

	Purchases Period ended 31 December 2021 £	Purchases *Audited* Period ended 31 March 2023 £
CSG	—	102,000

In addition to the amounts charged by CSG shown above, there are contingent liabilities of £1,491,000 (2021: £408,000) payable to CSG upon the granting of planning permission for the Company's planned development by the authorities subject also to the Company having raised sufficient funds to complete RIBA stages 3 and 4.

Amounts due from related parties	*Audited* Period ended 31 December 2021 £	*Audited* Period ended 31 March 2023 £
Cupcake Partners Limited	32,400	31,900
Amounts due to related parties		
Client Services (Global) Limited	—	40,800

Other information

A.S.D. Murray is a director of Cupcake, the parent company.

K.J. Leo is a director of CSG.

19. Directors' transactions

Dividends totalling £nil (2021: £nil) were paid in the period in respect of Ordinary Shares held by the Directors.

Sundry income of £89,210 in the period ended 31 March 2023 comprises the forgiveness of a liability owed to A.S.D. Murray as at 31 December 2021.

20. Ultimate controlling party

The parent company of the Company is Cupcake Partners Limited and its registered office is 20th Floor, 283 Lockhart Road, Wah Hing Commercial Building, Wanchai, Hong Kong.

21. Nature of the Company Financial Statements

The Company Financial Statements presented above do not constitute statutory financial statements for the periods under review.

SECTION C – COMPANY INTERIM FINANCIAL STATEMENTS

Statement of Comprehensive Income

The unaudited Statements of Comprehensive Income of the Company for the six-month period ended 30 September 2022 and the six-month period ended 30 September 2023 are set out below:

	Notes	*Unaudited* Six-month period ended 30 September 2022 £	*Unaudited* Six-month period ended 30 September 2023 £
Total revenue		—	—
Administrative expenses		—	(610,135)
Other operating income		—	—
Operating loss		**—**	**(610,135)**
Interest receivable and similar income		—	520
Interest payable and similar expenses	**7**	—	(753,772)
Loss before taxation		—	**(1,363,387)**
Tax on loss	**8**	—	—
Loss for the financial period		—	**(1,363,387)**

Statement of Financial Position

The audited Statement of Financial Position of the Company as at 31 March 2023 and the unaudited Statement of Financial Position of the Company as at 30 September 2023 are set out below:

	Notes	*Audited* As at 31 March 2023 £	*Unaudited* As at 30 September 2023 £	*Unaudited* As at 30 September 2022 £
Fixed assets				
Right-of-use assets	**13**	—	9,600,000	—
Intangible assets	**8**	—	14,105,463	—
		—	23,705,463	—
Current assets				
Other receivables	**9**	174,240	879,034	32,400
Cash at bank and in hand		2,716,725	1,176,218	500
		2,890,965	**2,055,252**	32,900
Current liabilities	**10,13**	**(169,961)**	**(10,520,227)**	**(500)**
Net current liabilities		**2,721,004**	**(8,464,975)**	**(500)**
Total assets less current liabilities		**2,721,004**	**15,240,448**	**32,400**
Non-current liabilities				
Zero Coupon Convertible Bonds	**11**	(2,848,543)	(4,658,276)	—
Loans from group undertakings	**12**	—	(4,968,100)	—
		(2,848,543)	**(9,626,376)**	—
Net assets		**(127,539)**	**5,614,112**	**32,400**
Capital and reserves				
Called up share capital	**14**	32,400	32,400	32,400
Equity reserve	**15**	332,017	7,437,055	—
Accumulated losses		(491,956)	(1,855,343)	—
Total equity		**(127,539)**	**5,614,112**	32,400

Statement of Changes in Equity

The unaudited Statements of Changes in Equity of the Company for the six-month period ended 30 September 2022, the six-month period ended 31 March 2023 and the six-month period ended 31 March 2023 are set out below:

	Notes	Share capital £	Equity reserve £	Accumulated losses £	Total £
As at 1 April 2022 *(unaudited)*		**32,400**	**—**	**(91,702)**	**(59,302)**
Loss and total comprehensive income for the period		—	—	—	—
As at 30 September 2022 *(unaudited)*		**32,400**	**—**	**(91,702)**	**(59,302)**
Loss and total comprehensive income for the period		—	—	(400,254)	(400,254)
Issue of Zero Coupon Convertible Bonds	**14,15**	—	332,017	—	332,017
As at 31 March 2023 *(audited)*		**32,400**	**332,017**	**(491,956)**	**(127,539)**
Loss and total comprehensive income for the period		—	—	(1,363,387)	(1,363,387)
Other movements		—	7,000,000	—	7,000,000
Equity component of Zero Coupon Convertible Bonds issued	**14,15**	—	105,038	—	105,038
As at 30 September 2023 *(unaudited)*		**32,400**	**7,437,055**	**(1,855,343)**	**5,614,112**

Statements of Cash Flows

The unaudited Statements of Cash Flows of the Company for the six-month period ended 30 September 2022 and the six-month period ended 30 September 2023 are set out below:

	Unaudited **Period ended 30 September 2022 £**	***Unaudited Period ended 30 September 2023 £***
Operating loss	—	*(1,363,387)*
Adjustments for:		
Finance income	—	(520)
Finance costs		753,772
Movement in trade and other receivables	—	(186,694)
Movement in trade and other payables	—	1,350,785
Cash from operations	—	553,956
Net cash used in operating activities	**—**	**553,956**
Purchase of intangible assets	—	(2,105,463)
Intercompany loan paid to EC1 Property Management Limited		(450,000)
Intercompany loan paid to ETL	—	(100,000)
Net cash used in investing activities	**—**	**(2,655,463)**
Proceeds from issue of shares	500	—
Proceeds from issue of convertible loans	—	1,161,000
Lease deposit paid to ETL	—	(600,000)
Net cash from financing activities	**500**	**561,000**
Net cash outflow	**500**	**(1,540,507)**
Cash brought forward	—	**2,716,725**
Cash carried forward	**500**	**1,176,218**

Notes to the Company Interim Financial Statements

1. Company information

The Company is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Nicola Jane House, Southern Gate, Chichester, West Sussex, United Kingdom, PO19 8SE.

2. Basis of preparation

The Company Interim Financial Statements are for the six-month period ended 30 September 2023, being six months from the financial year end of the Company, being 31 March 2023. The Company Interim Financial Statements do not include all the information and disclosures required in the Company Financial Statements and should be read in conjunction with the Company Financial Statements.

The Company Interim Financial Statements are unaudited. The Company Interim Financial Statements do not constitute statutory accounts within the meaning of section 434 of the UK Companies Act 2006.

The Company Interim Financial Statements have been prepared on the historical cost basis, except for assets and liabilities measured at fair value through profit and loss, and are presented in £, which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded to the nearest £, unless otherwise stated.

2.1 Accounting convention

The Company Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 *"Interim Financial Reporting"* (IAS 34).

2.2 Accounting policies

The Company Interim Financial Statements have been prepared using applicable accounting policies and practices consistent with those adopted in the Company Financial Statements beginning on page F-4.

2.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial, and financial feasibility can be demonstrated.

2.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation will be recognised so as to write off the cost of assets less their residual values over their useful lives once the relevant assets are brought into use. The Directors do not expect this to begin before 2026.

2.5 Leased assets

At inception of a contract, the Directors assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time, in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Directors assess whether: an identified physically distinct asset can be identified and whether the Company has the right to obtain substantially all of the economic benefits from the asset throughout the period of use and has the ability to direct the use of the asset over the lease term being able to restrict the usage of third parties as applicable.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to access that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and

– the amount of any provision recognised where the Company is contractually required to dismantle, remove, or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the revised discount rate applicable at the date of estimation. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Where the Company leases contain variable payment terms, payments determined as variable are treated as a charge to the income statement and not capitalised. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

2.6 Impairment of fixed assets

At each reporting period end date, the Directors review the carrying amounts of the Company's tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Directors estimate the recoverable amount of the Company's cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2.7 Going concern

The Company's business activities including the proposed development of the Tunnels, together with the factors likely to affect this future development, including the timing of the project to start generating revenues have been discussed by the Directors. The Company has the financial resources based on commitments by investors which are expected to include a fund raising in 2024 to achieve the ownership and development of the Tunnels without the requirement to borrow further money.

As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Company Interim Financial Statements.

3. Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both periods.

4. Turnover and other revenue

The Company is at a pre-revenue stage and hence turnover to date is £nil.

	Unaudited **Six-month period ended 30 September 2022 £**	***Unaudited*** **Six-month period ended 30 September 2023 £**
Other revenue		
Interest receivable and similar income	—	520
Other revenue	—	520

5. Employees

The average monthly number of persons (including the Directors) employed by the Company during the period was:

	Unaudited **Six-month period ended 30 September 2022 Number**	***Unaudited*** **Six-month period ended 30 September 2023 Number**
Employees	3	5

Their aggregate remuneration comprised:

	Unaudited **Six-month period ended 30 September 2022 £**	**Unaudited Six-month period ended 30 September 2023 £**
Wages and salaries	—	66,271
Social security costs	—	8,399
	—	**74,670**

6. Interest payable and similar expenses

	Unaudited Six-month period ended 30 September 2022 £	***Unaudited*** **Six-month period ended 30 September 2023 £**
Other finance costs:		
Zero Coupon Convertible Bond finance costs	—	753,772

7. Taxation

The actual charge for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	Unaudited **Six-month period ended 30 September 2022 £**	***Unaudited*** **Six-month period ended 30 September 2023 £**
Loss before taxation	—	(1,363,387)
Expected tax credit based on the standard rate of corporation tax in the UK of 19% (2022: 19%)	—	(259,044)
Unutilised tax losses carried forward	—	259,044
Taxation charge for the period	—	—

8. Intangible fixed assets

	Intellectual property £	Development costs £	Total £
Cost			
As at 31 March 2023 *(audited)*	—	—	—
Additions	12,000,000	2,105,463	14,105,463
As at 30 September 2023 *(unaudited)*	**12,000,000**	**2,105,463**	**14,105,463**
Amortisation and impairment			
As at 31 March 2023 *(audited)*	—	—	—
Charge for the period	—	—	—
As at 30 September 2023 *(unaudited)*	—	—	—
Carrying amount			
As at 30 September 2023 *(unaudited)*	12,000,000	2,105,463	14,105,463
As at 31 March 2023 *(audited)*	—	—	—

9. Other receivables

	Audited **As at 31 March 2023 £**	***Unaudited*** **As at 30 September 2023 £**
Amounts falling due within one year:		
Amounts owed by group undertakings	31,900	583,608
Other receivables	65,740	288,280
Prepayments and accrued income	76,600	7,146
	174,240	879,034

10. Current liabilities

	Audited **As at 31 March 2023 £**	***Unaudited*** **As at 30 September 2023 £**
Trade payables	149,254	1,503,885
Taxation and social security	707	6,342
Accruals and deferred income	20,000	10,000
Lease liabilities (note 13)	—	9,000,000
	169,961	10,520,227

11. Zero Coupon Convertible Bonds

	Audited **As at 31 March 2023 £**	***Unaudited*** **As at 30 September 2023 £**
Zero Coupon Convertible Bonds	2,848,543	4,658,276

On 28 November 2022, the Company created 6,000 unsecured Zero Coupon Convertible Bonds of £600 each. The Zero Coupon Convertible Bonds are repayable on 30 September 2024 at an agreed price of £1,000 per Zero Coupon Convertible Bond plus £0.60 per Zero Coupon Convertible Bonds conversion price. The conversion price will be withheld by the Company and converted into Ordinary Shares such that for every 5 Zero Coupon Convertible Bonds redeemed the Company will issue 3 Ordinary Shares fully paid.

During the period ended 31 March 2023, the Company issued 5,000 of the Zero Coupon Convertible Bonds for £3,000,000 in five separate tranches between the date of the instrument and the accounting period end.

On 12 April 2023, the Company issued the final 1,000 Zero Coupon Convertible Bonds for £600,000.

On 11 September 2023, the Company created 1,200 unsecured Zero Coupon Convertible Bonds of £600 each. The Zero Coupon Convertible Bonds are repayable on 30 September 2024 at an agreed price of £1,000 per Zero Coupon Convertible Bond, plus £1.75 per Zero Coupon Convertible Bonds conversion price. The conversion price will be withheld by the Company and converted into Ordinary Shares such that for every 4 Zero Coupon Convertible Bonds redeemed, the Company will issue 7 Ordinary Shares fully paid.

On 14 September 2023, the Company issued 935 Zero Coupon Convertible Bonds for £561,000.

The net proceeds received from the issue of the Zero Coupon Convertible Bonds have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert part of the financial liability into equity.

The liability component of the Zero Coupon Convertible Bonds is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported on the Statement of Financial Position represents the finance charge for the reporting period.

The effective rate of interest is 28.7%-48.5% across the various dates of draw down of the tranches of bonds issued.

The equity component of the Zero Coupon Convertible Bonds has been credited to the *"Equity reserve"* within *"equity"* on the Statement of Financial Position.

12. Loans from group undertakings

	Audited **As at 31 March 2023 £**	***Unaudited*** **As at 30 September 2023 £**
Cupcake Partners Limited	—	4,968,100

The loan from Cupcake Partners Limited does not bear interest and is repayable in full at an agreed future date. The directors of Cupcake Partners Limited have confirmed that there is no intention for repayment to be required within 12 months of approval of this Prospectus.

13. Leases

Right-of-use assets

	Leasehold property £	**Total £**
Cost		
As at 31 March 2023 (*audited*)	—	—
Additions	9,600,000	9,600,000
As at 30 September 2023 (***unaudited***)	**9,600,000**	**9,600,000**
Depreciation		
As at 31 March 2023 (*audited*)	—	—
Charge for the period	—	—
As at 30 September 2023 (*unaudited*)	—	—
Net book value		
As at 30 September 2023 (*unaudited*)	9,600,000	9,600,000
As at 31 March 2023 (*audited*)	—	—

Lease liabilities

	Leasehold property £	**Total £**
Cost		
As at 31 March 2023 (*audited*)	—	—
Additions	9,600,000	9,600,000
As at 30 September 2023 (***unaudited***)	**9,600,000**	**9,600,000**
Lease payments		
As at 31 March 2023 (*audited*)	—	—
Paid during the period	(600,000)	(600,000)
As at 30 September 2023 (*unaudited*)	(600,000)	(600,000)
Lease liability		
As at 30 September 2023 (*unaudited*)	9,000,000	9,000,000
As at 31 March 2023 (*audited*)	—	—

Reconciliation of current and non-current lease liabilities

	Audited As at 31 March 2023	Unaudited As at 30 September 2023
Current	—	9,000,000
Non-current	—	—-
Total	—	**9,000,000**

14. Share capital

	As at 31 March 2023 Number	As at 30 September 2023 Number	As at 31 March 2023 £	As at 30 September 2023 £
Ordinary Shares issued and fully paid				
Ordinary Shares of £1 each	32,400	32,400	32,400	32,400

15. Equity reserve

In the period ended 30 September 2023, an amount of £105,038 has been credited to *"equity reserve"* as the fair value of the non-liability element of the Zero Coupon Convertible Bonds issued in the period (31 March 2023: £332,017).

16. Financial commitments, guarantees and contingent liabilities

The Company is seeking to obtain planning permission for a venue from which to establish and operate the business in future. The outcome of this application is currently uncertain. Should the planning process be successful, professional fees totalling £1,491,000 (31 March 2023: £1,491,000) will become payable.

17. Events after the reporting date

On 11 October 2023, the Company issued 265 Zero Coupon Convertible Bonds for £600 each to the value of £159,000.

On 18 October 2023, the Company issued 200 Zero Coupon Convertible Bonds for £600 each to the value of £120,000.

On 20 October 2023, the Company issued 100 Zero Coupon Convertible Bonds for £600 each to the value of £60,000.

On 26 October 2023, the Company undertook a share split such that its Ordinary Shares of £1.00 each were converted at a ratio of 1 ordinary share to 1,000 new Ordinary Shares, resulting in a new nominal value of £0.001. The share split was approved by the Shareholders by ordinary resolution.

On 2 November 2023, the Company re-registered as a PLC.

On 24 November 2023, the Company paid a further £600,000 in respect of the deposit on the Tunnels.

On 27 and 28 December 2023, the Company paid in aggregate a further £410,000 in respect of the deposit on 40 Furnival Street.

On 29 November 2023, the Exchange Tunnels Lease premium increased by £1,000,000 from £9,600,000 to £10,600,000 by way of an amendment to the lease purchase agreement on 29 November 2023.

On 31 March 2024, £5,396,044 of Zero Coupon Convertible Bonds were converted into 2,698,022 Ordinary Shares.

Between 30 September 2023 and the date of this Prospectus, the Company issued £6,778,000 of Convertible Bonds.

On 9 April 2024 and 10 April 2024, the Company paid £491,000 of the £1,491,000 contingent liability.

18. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	Unaudited **Six-month period ended 30 September 2022 £**	***Unaudited*** **Six-month period ended 30 September 2023 £**
Angus Murray	—	68,556
Katharine Leo	—	6,114
Peter Curtin	—	—
Charles Nelson	—	—
Andrew Jones	—	—

Transactions with related parties

During the period, the Company entered into the following transactions with related parties:

	Unaudited **Six-month period ended 30 September 2022 £**	***Unaudited Six-month Period ended 30 September 2023*** **£**
CSG	102,000	322,835

In addition to the amounts charged by CSG shown above, there are contingent liabilities of £1,491,000 (31 March 2023: £1,491,000) payable to CSG upon the granting of planning permission for the Company's planned development by the authorities.

	Audited as at **31 March 2023 £**	***Unaudited as at*** **30 September 2023 £**
Amounts due from related parties		
Cupcake	31,900	—
Amounts due to related parties		
Cupcake	—	4,968,100
CSG	40,800	58,800

The following amounts were outstanding at the reporting date:

Amounts due from related parties

	Audited **As at 31 March 2023 £**	***Unaudited*** **As at 30 September 2023 £**
ETL	—	133,608
EC1 Property Management Limited	—	450,000

19. Nature of the Company Interim Financial Statements

The Company Interim Financial Statements presented above do not constitute statutory financial statements for the period under review.

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