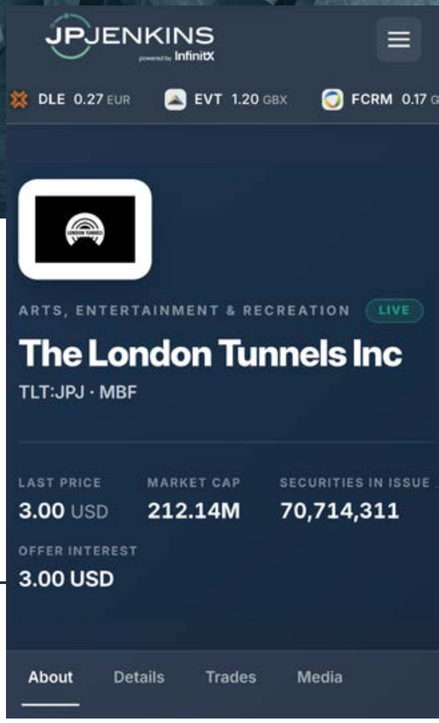
LONDON TUNNELS

# THE LONDON TUNNELS INC

## PRICE REVALUATION UPDATE




**$3.00**

**CURRENT PRICE**
AUGUST 2026

**$3.88**
Based on independent valuations

**EXPECTED PRICE**
SEPTEMBER 2026

## Edison Summary

The London Tunnels (TLT) represents a unique opportunity in the leisure sector, centred on the redevelopment of the Kingsway Exchange Tunnels into a large-scale heritage and cultural attraction in central London. The scarcity of the asset, both in its historical context and physical scale, underpins its potential appeal. As the project is still in the construction phase and currently expected to be operational in 2028, it may be some years before it reaches maturity. Our 'central' model, which assumes the attraction draws three million visitors per year by FY32, suggests a current value of U$5.15–5.71 per share at US$1.32/£ when applying peer-based multiples and prior to any discount that may be appropriate given the combination of execution, funding and demand risks.

## bizval Executive Summary

bizval's primary valuation of The London Tunnels Incorporated (TLT Holdings) is based on a discounted cash flow (DCF) model using a WACC of 11.83% and a 2% terminal growth rate. Under base case assumptions, the DCF yields an enterprise value of £305m and equity value of £242m, equivalent to £3.43 per share, compared with the current traded reference price of £2.23 per share. This comparison is shown for context only, given the matched-bargain nature and limited liquidity of the reference price. On a ±50bps WACC sensitivity, the per-share range is £3.10–£3.78.

**EDISON REPORT**

| SOURCE | STATUS | PER SHARE | BASIS |
|---|---|---|---|
| Edison Investment Research (23 Jun 2026) | Before any discount for execution, funding or demand risk | \$5.15 – \$5.71 | Central Case, FY32 maturity, 8.3x peer EV/EBITDA discounted to present |
| Edison Investment Research – 10.0x scenario | Illustrative flex of the peer multiple | \$6.56 – \$7.24 | Central case at 10.0x EV/EBITDA (~halfway to the Merlin precedent of 11.7x) |

**BIZVAL REPORT**

| METHOD | EV | EQUITY | PER SHARE | NOTES/BASIS |
|---|---|---|---|---|
| DCF, Downside case | £270m | £208m | £2.94 | WACC 12.00%; 6m delay (Q3 2028); 10% visitor shortfall; £62m net debt |
| DCF, Base case (primary) | £305m | £242m | £3.43 | WACC 11.83%; H1 2028 opening; current assumptions |
| DCF, Upside case | £483m | £421m | £5.95 | WACC 10.00%; 10% visitor upside; retail revenue included |
| CCA, 7.6x 2032 EBITDA | £535m | £473m | £6.69 | Listed peer median 7.62x (FUN, PRKS, CDA); 2032 EBITDA £70.4m |
| CTA, 8.8x 2032 EBITDA | £620m | £558m | £7.89 | DealStats and selected leisure / attraction transactions; limited direct comparability. |
| Current traded price (reference) | – | – | £2.23 | Matched-bargain; June 2026 |

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