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CENTRE PORT HOLDINGS LTD
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Message from **James Sutcliffe**, CEO, Centre Port Holdings Ltd

I am writing to all our close contacts about this potential opportunity.

The Worlds' first tidal powered deep-sea Container Terminal.

The funding, subject to sufficient expressions of interest, will be for the Feasibility Study needed to enable the start of a development, which is a unique UK infrastructure project with very strong green credentials. The senior management have invested some £150,000 over the last 18 months in terms of expertise, concept development and time working with interested parties for the project, but now need to raise circa £8,000,000 to engage technical teams from 3rd Parties to carry out physical site checks, EIA, detailed design etc.

Investment Risk:

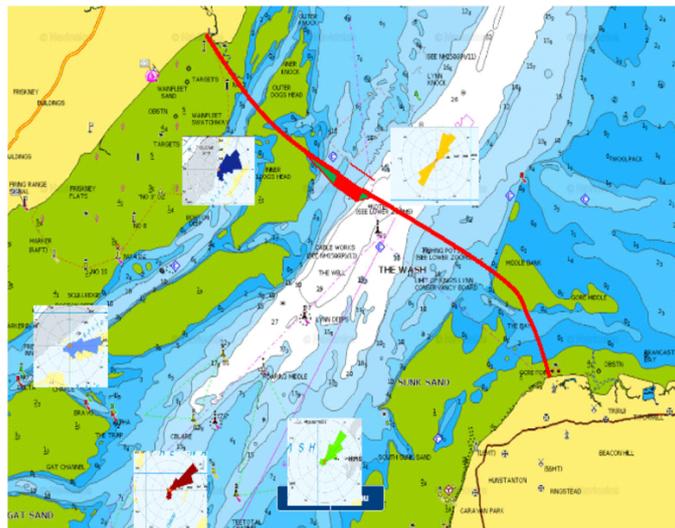
Whilst we have received strong “expressions of interest” from the energy sector, but there is a risk that if the project did not get a “green light”, some, and possibly all of the initial funding would be lost within a 12-18 month timescale.

The investment will therefore only be suitable to those individuals and companies that have the necessary risk tolerance levels, previous knowledge and experience, a medium to long term time horizon and capacity for a potential total loss. This is why we are coming to you first, to investigate if there is sufficient interest in us attempting to progress this project to the next stage.

Project summary

This is a major £2 billion renewable energy and flood infrastructure project that involves building a hydro-electric dam across the Wash estuary linking South East Lincolnshire with North East Norfolk that aims to provide five key benefits:

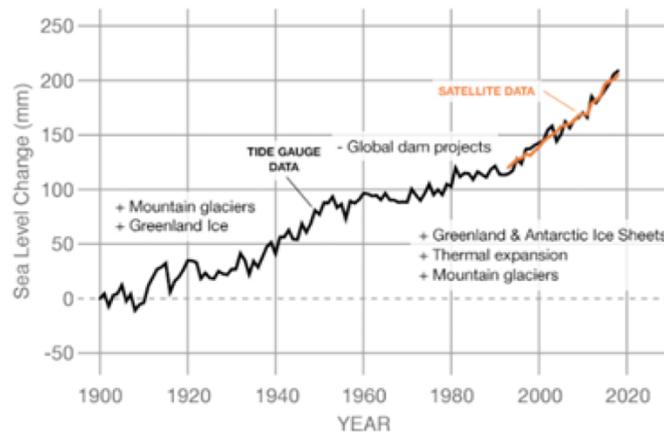
- **Tidal energy:** that would create enough green energy to power circa 600,000 homes in the region, with night-time surpluses being used to create green hydrogen to power industry and high-power requirements in farm vehicles.
- **Container Terminal:** The creation of the World's first renewable energy driven automated container port, creating many thousands of jobs and a major boost to the UK's international trade, 50% closer to the markets it serves in the Midlands and East Midlands
- **RoRo:** A direct roll-on roll-off (RoRo) link from the port to north European ports saving hundreds of truck miles to Dover, congestion on the motorways and pollution in the south east.
- **Flood defence:** Improved flood protection for the Fens. "Climate change will almost certainly cause sea levels around the UK to increase by 1m or more at some point in the future, and this could happen as early as 2100." Committee on Climate Change Report Oct 2018. Tidal surge levels have increased in severity over the last 3 major surges at Boston: 5.2m (31 Jan 1953), 5.5m (11 Jan 1978), 6.0m (5 Dec 2013). The hydro-electric dam will protect the Fens, from Lincoln in the north, Peterborough in the west and Cambridge in the south. The Fens is home to 600,000 people, homes, rural communities, villages, towns, and cities. It incorporates businesses, road and rail infrastructure, water reservoirs and infrastructure, power generation and infrastructure, offshore windfarms connection to the National Grid. It is the major centre for food production and processing in the UK.
- **Protecting nature and the environment:** Protection of the unique ecology of The Wash by controlling storm surges and inland flooding. The Hydro Dam will protect the habitat and wildlife from climate change induced rising sea levels, which have recently reached +6m.
- Timescales are expected to be 5-8 years to completion.



Sea level rises: Since 1900, the melting of polar caps and glaciers have seen a rise in sea levels of 21 centimetres. The rate is increasing based on the best science - as we are already at +1° Celsius above pre-industrial levels and estimated circa 2.5° Celsius at the 26th United Nations Climate Change Conference of the Parties (COP26) over the next 50 years:

<https://www.globalchange.gov/browse/indicators/global-sea-level-rise>

Without this infrastructure in place, it is predicted that much of the Fens in Lincolnshire, Norfolk and Cambridgeshire at 1 to 3m above sea level is at risk from coastal and inland flooding caused by rising sea levels and more intense storms, if current levels of flood defence are not improved.



<https://climate.nasa.gov/vital-signs/sea-level/>

The Fens is one of the most important agricultural regions in the UK, producing one-third of England's fresh vegetables and circa 20% of England's potatoes, - flowers, bulbs and sugar beet as well as other crops. Employing some 80,000 people, and generating circa £3 billion per annum, the Fens is referred to as the Breadbasket of Britain.

<https://www.nfuonline.com/archive?treeid=117727#:~:text=Although%20it%20covers%20less%20than,a%20staggering%20%C2%A31.23%20billion>

Water companies are aware that to protect not just our coastlines, but also low lying land and water supplies, costs will run into billions. The Future Fens report www.ada.org.uk/knowledge/future-fens/ suggests that £1.8 billion will be needed just for the Great Ouse area if flooding is to be under control.

The proposed solution – Centre Port hydro-electric infrastructure



Deep water and/or long stretches of coastline both work against tidal energy as a viable addition to solar and wind. However, The Wash is ideal in that it is relatively shallow with an estuary that drains the Lincolnshire and Cambridgeshire fens. The 4 main rivers that flow into the Wash, the Witham, Welland, Nene and Great Ouse carry water from higher ground, including from Leicestershire, Rutland, Northamptonshire, Bedfordshire, Norfolk and Suffolk.

The Wash's geographic layout provides "3 sides of the box" which makes it easier to contain a large 728sqkm water area rising and falling 4 to 5 metres a day. It is also ideally situated for a deep water port as the central area is 30m or more providing more than enough depth for the largest container and bulk vessels afloat today, which require up to 25m depth to access a quayside.

The Wash Centre Port (North Sea side) will be accessible 24/7 by large vessels, and will include a Lock for coasters, fishing boats, small vessel/sailing craft access into The Wash. The Wash will also become a safe sailing and recreational area.

Company Structure

A holding company will be established which will own three trading subsidiaries:

1. Operating the tidal energy hydro-electric installation and power delivery
2. The port operations/vessel loading and unloading as well as container transport systems
3. The Infrastructure - Toll Road across the top, sluices, rail, security, maintenance etc.

The port is one of the main areas of the project's economic viability with valuations at not less than 15 times EBITDA, in addition to an estimated long term 800 GWH (gigawatt hours) Power Take-off Agreement which will underpin to the project earnings. Other income will include road tolls and lock access charges.

FOOT NOTE: ('EBITDA') "Earnings before interest taxation depreciation and amortisation". A commonly used calculation of profit for business valuation purposes.

Green energy – top of the UK agenda:

The Port will be the World's first tidal powered container terminal, powered by 100% green renewable energy created in the foundations. This power source can also power the vessels alongside the quay, further reducing ship pollution. The Project will also use electric I-Barges to deliver freight into The Wash and up the river systems and the renewable power will provide Green Hydrogen for hydrogen fuel cell powered trucks and farm vehicles.

The project demonstrates just how important this infrastructure this is for green energy in the UK economy, and also saving the remarkable ecology that is The Wash and its environment today.

Without this privately funded project many people, communities, businesses, road, rail and water infrastructures are at risk from permanent flooding. The alternative is many public and privately funded flood defence improvements are carried out, created in a piecemeal manor and usually post a major flood event. Ref Boston 2013 flood/ sea lock.

https://waterprojectsonline.com/custom_case_study/boston-barrier-2021/

Funding

Total funding for this project is estimated at circa £2.0 billion.

The management have had 30 years of experience in port development around the world, including the 200 million euros funding and creation of the first deep sea container terminal in Poland in 2007 and we are short listed for the second €400m Terminal above Berlin (1.5 to 4 million container a year capacity). We won the Global Leaders Prize for Sustainability in Washington DC in 2020 for the most sustainable development project (Port Evo Hydro Port).

We have received strong, albeit informal, institutional support for the core development and do not anticipate difficulty in securing the development capital at a time when renewable energy projects are so topical in Government after COP26 and sought after by major financial institutions.



However, before such a project can commence, a Feasibility Study must be carried out. This includes all the information on the project, the seabed, landside connections, equipment, construction requirements, wind and wave studies, Environmental Impact Assessments ('EIA'), detailed design etc. with an estimated cost of £5 million, plus the Environmental clearances budgeted at £3 million. We are providing all the information on the container terminal, its development and equipment/ financial plan/ manpower etc. FOC.

It is this funding opportunity we wish to offer private investors, although a number of large corporates with vested interests have intimated interest in financially supporting this fund raise.

Investment return.

Please be aware that Centre Port Holdings Ltd is not a Registered Broker or Investment Advisor.

Investors would receive equity on preferential terms in the holding company, which if the project proceeds would provide an early exit option by way of second round funding; or the opportunity to remain invested over the longer term.

At this early stage it is not possible to provide a detailed forecast, but we are aware that it should be structured to provide prospective returns at 20% per annum compound, giving rise to multiples of perhaps 2-5 times over the short to medium term, and perhaps higher over the longer term. Please note that forecast returns are given as an illustration only and are not guaranteed.

Example: The Wash Project team created the DCT Gdansk Terminal in Poland 2007. 50% of the project cost was an equity raise at €100 million, which was secured from a global institutional investor. The investor sold the project in 2020 for €1.3 billion, in addition to the annual profits for the last 10 years.

Centre Port investor exit in the medium to longer term could be by way of sale or IPO (a London Stock Market Listing).

Investment Risk

As the £5 million fundraise is required purely for the Feasibility Study, there is of course a risk that if the project is not feasible and/or approved for some reason, in which case there may be a total loss of the Feasibility capital. However, the Preliminary Feasibility study (at a cost of £150,000 funded by us) has evidenced strong support from regional MP's/ Government, local Councils and the agricultural and haulage companies in the region.

This includes an expression of interest for the Power Take off Agreement at this early stage.

Port Evo, our port development company, is also reducing the cost of the container terminal development by providing the detail from other terminal developments they have done, saving approximately £1-1.5million project cost, as well as working free of charge since March 2020.



Sponsor

James Sutcliffe, who is leading the Project through his corporate brand Port Evo (see attached CV) has 30 years senior experience in global port development and Government relations as Chairman of UK Trade & Investment (UKTI) (2006 – 2013) working in Emerging Markets representing the UK maritime sector. He won the Global Leaders Prize for Sustainability in 2020 and his leadership is backed up by an impressive CV.

We recognise that our pre-existing relationship with a sponsor could give rise to a conflict of interest in certain situations. It is our responsibility to manage any potential or actual conflicts of interest so that we ensure that the interests of investors are protected. Where it is not possible to prevent a conflict or manage it by disclosing that conflict, we will give due consideration to whether or not it is appropriate to proceed with that sponsor.

Next step

At this preliminary stage, we wish to gauge levels of interest from our supporters and to engage them through our Legal Advisors, DMH Stallard, London if they wish to take up this opportunity.

As we are cognisant of the perceived high risk involved, we are setting a low minimum investment at £10,000 and reserve the right to impose a maximum.

The Port Evo team plan to minimise investor risk through obtaining as many answers to the projects development as possible, before engaging physical checks and works which account for the main costs of the study. All implied forecasts and statements made in this communication would be subject to due diligence and verification before an invitation to invest is made to our supporters.

If the above is of interest please contact info@centreport.uk who will connect you with the company Advisor for further information.