

A low-angle, upward-looking perspective of several modern skyscrapers with glass facades. The buildings are framed by a dark blue overlay, and the sky at the top is a lighter blue with some white clouds. The perspective creates a sense of height and architectural grandeur.

# HOSPITALITY INVESTMENT FUNDS

# *We Welcome Citizens of the World*

*Our passion is to empower your  
mobility, through global and  
trustworthy solutions.*

*Benefit from  
being a European  
Citizen.*

*Portugal has it all.*





# OUR ACHIEVEMENT IN PORTUGAL

## A Commitment to Excellence

1.2

BILLION EUROS  
TOTAL INVESTMENT

3700+

TOTAL  
INVESTORS

31

HOTELS  
IN PORTUGAL

600+

OVER 600  
EMPLOYEES IN  
PORTUGAL



# OUR INVESTMENTS IN PORTUGAL

1.2B€  
TOTAL INVESTMENT

FUNCHAL, MADEIRA



PORTO

MATOSINHOS

AMARANTE

LISBON

ST. ANDRÉ

ÉVORA

BEJA

LAGOS

PORTIMÃO

FARO





# ABOUT PORTUGAL

**26.5 million visitors** In 2022 | Source: INE



2023

## Madeira

*Best Island Destination  
in the World  
5<sup>th</sup> best city to Property Invest in*



*Archipelago with a privileged location in the Atlantic Ocean. Key industry: Tourism and Culture*



2023

## Porto

*World's Leading City  
Destination*



*2<sup>nd</sup> largest metropolitan city & most prosperous city. Key industry: Tourism and Hospitality*



2023

## Algarve

*Europe's Leading  
Beach Destination*



*Portugal Beach destination. Key industry: High-end Service, heaven for retirees*



2023

## Lisbon

*Europe's Leading City Break  
Destination and World's Leading  
Seaside Metropolitan Destination*



*Capital city and International Commercial Hub*

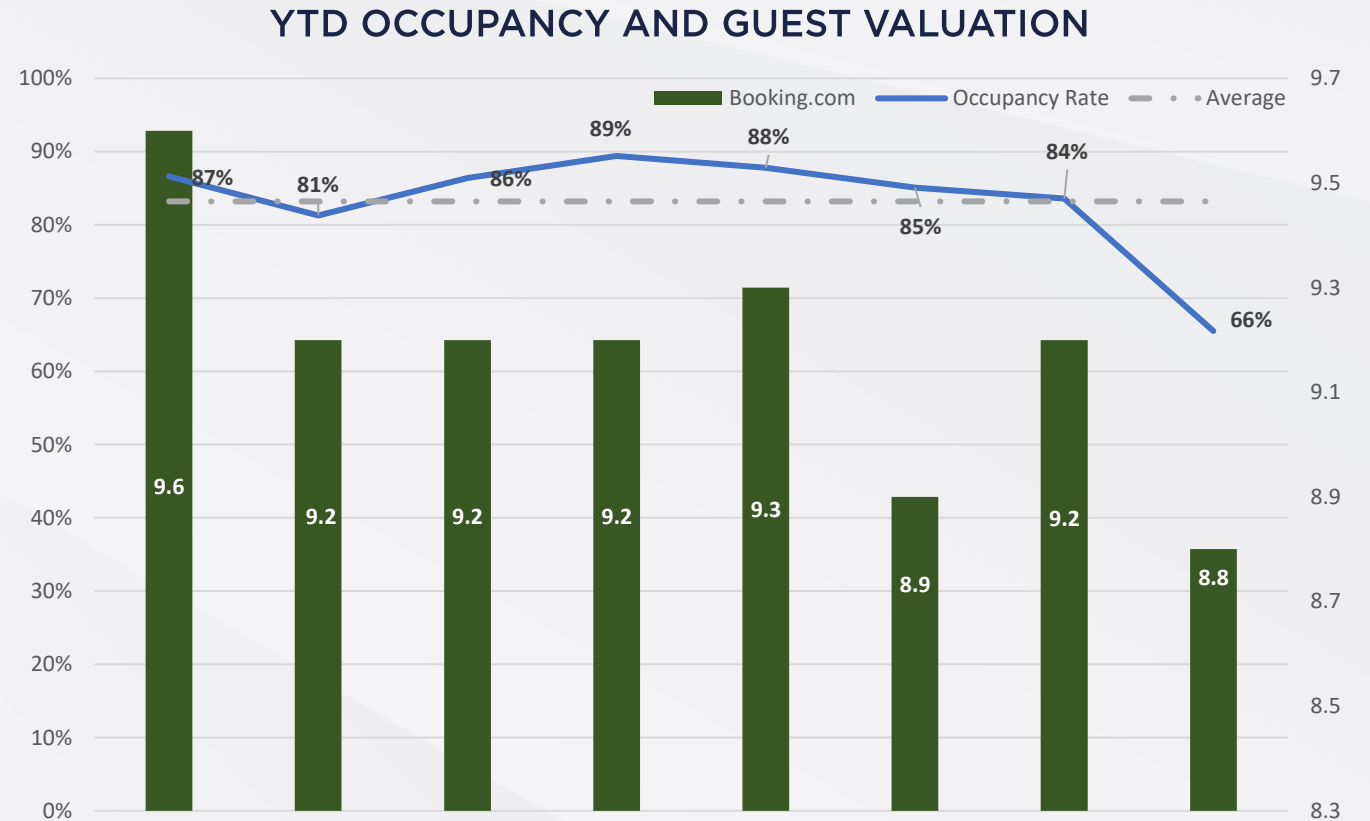
## PORTUGAL HOSPITALITY MARKET

### Overnight stays in tourism increased by 8.5% in October

The tourist accommodation sector recorded **7.4 million overnight stays in October**, 8.5% more than in the same month of 2022, mainly due to foreign markets. In the flash estimate of tourism activity, guests also increased in October, in this case by **8.7% to 2.9 million**.

Source: INE

Achieving strong  
YTD Occupancy  
Rates alongside  
fantastic Guest  
Reviews Scoring  
across our Portfolio  
in 2023



# PORTUGAL **GOLDEN VISA PROGRAM**

## **CURRENT AVAILABLE 5 OPTIONS**



**1.** *Creation of at least 10 jobs.*



**2.** *Minimum 500.000 €, applied in research activities.*



**3.** *Donation of minimum 250.000€ - for Arts, National Heritage and Culture.*



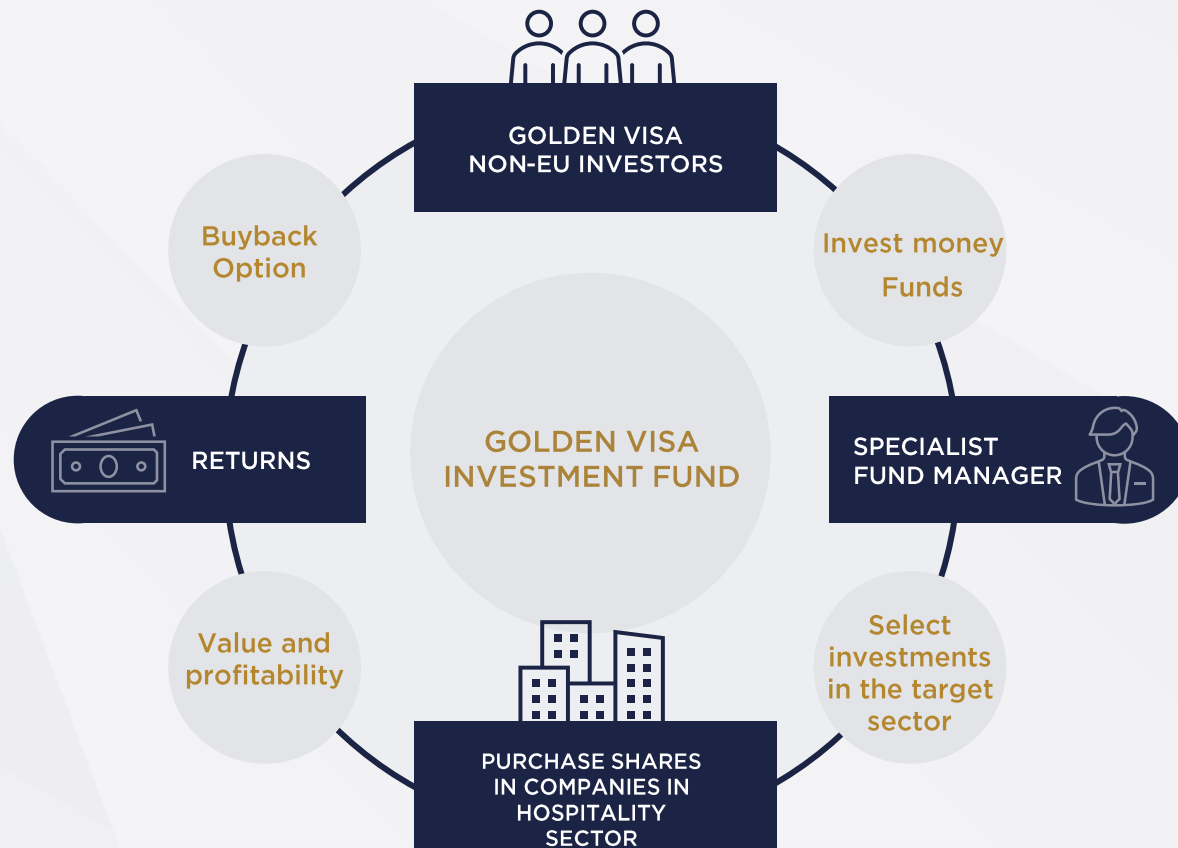
**4.** *Capital transfer minimum 500.000€ combined with the creation of 5 permanent jobs, or maintenance of at least 10 job positions and for a minimum period of three years.*



**5.** *Transfer of capital **of 500.000 €**, acquisition of shares/units in a non-real estate collective investment entities.*



# What is a Private Equity Investment Fund?



A Private Equity Investment Fund in Portugal is a specialized investment vehicle that pools capital from investors to acquire and manage private companies, aiming for profitable exits.

The investment strategy of Funds is focused in hospitality sector in Portugal.

Funds shall invest in companies with a high potential for growth, appreciation on in value and profitability, operating in the hospitality sector, targeting co-investment opportunities, that promise appreciation in value over time, leveraging the group's deep market insight and operational expertise.

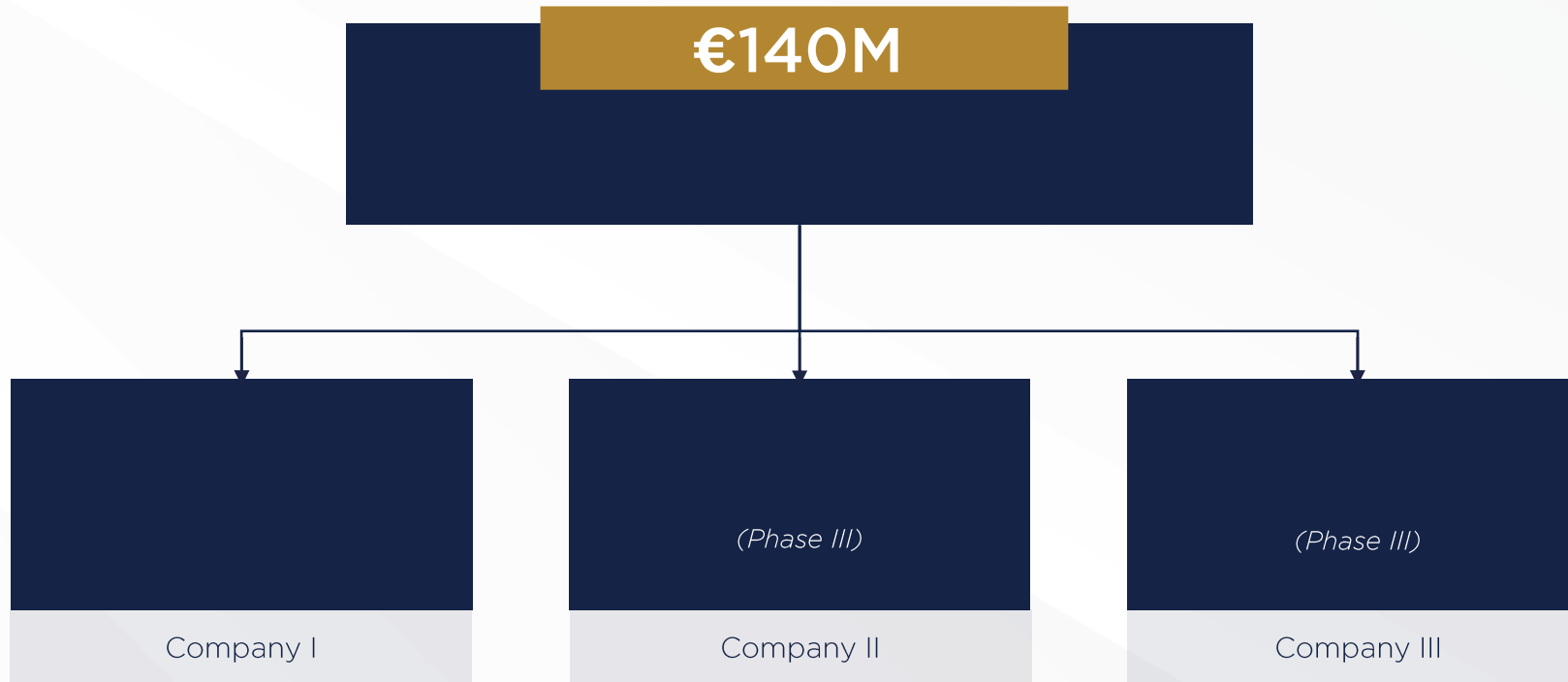
Investors can look forward to a diversified investment experience, with holdings spread across various hotels projects within the fund's scope.

Commitment to the funds is designed to be in line with the prerequisites of the Portuguese Golden Visa program, with a minimum investment amount of 500,000€, providing an attractive avenue for non-EU investors seeking Portuguese residency benefits along with financial returns.

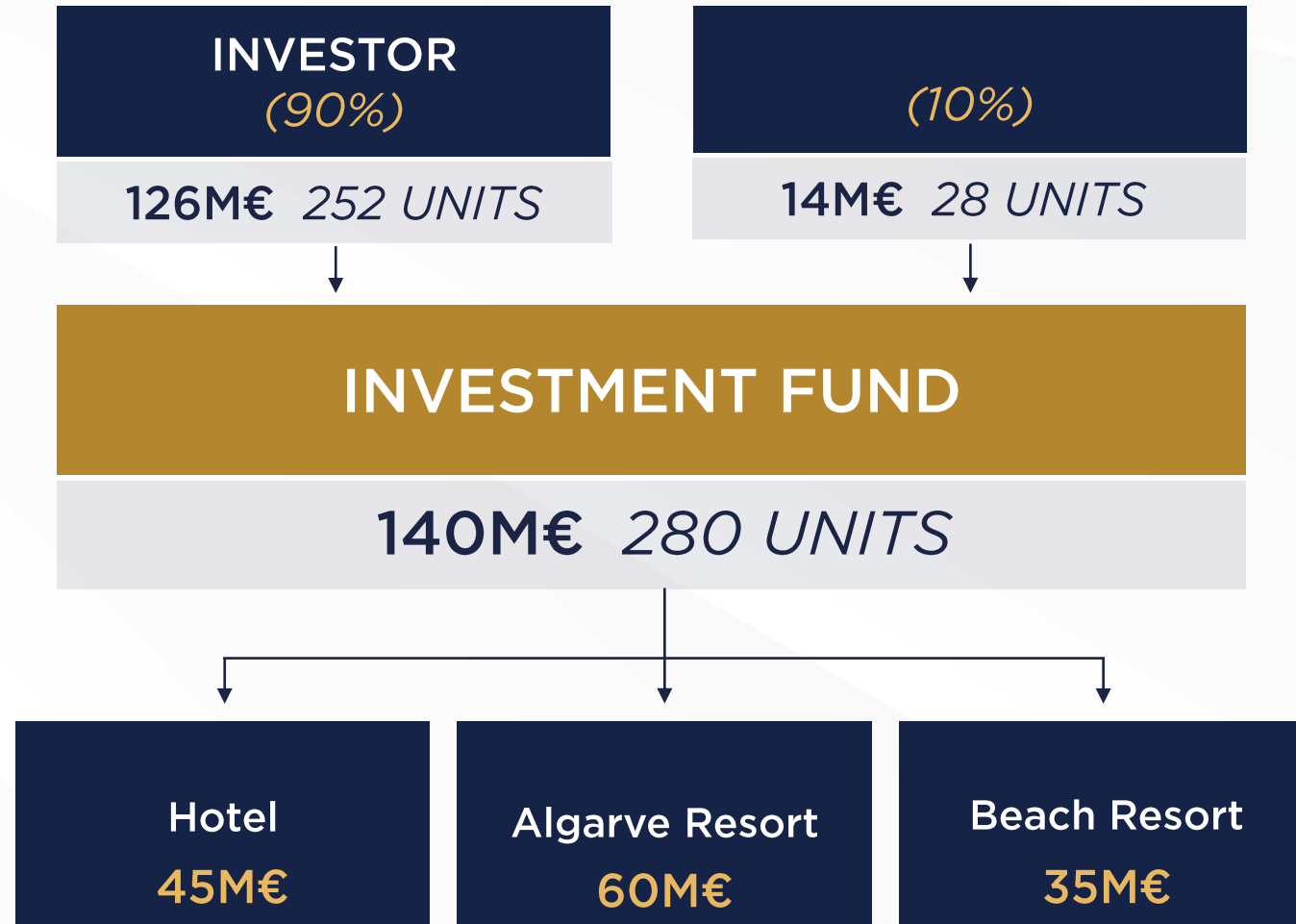
Additionally, the Funds underscore investor confidence with a buyback option, enhancing investment security.

The Funds represent an investment acumen and hospitality expertise, offering a platform for non-EU investors to gain from Portugal's growing tourism and hospitality industry.

# INVESTMENT BUSINESS STRUCTURE



# HOSPITALITY FUND





# INVESTMENT BUSINESS STRUCTURE



I has a shareholding of 90% in each SPV, being the remaining 10% owned . The margin of the total appraisal over the investment in each SPV (174,93M€ vs 140,00M€), along with the fact that is, by itself, investor in the fund with 14M€, is the best proof of assurance for investor's buy back.

# GOLDEN VISA INVESTMENTS OPPORTUNITIES

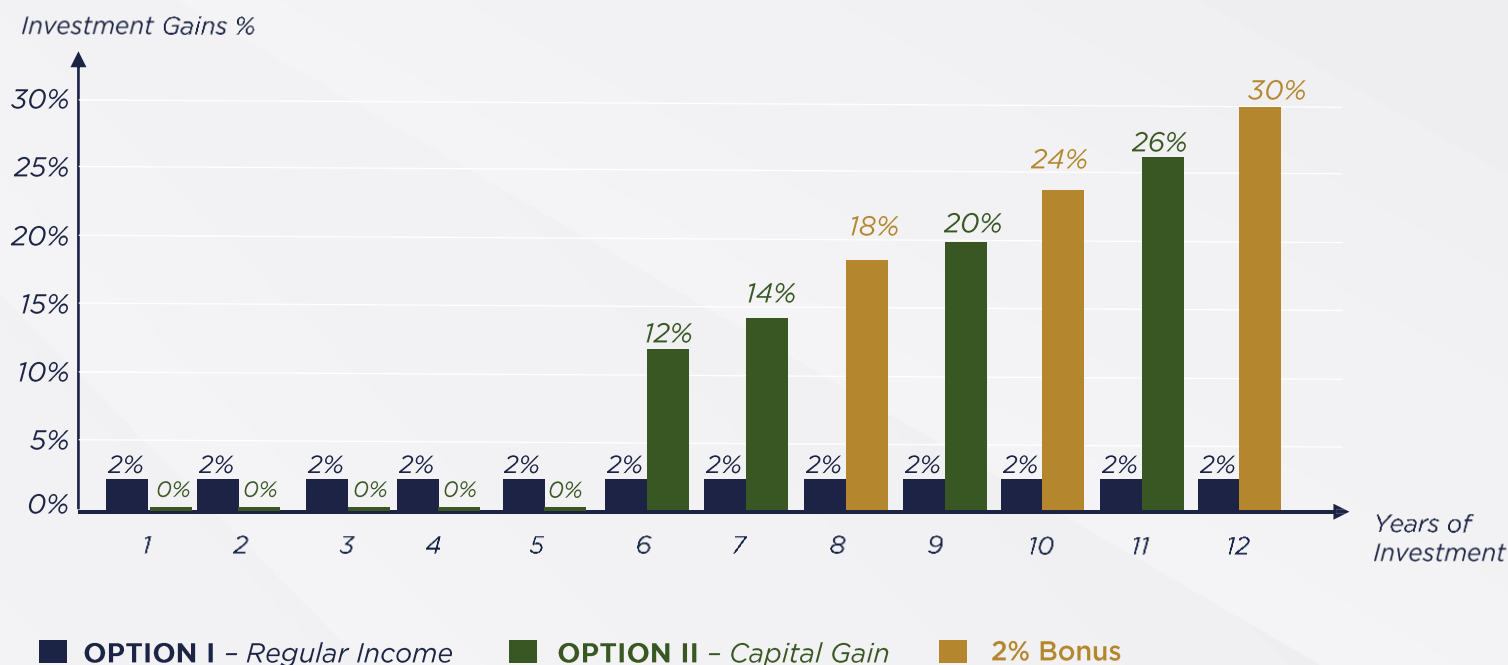
PORTUGAL INVESTMENT OPPORTUNITY	
Type	CMVM Regulated closed-end private equity fund
CMVM	Registered under no. 2001, issued by the Regulator
Investment Scope	Investing in hospitality-focused firms
Minimum Investment Term	6 Years
Fund Size	140M€
Participant Minimum Investment Amount (for GV purposes)	500.000€
Management Fee	0.25 % + 2,000 € (paid by the Fund)
Return on Investment	2% per year* Tax Free
Guaranteed** Buyback by Mercan	From year 6 onwards
Subscription	No Subscription Fee
Hotel Benefits	Free 7 days Stay per year

*\*option 1*

**\*\*GUARANTEED BUYBACK BY THE SPV COMPANIES AS PER INVESTOR AGREEMENT**

# INVESTMENT EARNINGS TIMELINE

## RETURN ON INVESTMENT



### OPTION I

**2% fixed return** paid out annually & **Guaranteed\* Buyback** for the original amount

\*GUARANTEED BUYBACK BY THE SPV COMPANIES AS PER INVESTOR AGREEMENT.

### OPTION II

**Payment of accrued returns upon exit** along with the **Guaranteed Buyback\***

**Exit year 8 = 16% + 2% bonus = 18%**

**Exit year 10 = 20% + 4% bonus = 24%**

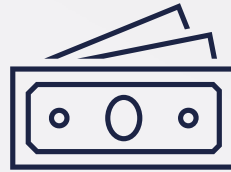
**Exit year 12 = 24% + 6% bonus = 30%**

- If the investment is made before **June 30<sup>th</sup>, 2024**, the fixed return starts accruing in **January 2025** until the buyback.\*\*
- If the investment is made after **June 30<sup>th</sup>, 2024**, the fixed return starts accruing on **June 30<sup>th</sup>, 2025** until the buyback.\*\*



# INVESTMENT FUNDS COMPETITIVE ADVANTAGES

## KEY BENEFITS SECURITY OF THE INVESTMENT



### GUARANTEED BUYBACK\*

Year 6

Permanent  
Residence

Citizenship

*Buyback Schedule: Every 6 Months From Year 6*

\*GUARANTEED BUYBACK BY THE SPV COMPANIES AS PER INVESTOR AGREEMENT

# Private Equity Hospitality Fund I

## GOLDEN VISA PROGRAM

### MARKET HIGHLIGHTS FINANCIAL ASSESSMENT

\*Before the Golden Visa changes in October 2023

	BEFORE*	NOW
	Property	Private Equity Fund
Investment Amount	Starting from €280,000	€500,000
TRANSFER TAXES		
Title Transfer Tax (IMT)	6.5%	0%
Stamp Duty	0.8%	0%
Registration & Notary Cost (Approx.)	0.2%	0%

# TRUSTWORTHY INVESTMENT FUNDS PARTNERS

## *Funds Manager*

Fund manager authorized and regulated by the Portuguese financial regulator to manage collective investment entities. **Their primary goal is to maximize returns for investors** within the fund's stated investment objectives and risk parameters.

## *Auditors*



Firm **responsible for conducting financial examinations** and assessments of fund operations to ensure accuracy, compliance with regulations, **and the protection of investors' interests**. Their role is to provide an objective and impartial evaluation of the fund's financial statements, internal controls, and overall financial health to instill confidence in investors and regulatory authorities.

## *Evaluators*



**Tasked with assessing the value of assets within a fund**, such as securities or real estate, to determine their fair market value. This valuation is crucial for accurate pricing and reporting, as well as ensuring that investors receive a fair share of the fund's assets. These partners **help maintain transparency and compliance with industry regulations**.

## *Deposit Bank*



Institution responsible for the safekeeping, custody, and administration of a fund's assets, such as securities and cash. It **plays a crucial role in ensuring the integrity of these assets**, maintaining compliance with regulatory requirements, and facilitating transactions on behalf of the fund and its investors.



# INVESTMENT OVERVIEW

ELIGIBLE FOR THE GOLDEN VISA

€140M

## Hotel Gaia



4-Star Resort *flagged by an International Brand*

Construction Starts 1Q2024

## Phase III



5-Star Resort *flagged by an International Brand*

Construction Starts 1Q2024

## Phase III



5-Star Resort *flagged by an International Brand*

Construction Starts 1Q2024



