



# Investing in ecotourism to create a sustainable legacy

November 2023

# Fund highlights

The Fund is the first eco & wine tourism fund investing in sustainable next-generation opportunities in the hospitality sector in Portugal. The Fund's capital is intended for investment in companies or projects with high growth potential and asset and value development, enhancing the hospitality business through its integration with wine and/or agroforestry ventures.



**€35 M**

ASSETS UNDER MANAGEMENT  
(TARGET)



**8 years**

FUND TERM



**Yes**

ELIGIBLE FOR GOLDEN VISA  
& AMERICAN INVESTORS



**5**

N° OF PROJECTS INVESTED  
(FORECAST)



**Class A: €200k**  
**Class B: €100k**

MINIMUM INVESTMENT TICKET



**Class A: 7%**  
**Class B: 15%**

EXPECTED ANNUAL RETURN  
(IRR)



**Income & inheritance  
tax exemption: 0%**

TAX BENEFITS



**InVino Fund  
Investors Club**

EXCLUSIVE BENEFITS

# Investment Thesis

Join the first eco & wine tourism fund investing in sustainable next-generation opportunities in the hospitality sector in Portugal. The Fund represents a unique opportunity for investors looking for a Golden Visa and investment diversification to secure solid and sustainable returns.

The Fund invests in companies with the concept of transforming working farms and heritage sites (e.g., vineyards, olive groves, cork forest, manor houses) into sustainable resorts, offering a full eco & wine-based experience where guests will enjoy unique F&B hospitality based on a true “bio-farm to table” and perfectly adapted to the post-Covid world.

The developments shall be in line with the best sustainable practices and focus on generating impact, creating new jobs, balancing the social and regional asymmetries, preserving the nature and local heritage (e.g., culture, traditions).

In addition to the highly competitive target returns and positive sustainable impacts, investing in the Fund provides access to the exclusive benefits of the InVino Fund Investors Club and the opportunity for the much-desired European residence and citizenship through the Golden Visa program, which allows all family members free access to live, travel and work in Europe.



# Investing & living in Portugal

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# Great Place to Invest and Live

Portugal is recognized worldwide as a pioneer in transforming its economy towards a sustainable reality, aiming at the efficient use of energy without waste of natural resources. Portugal has been emerging with numerous business opportunities in different areas. Sectors such as tourism, real estate and services have generated great interest from investors targeting opportunities that offer a good return, while still being able to enjoy the stability and security of an European Union country.



Best World Tourism Destination 2019 Best European Destination 2022



4th on the World Safety Index



Country with the Best Quality of Life for Expats 2022



# Tourism sector overview:

- Portugal offers strong attractions and is a popular destination for travelers from other countries;
- Very special experiences, with stunning landscapes, safety, fantastic cuisine and winemaking among the most appreciated in the world;
- The country has experienced exponential growth in recent years in this area; Investment opportunities are multiplying, being explored by new entrepreneurs, especially by those who have realized that respect for the environment and social care are closely linked to a great experience when visiting a country.

# Fund approach:

Aware of the great opportunities in Portugal, the Fund developed its business thesis focused mainly on the development of projects in the areas of eco & wine tourism guided by the sustainability principles.

# What is Golden Visa?

Your gateway towards the European residence & citizenship

The Golden Visa is a five-year residency program which allows foreign investors to have access to the Portuguese citizenship.

By investing €500,000, you will have absolute freedom to live and work in Portugal and in other European Union countries, including your family members.

## The new Golden Visa Portugal Program Law

The Government of Portugal published the new Golden Visa Program Law in Oct/2023, when real estate investments ceased to be eligible for the Program, which is now limited to income-generating investments, including the InVino Fund.

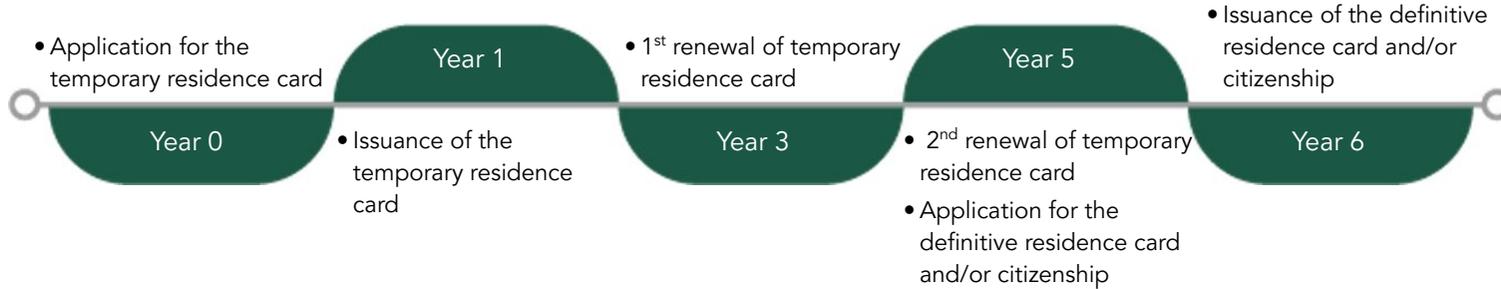
## Benefits of the Portuguese Golden Visa

- Only 5 years until you are able to request the 5th most valuable passport in the world;
- Right to live, work and freely travel through the European Union;
- No visa required in 185 countries;
- Access to free education and healthcare in Portugal;
- Low minimum stay in the country required of only 7 days per year;
- Tax benefits for residents (10%) and non-residents (0%) on profits or investments.



# Golden Visa Timeline

After the investment in the Fund is concluded, the investor legal representatives need to gather all of necessary documents and submit the Golden Visa application to the Immigration authority. Once the application process is pre approved, the authorities will schedule a face to face meeting to collect the investors biometric data.



## Golden Visa Portugal in numbers



€7.318.438.201,77

Total investment made in the Golden Visa program

Source: SEF - Sep/2023



12.718

Investors



20.424

Golden Visas issued to family members

### Top 5 nationalities



China



Brazil



USA



Turkey



South Africa



# Investing with Purpose

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# Portugal & Wine



Wine is a historically competitive product for the Portuguese economy. The country is well known for the quality of its wine and for the improvements of the wine industry over the years, indicating great potential for appreciation of investments in the sector.

Portugal is the 11<sup>th</sup> largest wine producer in the world

The country is currently the 9<sup>th</sup> largest exporter and the 1<sup>st</sup> per capita consumer in the world

Climate and geographical position enhance local tourist activities furthermore, which is an opportunity for growing demand for sustainable habits and culture



# Why invest in eco & wine tourism?

Wine tourism has been gaining importance in today's world and consequently new destinations are being offered worldwide. Portugal is already well known for the excellent quality of its wines. Eco & wine tourism has a huge space to develop even more in a country with the goal to become one of the most sustainable destinations by 2027 (Estratégia Turismo 2027<sup>1</sup>).

The 2022 Nest research shows that nearly 60% of international customers primarily come from Brazil, the USA, France, and Spain. The majority of them are singles, couples (without children), or organized groups. The research says that: "Most of the participants consider that the main concerns of the wine tourism customer are the quality of service (26%), the offer diversification (15%) and sustainability (14%)".

Nest specialists concluded that the wine tourism sector has an enormous potential to grow and develop in Portugal.

Finally, according to a study made by KPMG, "there is a high growth potential for wine tourism and this type of leisure and also being a kind of nature experience are now taking steps towards developing new opportunities."

According to APENO<sup>2</sup>, Portugal is the world's second-largest global enotourism destination, with a projected market of \$30 BI by 2030. Portuguese wines are gaining international recognition, attracting tourists to their producing regions. Despite being the fifth-largest wine producer in Europe and the ninth in the world, Portugal leads in wine tourism, surpassing countries like Spain and France. A revenue of 2.1 billion euros is expected. This is based on the Portuguese Wine Tourism Association, which ranks Portugal as the second-largest global player in this sector, trailing only behind Italy.



<sup>1</sup> Estratégia Turismo 2027: [http://www.turismodeportugal.pt/pt/Turismo\\_Portugal/Estrategia/Estrategia\\_2027/Paginas/default.aspx](http://www.turismodeportugal.pt/pt/Turismo_Portugal/Estrategia/Estrategia_2027/Paginas/default.aspx)

<sup>2</sup> Associação Portuguesa de Enoturismo



# ESG: Investing with purpose

Aligning eco & wine tourism with the best ESG practices is one of the pillars of the the Fund, and therefore a mandatory criteria when choosing where to invest and how to operate. Sustainability practices are present at each stage of the projects and throughout the operations of the invested businesses.

- Conceptualization, architecture and construction (e.g., LEED or BREEAM certifications);
- Hospitality (e.g., WTCC Hotel Sustainability);
- Agroforestry activities (e.g., maintenance of local biomes, biological / biodynamic operations);
- Rescue and preservation of cultural heritage (e.g., material and immaterial UNESCO);
- Social projects with local and regional communities (e.g., training, health, recovery of traditions);
- Projects for environmental preservation (e.g., fauna and flora);
- Corporate governance best practices.





# Investment Strategy & Pipeline

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## Fund Investment Strategy

The Fund's capital is intended for investment in companies or projects with high growth potential and asset value development. The projects are expected to operate in the eco & wine tourism sector, enhancing the hospitality business through their integration with wine and/or agroforestry ventures.

The objective is to combine and balance some *greenfield & brownfield* projects with others already under operation, so the Fund may also allocate its capital for the recovery and turnaround of enterprises, companies or opportunistic special situations.

### Acquire and/or refurbish existing hotel properties



Acquire established operating hotels or resorts;



Buy profitable operations for which sustainability (ESG) approach is a strong fit;



Identify operations optimization opportunities to maximize results, including reflag operations.

### Develop new operations (*greenfield & brownfield* projects)



Develop new hospitality operations in selected locations;



Buy value-add properties with great potential for sustainable developments;



Attract top branded operations to maximize results.

# Selected Case Study

A unique opportunity to transform approximately 300 hectares of beautiful nature with a traditional winery and an XVIII century palace into a sustainable Resort & Spa, offering a full wine & eco-based experience where guests will be able to participate in the viticulture (pruning, harvesting) and winemaking (blending, foot trodding), by using antique and traditional methods mixed with new technologies, all located an easy 1h10m drive from Lisbon and 15 minutes from Évora.



## Business unit: Hospitality

- Total Hotel area: 13,500 sqm
- No. of keys & typology: 87 keys (56 suites, 26 villas & 5 glampings)
- Spa area: 1,800 sqm
- F&B
- Amenities



## Business unit: Wine

- Vineyard area: approx. 40 ha
- Terroir: DOC Évora
- Red (approx. 80%) & white (approx. 20%) grapes
- Production: 150,000 lts. of wine per year under biodynamic regime
- Winery area: 3,200 sqm, with gravity system flow integrated in the environment



## Business unit: Agroforestry

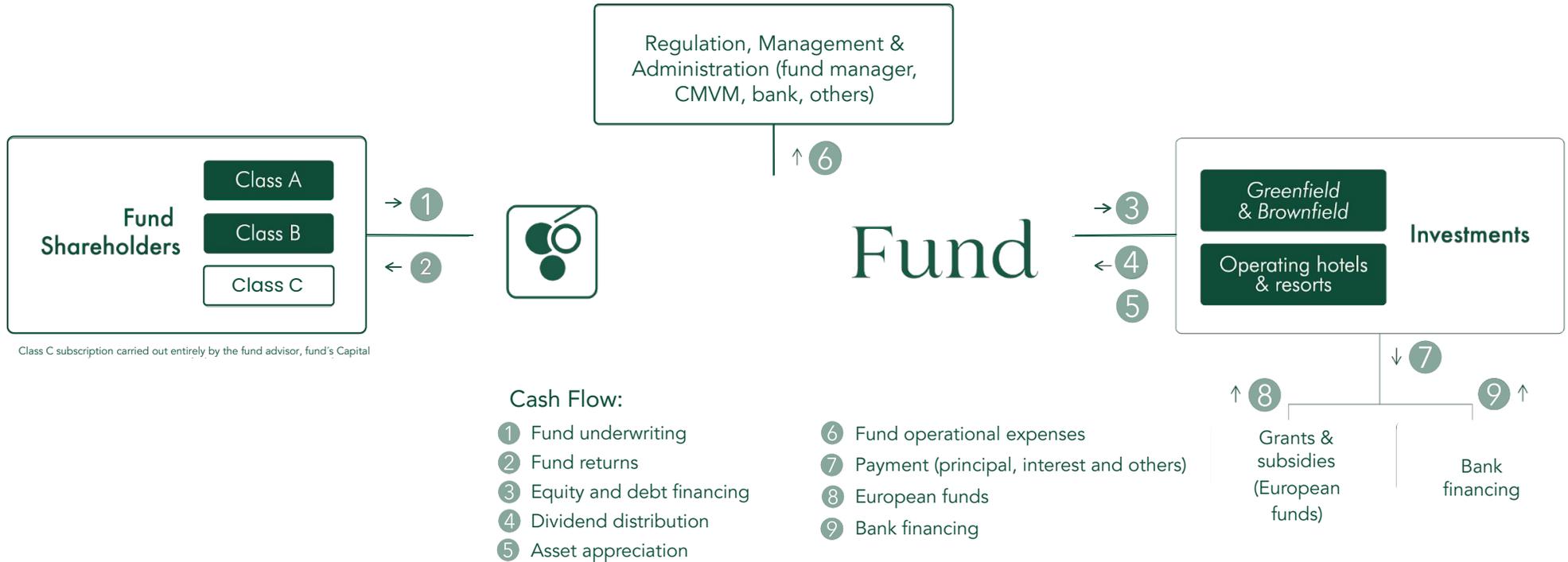
- Forest area: approx. 200 ha (cork & olive trees, etc)
- Production: 20,000 arrobas of corks (9 years cycle)
- Other agroforestry activities: sheep, pork, government subsidies (e.g., RPB)
- ESG projects focused on social, cultural & environmental enhancements

# Structure & Governance

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# Fund Structure



# Fund Governance



# How to Invest

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# Class A & B investors

## Class A profile

Investors looking for a safe investment with preference in the distribution of returns

### Target returns:

7% IRR with yearly distribution up to 3% of Fund's returns (subject to Fund Manager discretion)

### Other benefits:

- *The Fund Investors Club*, as described in the specific chapter
- Golden Visa eligibility

## Class B profile

Investors looking for higher returns, taking advantage of the Fund upside

### Target returns:

15% IRR with potential to receive more depending on Fund upsides

### Other benefits:

- *The Fund Investors Club*, as described in the specific chapter

## Key Fund Details

Fund registration	
Investment scope	The targeted projects shall act in the business areas of eco & wine tourism, maximizing the hospitality business by their integration with the wine and/or agroforestry businesses.
Assets under management ("AUM")	€35M (target)
Fund term	8 years <sup>1</sup> , allowing all participants to complete a full five years Golden Visa residency program period and apply for citizenship in the sixth year
Investment period	6 years
Subscription period	2 years (Jul/2025) or until reaching the target AUM
Sources of income	<ul style="list-style-type: none"> <li>• Dividends distribution</li> <li>• Assets appreciation</li> </ul>
Exit strategy	Sales of the assets to target buyers such as hospitality investors & players, family offices, PE funds and other institutional funds, which will trigger the promoted interests for the OpCo.
Fund manager	
Fund advisor	
Custodian bank	Bison Bank
Fund auditor	BDO

<sup>1</sup>Or + 1 and + 1 extension upon investors approval.

## Key Fund Details

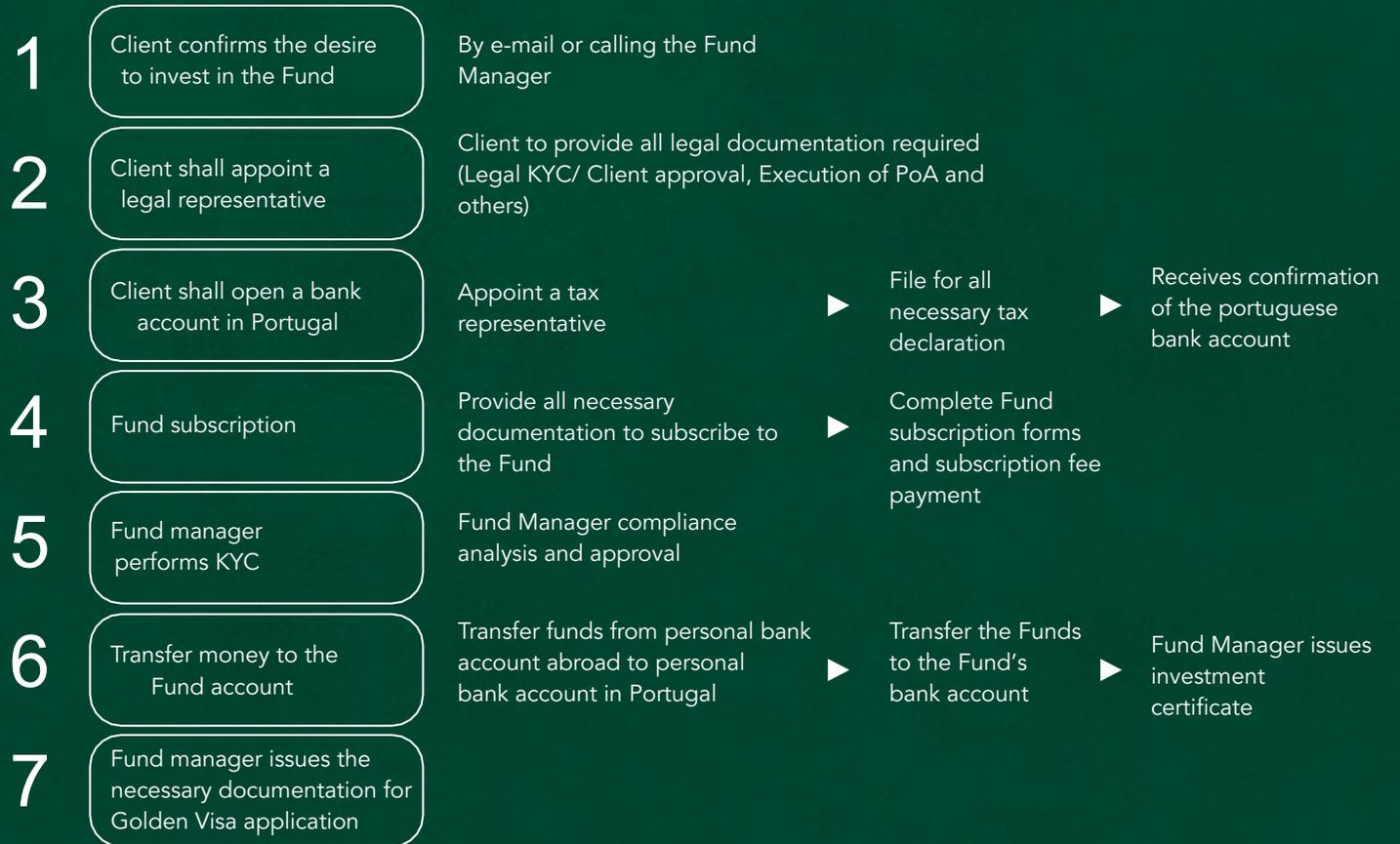
Classes of shares	<ul style="list-style-type: none"> <li>Class A shareholders receive the preference of returns distribution and they are eligible for the Golden Visa and for receiving dividends on a yearly basis, subject to Fund manager discretion</li> <li>Class B shareholders receive returns after the Class A preferred shareholders' distribution and they are eligible to receive the Fund upside returns</li> </ul>
Minimum investment ticket	<ul style="list-style-type: none"> <li>Class A: €200,000</li> <li>Class B: €100,000</li> </ul>
Golden Visa	Minimum of €500,000 (Class A)
Target returns <sup>1</sup>	<ul style="list-style-type: none"> <li>Class A: 7% IRR (or Euribor + 3%) with a yearly distribution of up to 3% of the Fund's returns (subject to Fund manager discretion)</li> <li>Class B: 15% IRR (or Euribor + 11%)</li> </ul>
Profit share / Incentive structure	<p>At the end of its term (Term of the Fund) and after full repayment of all paid-in capital, available any income will be distributed as follows:</p> <ul style="list-style-type: none"> <li>Class A investors preferentially receive up to 7% IRR</li> <li>Class B investors in turn receive up to 7% IRR and the higher earnings will be shared with Class C (Fund Advisor) and Fund Manager, being 70% for Class B, 28% for Class C and, 2% for the Fund Manager</li> </ul>
Subscription fee (one-off)	<ul style="list-style-type: none"> <li>1.50% for subscriptions during the first 12 months of Funds' life</li> <li>1.75% for subscriptions closed from months 13 onwards, with a minimum of €3,500 per investor</li> </ul>
Management fee	1.75% <sup>2</sup>
Tax benefits	Income tax exemption (0% income tax for non-residents in Portugal or 10% for tax residents) and inheritance tax exemption (0% tax for heirs) <sup>3</sup>
Exclusive benefits	By participating in the the Fund Investors Club, you will have access to some exclusive benefits associated with the invested projects. These benefits include hotel premium accommodation & wines, as well as engaging in ESG activities such as social initiatives, wine and agroforestry certifications, annual general meeting, among others

<sup>1</sup> There is no guarantee that the target rate of return and dividend will be achieved.

<sup>2</sup> Or minimum of €57,500 per year from €1M to €3M (AUM), and €115,000 per year from €3M onwards.

<sup>3</sup> Non-resident investors who are not residents of a tax haven jurisdiction are exempt from Withholding Tax

# How to invest in the Fund Step by step



# The Fund Investors Club

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## The Fund Investors Club

In addition to attractive expected returns, the fund investors will participate in the *Fund Investors Club*, an exclusive club where the members will live unique experiences in connection with the eco & wine tourism in Portugal.

## ESG benefits

Aligning eco & wine tourism with ESG practices is one of the fund pillars, therefore, having access to the *the Fund Investors Club* will give the member the opportunity to participate in exclusive actions promoted by the invested enterprises, e.g.:

- The Fund annual general meeting, including lunch (or dinner) and other exclusive experiences, each year held at one of the invested developments;
- Events for ESG certifications (e.g., construction, agroforestry, viticulture, etc);
- Planting of vines and cork trees;
- Social activities;
- Actions to reduce the carbon footprint;
- Among others.

Note: All the Club benefits will be offered by the developments from the Fund investment portfolio, following the rules and conditions according to the availability



## Wine & Hospitality benefits

In addition to the ESG benefits, some others will be offered according to the investment scale described below<sup>1</sup>

Category 1 Above €1,000,000	Category 2 From €500,000 To €999,999	Category 3 From €200,000 To €499,999	Category 4 From €100,000 To €199,999
<ul style="list-style-type: none"><li>• 1 barrel of wine per year, with the option of a personalized label</li><li>• 7 nights per year</li><li>• Unique experiences: tasting, blending, wine tours, grape harvest, etc</li></ul>	<ul style="list-style-type: none"><li>• 6 cases of wine per year</li><li>• 5 nights per year</li><li>• Unique experiences: tasting, blending, wine tours, grape harvest, etc</li></ul>	<ul style="list-style-type: none"><li>• 3 cases of wine per year</li><li>• 3 nights per year</li><li>• Unique experiences: tasting, blending, wine tours, grape harvest, etc</li></ul>	<ul style="list-style-type: none"><li>• 1 case of wine per year</li><li>• 1 night per year</li><li>• Unique experiences: tasting, blending, wine tours, grape harvest, etc</li></ul>

<sup>1</sup> Shipping, storage, taxes and other fees under the responsibility of the member

