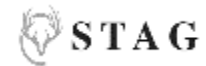


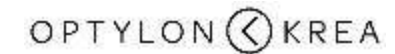


# NEXT CAPITAL FUND | APRIL 2021

Fund Manager



Advisor



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A STAG Asset Managers Fund

Advised by:



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There is no guarantee for the investors in the preservation of the invested capital, or in relation to the profitability of its investment, therefore existing a risk of total loss of the investment; the investment in this Fund is subject to the risk of changes in the prices of the assets comprised in the respective portfolio; the investment in this Fund is indirectly exposed to the risk of political instability or changes in tax conditions; reimbursement of participation units shall occur upon liquidation of the Fund; the participation units are not traded in the market and the sale and liquidity of such would depend on private deals/placements of such, in case the units are requested to be solved; investors of the Fund are exposed to a number of factors that influence the value of real estate investments, such as changes in property prices, location and quality, and to the financial capacity of tenants, with respect to investments intended for rental; the investment is subject to the investees companies credit risk, which in adverse situations may not fulfil all its liabilities to third parties.

The Fund is subject to material risks which are set forth in detail in the Fund's confidential private placement memorandum. Such risks include, but are not limited to, those risks associated with investing in assets in Portugal and other selected countries, as well as investing in a concentrated portfolio of real estate and real estate-related assets. The Fund has no operating history and is subject to limited regulatory oversight. There is no assurance that the Fund will be able to meet its investment objective. The Fund may use leverage at the level of companies it invests into which leverage presents opportunities for increasing the Fund's returns, but also has the effect of potentially increasing losses as well. Offers and sales of interests in the Fund will not be registered under the laws of any jurisdiction and will be made solely to qualified investors under all applicable laws.


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OPTYLON  KREA

# I. FUND SPONSORS



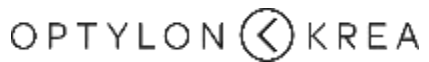
# TEAM

Experienced team combining a proven track record of fund management, real estate investments, legal advisory and corporate finance

Fund Manager	STAG Fund Management SCR S.A.
Fund Advisor	Optylon Krea, LDA
Depositary Bank	Banco Comercial Português S.A.
Auditors	BDO & Associados, SROC LDA
Valuation Companies	JLL, C&W, CBRE and equivalent

A STAG Asset Managers Fund

Advised by:



# FUND MANAGER



## Established expertise in the management of Capital Markets Regulated Funds and Asset Management

STAG Fund Management SCR S.A. (Management Company), is a Portuguese Fund Management Company, part of the wider Dixcart Group, a wealth advisor based in the UK with more than 45 years of experience.

Currently with 6 Venture Capital Funds under management, STAG's team of professionals have over 30 years combined experience in dealing with private equity, corporate restructuring and corporate finance. The objective is always to optimise each project and help ensure that each one realises its full potential.

STAG focuses on investing private equity, from countries across the world, into Portuguese companies. The innovative and ambitious projects have the ability to change the way we live. The funds that STAG manages offer a strong potential for growth and the capacity to make a difference in our society and people's lives.

STAG was founded in 2020, at the time of the Covid 19 worldwide pandemic, a challenging time but also an appropriate time to look at new opportunities with fresh eyes.

The company's structure is designed to quickly adapt to today's fast paced World, shifting according to market opportunities and Clients' requirements.

STAG pledges to work meticulously by always taking into account their clients' objectives and understanding their aims, ambitions and ideas.

# STAG MANAGEMENT TEAM



## A Highly Qualified Team Committed to Excellence



**Sean Dowden**  
President of the Board  
of Directors

- Opened the Dixcart Group office in Malta over a decade ago and managed to expand the business
- Created the Dixcart Malta Trust Company (Elise Trustees Ltd) as well as Dixcart Fund Administrators Malta Ltd
- Significant experience in dealing with fund managers, custodian banks and regulators
- Work experience in international financial accounting and management systems (KPMG South Africa and Barclays PLC London)



**Carlos Santos**  
V-P of the Board of  
Directors

- Lawyer since 2008 and accompanied more than 200 companies in various M&A projects, international corporate restructuring, international tax structuring and respective divestments of these structures in Portugal.
- Experience as a Tax Consultant at Ernst&Young Portugal, analysing multiple international structures with subsidiaries in Portugal for the preparation of Transfer Pricing files.
- consolidated know-how in investment and divestment operations



**António Pereira**  
Board Member

- 5 years experience at Dixcart Portugal, a Private Wealth Management firm with strong exposure to international markets, in which he actively monitored, advised and provided consultancy services in the implementation of various corporate, real estate and financial investments
- Vast experience in various procedures of due diligence and risk assessment of investments (including venture capital), of clients and business counterparties

A Pan-European group with over €1.6 Billion investments managed in real estate

# FUND ADVISOR

OPTYLON  KREA



EUROPE

27

Projects in  
Europe

€1.6b

Investment in  
the Last 20 Years

858k sqm

Private Area

5 Funds

PORTUGAL

9

Projects in  
Portugal

€315m

Investment in  
the Last 5 Years

68k sqm

Private Area

3 Funds



# FUND ADVISOR

## Proven International Track Record

- ✓ Delivered great returns in comparable investments in Portugal

37% p.a. and 2 multiple net return to equity investors in the last private deal in Portugal.

- ✓ Won Prestigious International Awards in various fields

Winner of Best Investment Manager in Euromoney Awards, Best Development Manager in Euromoney Awards Best Development Project in MIPIM Awards , Best Development Project in ULI Awards and Best Design in Arkitera Awards



# FUND ADVISOR MANAGEMENT TEAM



## Partners with solid expertise and track record



**Hakan Kodal**  
Chairman

- 29 years of experience in in real estate development and investment banking
- Founder and Chairman of many Real Estate Associations in Turkey from 1999 to 2012
- Investment banker in Garanti Investment Bank and Coopers & Lybrand in Paris (1991-1997) and CEO of Yapı Kredi Koray, a Turkish REIT listed in Istanbul (1997-2006)
- Founder Chairman of Krea Real Estate (2006)



**William Tonnard**  
President & COO

- 10 years of experience in real estate development and investment banking
- 5 years of experience in banking at BNP Paribas Hong Kong, in the Global Equities and Commodity Derivatives division
- Co-Founder of Optylon in 2014, a real estate focused private equity company based in Lisbon and Founding Partner of LovelyStay, a tech startup, developing software dedicated to the short-term rental

**Charles Wanecq**  
CEO




- 11 years of experience in real estate development and investment banking
- Exotic trader in Paris at SGCIB and Financial engineer on structured products in at Société Générale New York
- Co-Founder of Optylon in 2014, a real estate focused private equity company based in Lisbon and Founding Partner of LovelyStay, a tech startup, developing software dedicated to the short-term rental

**Dilek Arditi**  
CIO



- 24 years of experience in real estate business development, investment management and banking.
- Treasury sales and corporate banking in JPMorgan Chase Turkey (1996-2002) and Consultant to Akbank American Express in strategic planning and business development (2003-2005)
- Real estate fund management, business development, legal and tax configuration, investment management and project finance in Krea Real Estate since 2007.



OPTYLON  KREA

## II. PREVIOUS FUND ADVISORY





# LIG1 – FUNDO DE CAPITAL DE RISCO

OPTYLON  KREA

**Optylon Krea's Investment Funds target prime properties. All funds are duly regulated by the Portuguese Capitals Market ("CMVM").**

LIG1 has been established in December 2017 and did its first closing during Q1-2018. LIG1 is a 7-year closed-end fund with a minimum investment size of €500.000.

Initially, LIG1 Fund invested into commercial spaces of Corpus Christi Project, which was sold in January 2020. Currently, LIG1 Fund is invested into commercial spaces of Lisbon Square which are expected to be kept during 5 years until the exit term of the fund.

## CORPUS CHRISTI CASE STUDY

### Why it is invested

Extremely central location  
Unique historical monastery building

### How it is invested

- LIG 1
- Equity Investors

### How it is exited

- Acquired at 19m€ exit at 42m€
- 37% p.a. net return for equity & 18.5% fund investors





**Optylon Krea's Investment Funds target prime properties. All funds are duly regulated by the Portuguese Capitals Market ("CMVM").**

# NEST CAPITAL FUND

OPTYLON  KREA

NEST Capital Fund has been established in January 2019 with a diversified portfolio investment strategy, both geographically and asset wise. NEST is a 6 year closed-end fund with a minimum investment size of €350.000.

The fund has recently started its investment period, targeting mainly commercial yielding (or potentially yielding) assets with tenants such as cafes, restaurants, touristic shops and classic retailers

## LISBON SQUARE CASE STUDY

### The opportunity

- 9,000 sqm of a retail center in a mix used project
- Great location
- Chance to Develop a one-of-a-kind mixed-use project in Lisbon

### Why it is invested

- No downside but 50% of the upside
- Price reduced from 4500 €/sqm to 3,800 €/sqm
- 7% guaranteed return and a put option to be exercised in the 5th year



**Optylon Krea's Investment Funds target prime properties. All funds are duly regulated by the Portuguese Capitals Market ("CMVM").**

# NEST CAPITAL FUND

OPTYLON  KREA

NEST Capital Fund has been established in January 2019 with a diversified portfolio investment strategy, both geographically and asset wise. NEST is a 6 year closed-end fund with a minimum investment size of €350.000.

The fund has recently started its investment period, targeting mainly commercial yielding (or potentially yielding) assets with tenants such as cafes, restaurants, touristic shops and classic retailers

## SANTA CATARINA CASE STUDY

### The opportunity

- Yielding retail asset of 767 sqm
- Located in downtown Porto's most famous commercial street
- 10 years rental agreement with *Courir*, housing the first store of the brand specialized in tennis shoes and sports footwear in Portugal (term in 2030)

### Why it is invested

- Prime location with prime tenant (not possible before Covid-19)
- Acquired for 6,650 €/sqm
- 5.1% yield



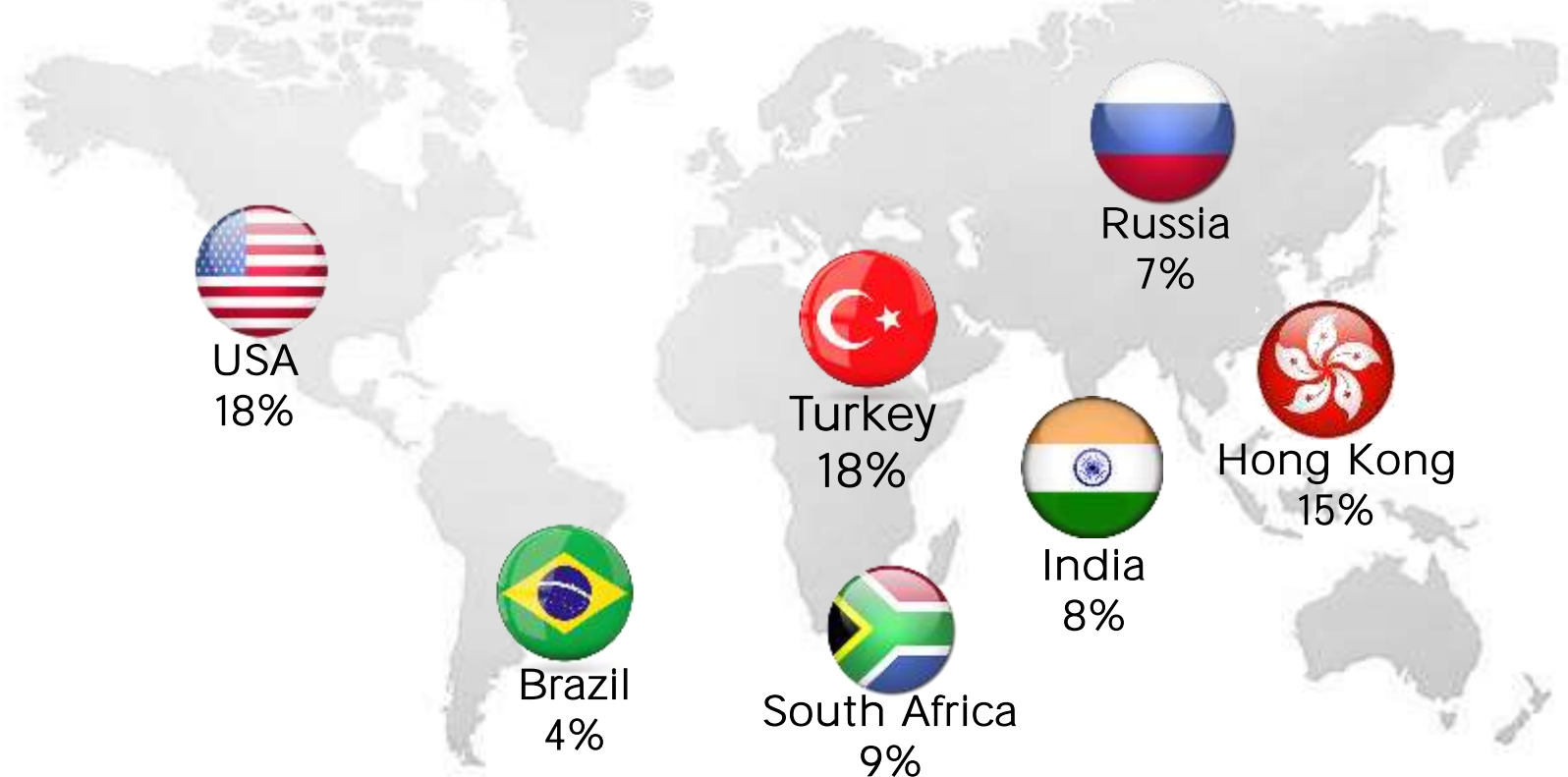
NEST Capital Fund reached over €52 Million at closing, becoming the Largest Fund raised by GV investors in Portugal

# NEST CAPITAL FUND

OPTYLON  KREA

## A diversified Investor Base

149 Investors from 19 different countries




Other Investors from:

Jordan, China, Saudi Arabia, Iran, Pakistan, Lebanon, Malaysia, Indonesia, Egypt, Japan, Taiwan, UK





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# III. INVESTMENT SCOPE





# DIVERSIFIED PRIME COMMERCIAL ASSETS

A STAG Asset Managers Fund

Advised by:

OPTYLON  KREA

Investing equity into companies developing or holding prime yielding commercial assets in Mediterranean touristic cities with a focus on Lisbon, with no single investment exceeding 33,33% of the portfolio



# SUMMARY TERMS

A STAG Asset Managers Fund

Advised by:



## A diversified fund, both asset wise and geographically

Investment Type	Investment in participation units of a CMVM regulated venture capital fund
Fund Name	Next Fundo de Capital de Risco ("Next FCR") Target
Subscription Period	12+6 months (until June 2022)
Fund Size	€75 million (maximum)
Management Company	STAG Fund Management SCR S.A. ("STAG")
Investment Advisor	Optylon Krea LDA ("OK")
Depository Bank	Banco Comercial Portugues S.A.
Auditor	BDO & Associados, SROC, LDA
Investment size (1)	€350,000* (minimum required for Golden Visa)
Fees & Expenses (2)	1.80% per annum
Subscription Fee	1.23% over the investment amount (one-off)
Yearly Target Distribution	3% p.a. net of expenses
Target Return (for the life of the Fund)	10% p.a.(3)
Upside performance	Capital gain from the commercial portfolio at exit (up to 50% of the fund's liquidation proceedings) resulting from the disposal of the portfolio participations (Average Selling Price – Average Purchase Price) only applicable at Exit if there is a positive result. The management entity is not entitled to receive a performance fee on the yearly distributions nor on the fund's liquidation.
Term	6 years (extendable twice for 1-year periods)
Exit	End of Term sale of individual assets or entire portfolio

\* The minimum investment amount is 200,000€

(1) For Golden Visa investors, please note that the minimum investment will increase from 350,000€ to 500,000€ as of January 2022

(2) Calculated for a regular year, with a fund size of €50 million and includes fund management and all legal and regulatory fees

(3) Target return p.a. is net of fund expenses and with the assumption of a capital gain at the exit and no leverage use

# DIVERSIFIED PRIME COMMERCIAL ASSETS

A STAG Asset Managers Fund

Advised by:

OPTYLON  KREA

## A diversified fund, both asset wise and geographically

- Investment in prime commercial assets including but not limited to high-street retail, logistics and specialised offices such as doctor offices, health centers and co-working.
- Geographical focus on Portugal, mainly Lisbon, as well as other European cities such as Madrid, Barcelona, Milan, Athens & Istanbul with excellent investment & growth potential.
- Opportunistic investments targeting to take advantage of the expected rebound in such cities post Covid-19.
- Targeting strong cash flow yielding investments such as logistics, street retail, specialized office or health related assets
- Investment done through a transparent and tax efficient vehicle regulated by the Capital Markets Board ('CMVM').
- €350,000+\* investment provides the right to apply for Portuguese Golden Visa ('GV') program, **Europe's** best alternative.

# RETAIL

## City Comparison

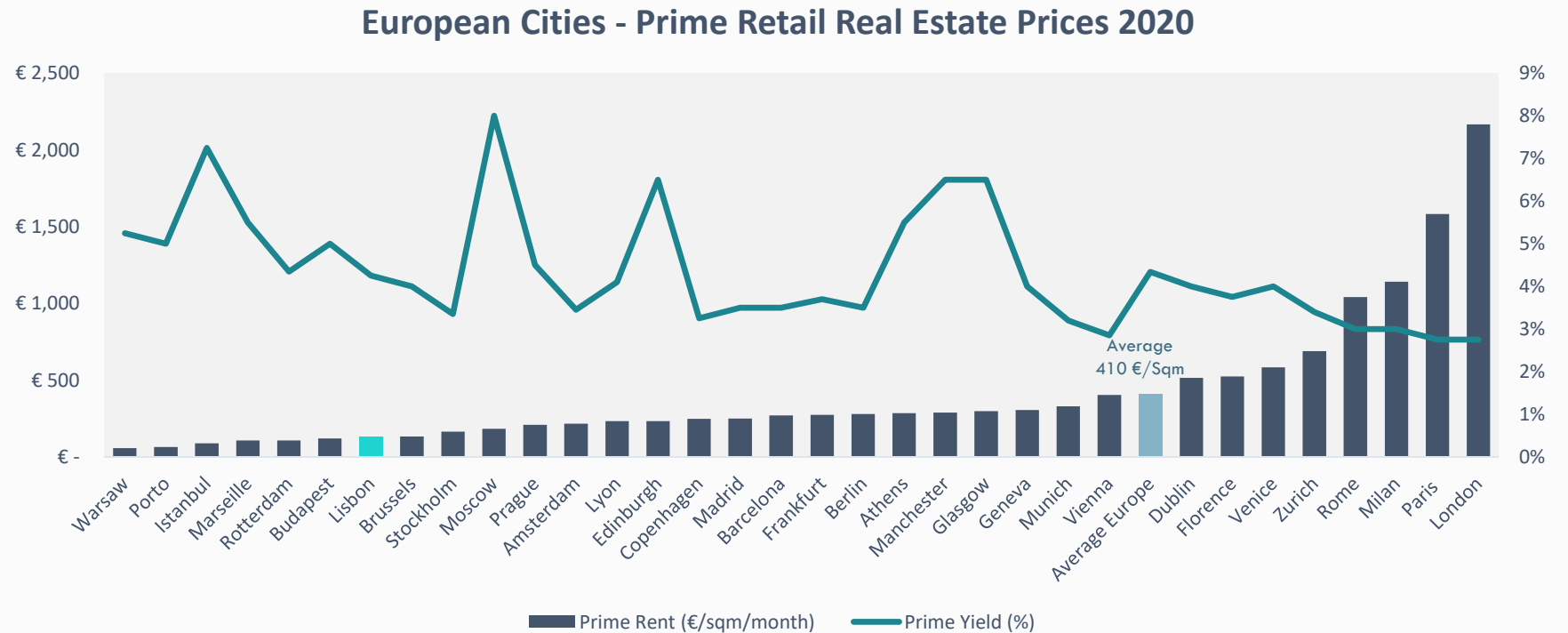
A STAG Asset Managers Fund

Advised by:



### Lisbon Prime Retail Real Estate prices are way below the European average

In 2020, Lisbon's prime retail price per square meter reached € 130/sqm compared to the European average price of € 410/sqm



Source : Cushman Wakefield and JLL



# RETAIL

## City Comparison

A STAG Asset Managers Fund

Advised by:



### Portuguese retail real estate market has a great upside potential

- Average prime retail real estate prices in European Secondary Cities is close to €100,000 per sqm, equaling to 2.7 times Lisbon prices.
- Lisbon’s position remained significantly low due to an old law restricting rental increases and long-lasting economic crisis (till 2015), but is expected to catch up to its peers.

**Top European Secondary Cities – Prime Retail vs Residential Real Estate Prices**

Rank	City	Country	Yearly rent per sqm (€)	Yield	Price per sqm (€)	Average Prime Residential Area (€/sqm)
1	Vienna	Austria	4,860	2.85%	170,526	8,815
2	Florence	Italy	6,300	3.75%	168,000	N/A
3	Dublin	Ireland	6,175	4.00%	154,375	6,573
4	Barcelona	Spain	3,240	2.50%	129,600	5,627
5	Madrid	Spain	3,000	3.50%	85,714	6,900
6	Lyon	France	2,800	4.10%	68,293	7,310
7	Athens	Greece	3,420	5.50%	62,182	2,200
8	Prague	Czech R.	2,520	4.50%	56,000	6,039
9	Glasgow	U.K.	3,584	6.50%	55,138	N/A
10	Lisbon	Portugal	1,560	4.25%	36,706	6,210
<b>Average European Touristic Cities</b>			<b>3,746</b>	<b>4.15%</b>	<b>98,653</b>	<b>6,209</b>

Sources : Cushman & Wakefield, Retail Market Snapshot Q3 2020  
<https://www.globalpropertyguide.com/Europe/>

# LOGISTICS

## City Comparison

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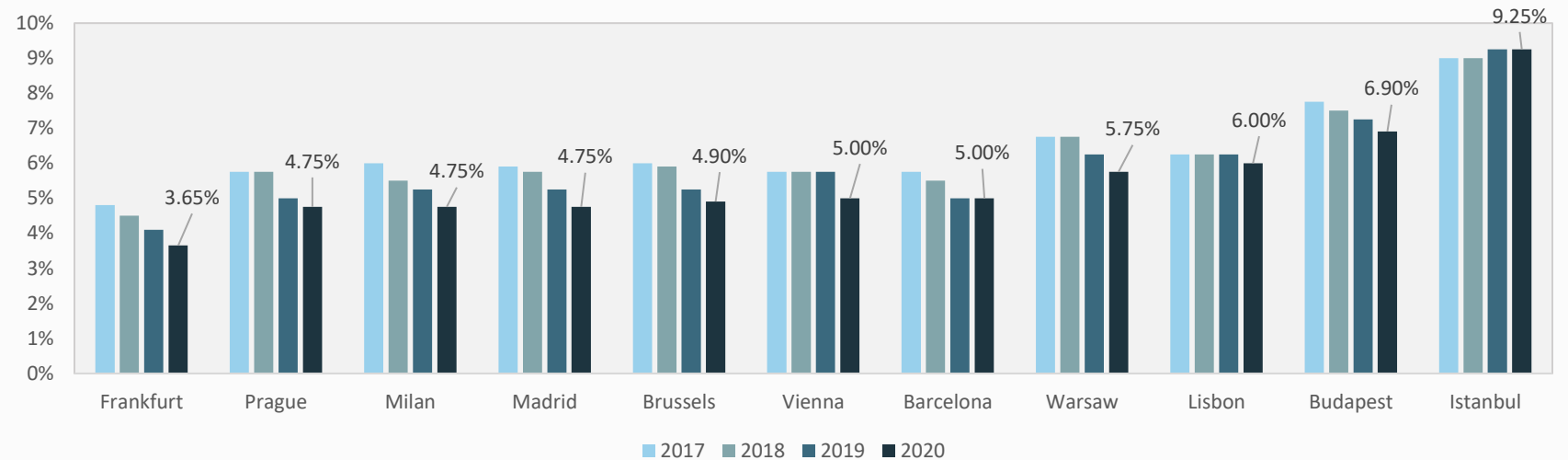


### Lisbon's Prime Logistics assets as opportunistic as other Eastern European cities

In 2020, Lisbon's prime logistics yields reached 6% compared to the European average price of 5.23%

Covid-19 expected to start having an impact on Market prices and yields as of 2022

European Cities - Prime Logistics Price Change 2017-2020



Source : Cushman Wakefield,

# OFFICES

## City Comparison

A STAG Asset Managers Fund

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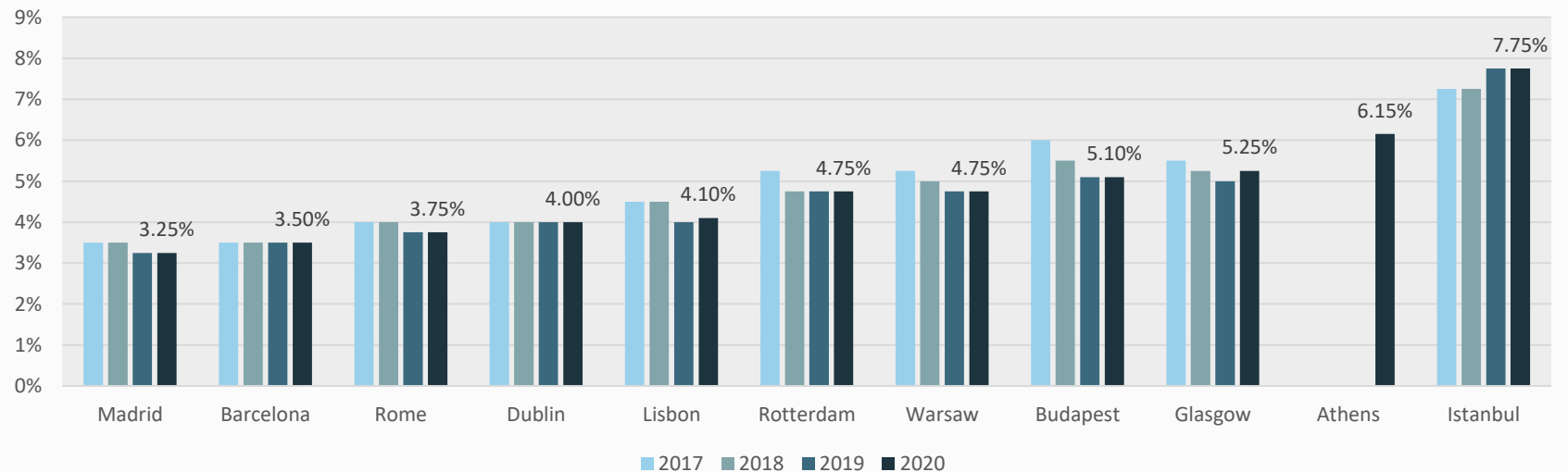
Post-Covid, Lisbon and other selected European cities, still show opportunistic office asset deals in prime locations

In 2020, Lisbon's prime offices yields reached 4.10% compared to the European average price of 4.13%

Assets with strong tenants, high yields or sale/lease-back options remain attractive

Covid-19 expected to start having an impact on Market prices and yields as of 2022

### European Cities - Prime Office Yield Change 2017-2020



Source : Cushman Wakefield,

# TARGET RETURN

A STAG Asset Managers Fund

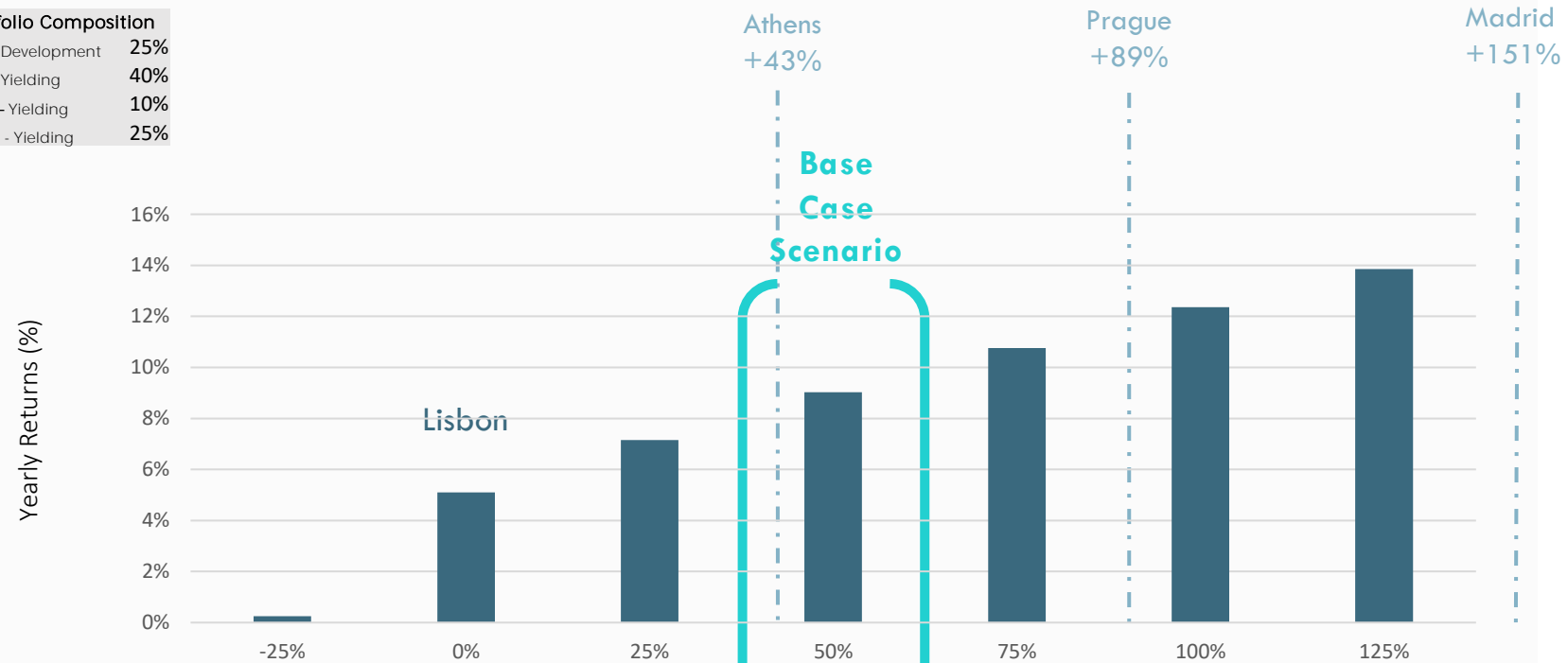
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## Fund's target return is approx. 10%\* net per annum

The fund's target return to investors depends on both yearly revenues (around 5% p.a.) and on capital gain at exit (50% appreciation for retail and 20% for office and logistics)

Portfolio Composition	
Retail - Development	25%
Retail - Yielding	40%
Offices - Yielding	10%
Logistic - Yielding	25%



\*Change in Offices and Logistic Values assumed to be proportional

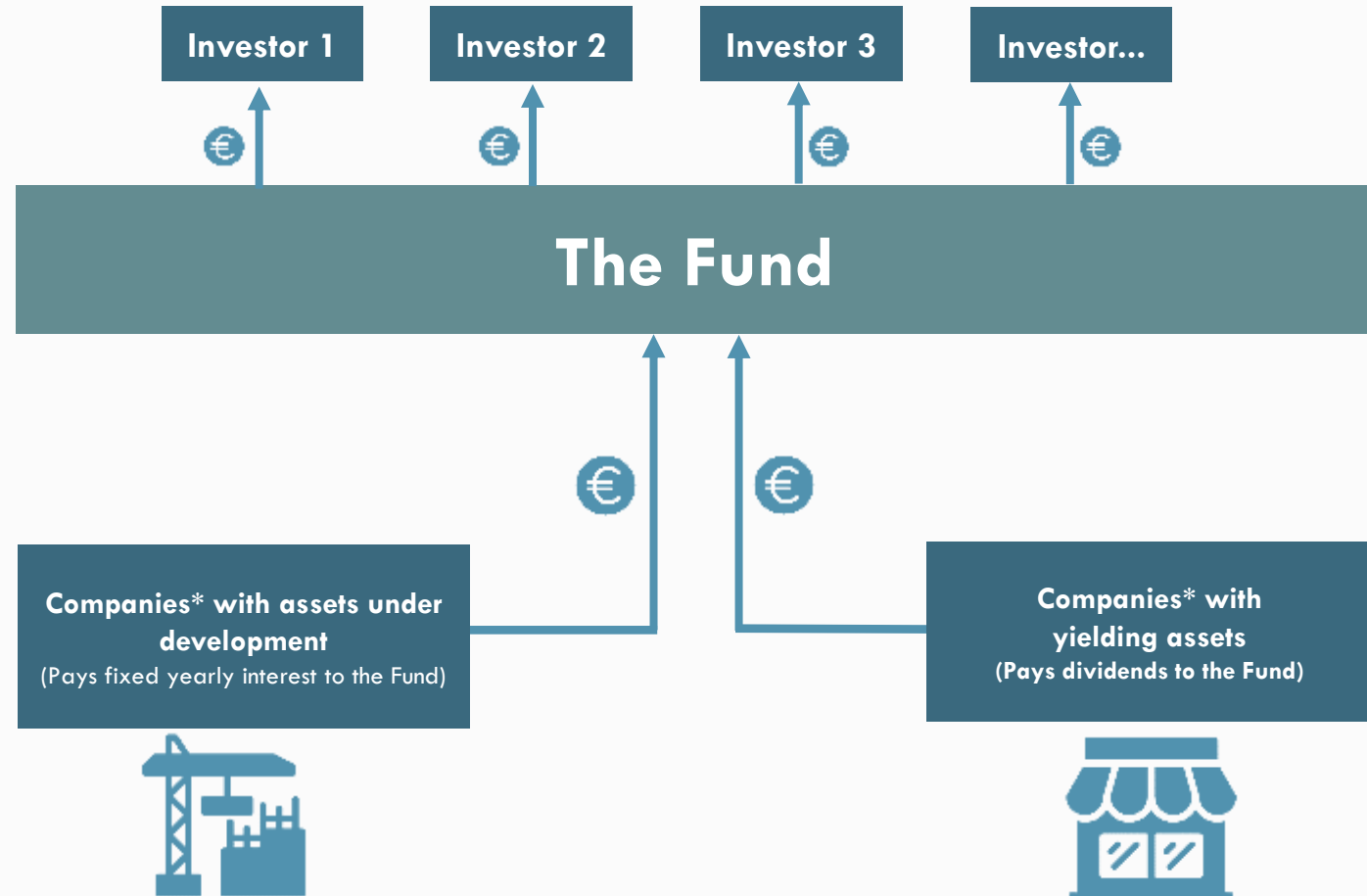
Change in Retail Values*	-25%	0%	25%	50%	75%	100%	125%
<b>Total Return</b>	0.25%	5.10%	7.15%	9.03%	10.76%	12.36%	13.86%
<b>Total Investor Profit (NET)</b>	5,210	121,585	179,773	237,960	296,148	354,335	412,523
<b>Performance Fees (NET)</b>	-	-	58,188	116,375	174,563	232,750	290,938

\* There is no guarantee that the target rate of return will be achieved



# FUND STRUCTURE

Investing in companies developing and holding commercial assets



A STAG Asset Managers Fund

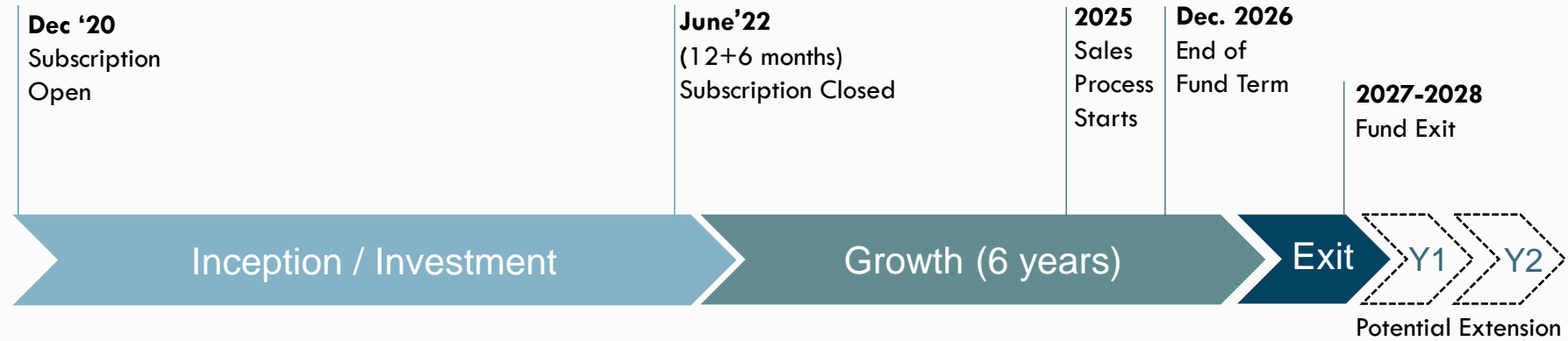
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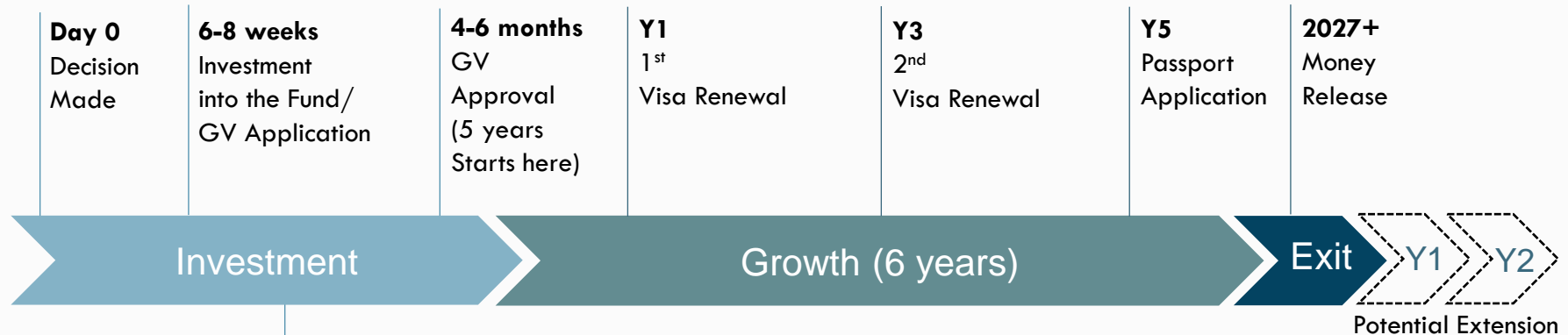
\* Companies (SPV's) may be using leverage

# TIMELINE

## FUND



## GOLDEN VISA INVESTOR\*



**4-6 weeks**  
GV Biometrics

\*The proposed timeline is in line with the current deadlines established by the public entities supervising the GV process. STAG is not responsible for any delay on the process which is exclusively dependent on third-parties.

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# TARGETED PIPELINE

A STAG Asset Managers Fund

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Fund's Commercial Real Estate Pipeline average target yield of 5,50% (mix of retail and logistics assets)

Project	City	Neighbourhood	Asset Class	Units	Lease Start Date	Lease Term (years)	Area (sqm)	Current monthly rent	Target Yield	Target Price	Price/sqm	Weight
Ouro	Lisbon	Baixa	Retail	1	2021	10	420	€ 25,000	5.25%	€ 5,714,286	€ 13,605	7.83%
Liberdade A	Lisbon	Liberdade	Retail	1	2016	10	290	€ 22,700	4.75%	€ 5,734,737	€ 19,775	7.85%
Liberdade B	Lisbon	Liberdade	Retail	1	2020	5	320	€ 24,000	4.75%	€ 6,063,158	€ 18,947	8.30%
Dom Carlos	Lisbon	Santos	Retail	1	2020	15	490	€ 12,000	5.50%	€ 2,618,182	€ 5,343	3.59%
Sao Paulo	Lisbon	Cais do Sodré	Retail	1	2019	5	280	€ 10,000	5.50%	€ 2,181,818	€ 7,792	2.99%
Rua do Seculo	Lisbon	Principe Real	Retail	3	2019	6	260	€ 11,000	6.50%	€ 3,046,154	€ 11,716	4.17%
Largo Sao Luis	Porto	Baixa	Retail	3	2019	15	200	€ 8,300	6.00%	€ 1,660,000	€ 8,300	2.27%
Santa Catarina A	Porto	Baixa	Retail	3	2017	15	880	€ 20,300	5.25%	€ 4,114,286	€ 4,675	5.64%
Santa Catarina B	Porto	Baixa	Retail	1	2011	15	530	€ 12,900	5.25%	€ 3,129,371	€ 5,904	4.29%
Santa Catarina C	Porto	Baixa	Retail	1	2019	10	950	€ 16,000	5.25%	€ 3,657,143	€ 3,850	5.01%
Santa Catarina D	Porto	Baixa	Retail	1	2019	10	300	€ 15,000	5.25%	€ 3,428,571	€ 11,429	4.70%
Claudio Coello	Madrid	Salamanca	Retail	1	2017	20	250	€ 28,100	4.00%	€ 8,500,000	€ 34,000	11.64%
Santa Apolonia	Lisbon	Alfama	Retail	5	2025	N/A	1,004	N/A	5.50%	€ 6,600,000	€ 6,574	9.04%
A1 Axis	Madrid	Alcobendas	Logistics & Office	3	2020	10	8,600	€ 48,900	6.50%	€ 9,461,354	€ 1,100	12.96%
Undefined	Lisbon	São João da Talha	Logistics	1			12,200		7.00%	€ 7,100,000	€ 582	9.72%
<b>TOTAL</b>				<b>27</b>			<b>26,974</b>	<b>€ 254,200</b>	<b>5.48%</b>	<b>€ 73,009,060</b>	<b>€ 10,240</b>	<b>100%</b>

The fund pipeline has projects pending review that are not listed in this list  
 The Retail portfolio could be bought jointly with Nest Fund  
 Non-exhaustive tentative list of acquisitions  
 Information contained herein is for indicative purpose only and may change without prior information.  
 Lease date, Monthly Rent, Acquisition Yield, Acquisition Prices are targeted values as of February 2021.

# EXAMPLE INVESTMENT

## (Yielding)

A STAG Asset Managers Fund

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## Potential Investment

### DOM CARLOS Santos, Lisbon

The asset is strategically located in the popular Santos neighbourhood, a high densely-populated area next to the riverside, where several notorious companies have set up offices and shop in the recent years. Santos has become Lisbon's destination for decoration and design, as well as restaurants and bars, as it is assumed as the extension of Cais do Sodré.

The asset, occupied by a strong F&B franchise, is located on the ground floor of a brand-new residential building next to the riverside.

Yield	5.50 %
Store Area	490 sqm
Price	€ 2,618,182
Price Per Sqm	€ 5,343
Tenant	Restaurant (2020)

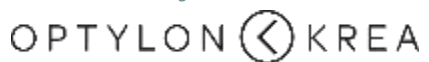


# EXAMPLE INVESTMENT

(Development)

A STAG Asset Managers Fund

Advised by:



## Potential Investment

### SANTA APOLONIA Alfama, Lisbon

Strategically located between Baixa (Lisbon's historical centre) and Alfama, and only a minute walk from both the Santa Apolonia multimodal station and Lisbon's new Cruise ship Terminal, the asset represents a rare opportunity to develop a one of a kind mixed-use/hotel project downtown Lisbon.

The project will include a hotel-apartment of 74 apartments from T0 to T1 as well as 1,004 sqm of retail area (5 retail spaces) meant to attract flagship F&B and concept stores

Yield	5.50 %
Store Area	1,004 sqm
Price	€ 6,600,000
Price Per Sqm	€ 6,574
Project Delivery	2025



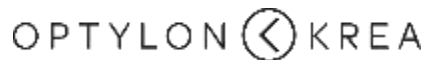


# EXAMPLE INVESTMENT

## (Logistics)

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## Potential Investment

### INDUSTRIAL PARK Outside Lisbon


Located next to Highway A1 (Porto), on the outskirts of Lisbon, and only 15 minutes away from the International Airport, the Asset benefits from an outstanding location for logistics activities.

The Asset is 100% occupied by a strong tenant using the space for its logistics activities. This consists of a rare opportunity for this type of Asset in the Lisbon metropolitan area.

Yield	7.00 %
Store Area	12,200 sqm
Price	€ 7,100,000
Price Per Sqm	€ 582
Tenant	Confidential





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# IV. INVESTMENT OPPORTUNITY

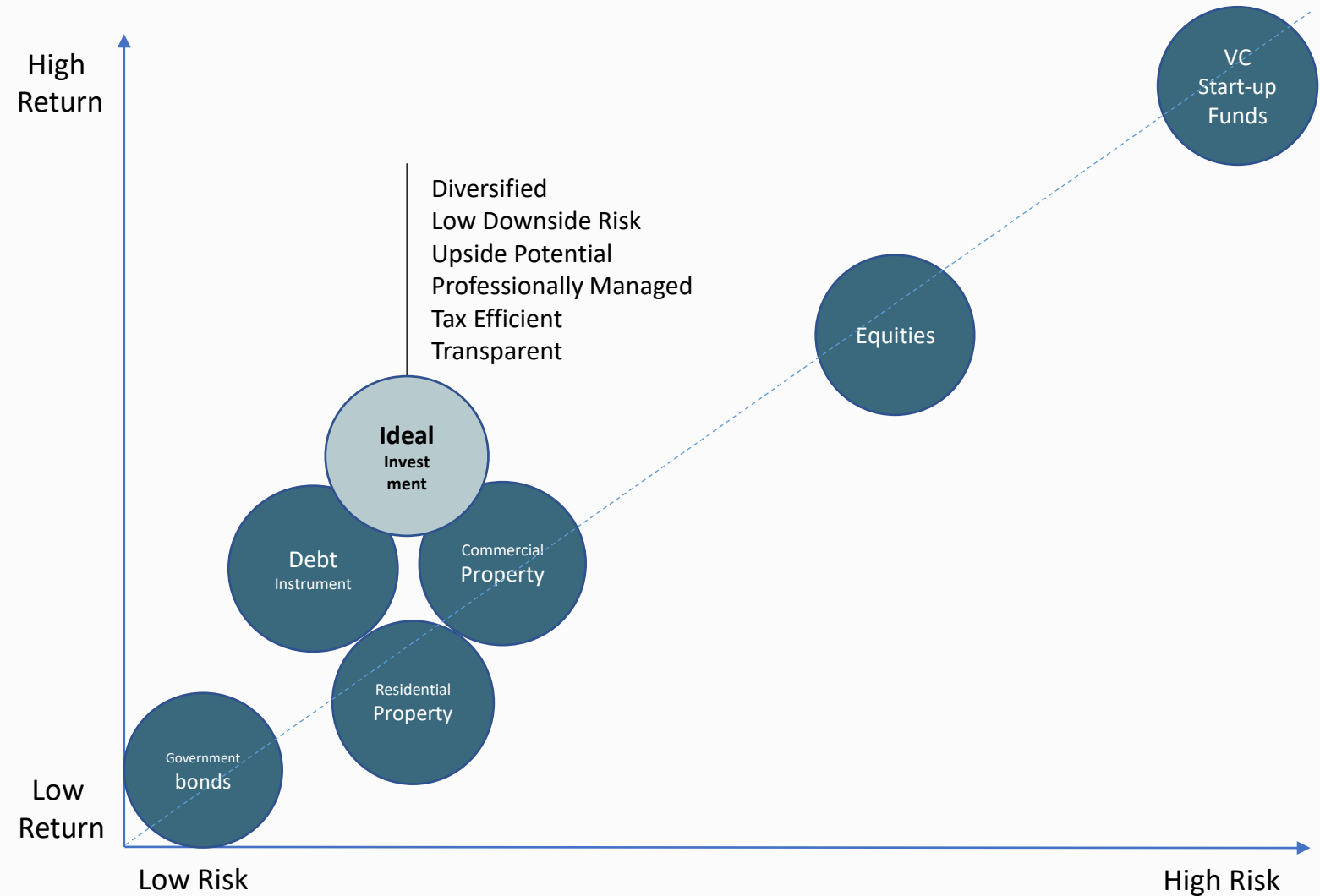


# INVESTMENT ALTERNATIVES

A STAG Asset Managers Fund

Advised by:  
OPTYLON  KREA

## Investment Dilemma: Risk vs Return



# NEXT: INVESTMENT OPPORTUNITY

A STAG Asset Managers Fund

Advised by:


OPTYLON  KREA

## Why invest in NEXT Fund?

- 6 Year Closed-end Commercial Real Estate Portfolio Investment, (with 1+1 year extension)
- Target strong cash flow yielding investments such as logistics, street retail, specialized office or health related assets
- Size does matter: with NEXT, we target to raise over €75 million, primed to make use of the current price drops as the alternative with most cash raised.
- 2/3 Portuguese companies, 1/3 Geographical diversification targeted in the Mediterranean
- Diversified portfolio in terms of asset classes and locations eliminates a substantial portion of the risk





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V.  
RESIDENCY  
PROGRAM





# PORTUGUESE GOLDEN VISA PROGRAM

A STAG Asset Managers Fund

Advised by:

OPTYLON  KREA

## One of the most attractive programs in the world

- The Portuguese Golden Visa is a very popular visa programme with almost **10,000 visas** having been granted to main applicants since the inception of the programme in 2012.
- To this number, we can add 16,050 family members who also benefited from the investment of the main applicant.
- This represents a total direct investment of almost **6 billion euros** in Portugal.
- The top 5 nationalities applying for the Golden Visa are:
  - China;
  - Brazil;
  - Turkey;
  - South Africa;
  - Russia.

*The Portuguese Golden Visa program in its current form will remain until Jan 2022*

# WHAT'S NEXT IN GOLDEN VISA PROGRAM

A STAG Asset Managers Fund

Advised by:

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## Recent developments

Portuguese Government informed the market in January 2020 that some, not drastic and only suffice to correct price distortions in the metropolitan areas, changes to the Golden Visa, namely in the real estate and fund investment route, would be introduced.

- Current investment requirements are valid till Jan, 2022
- After January 1st, 2022, changes will happen and minimum required amount in Fund investments will be increased to €500.000.
- Geographical limitations for direct real estate investments will be in force

*The Portuguese Golden Visa program in its current form will remain until Jan 2022*

# PORTUGUESE GOLDEN VISA PROGRAM

A STAG Asset Managers Fund

Advised by:



## A five-year investment-based Residency program for non-EU nationals

- 5 years to citizenship
- Minimum residency requirement of 7 days yearly average during 5-year period.
- Minimum Contribution:

Property Acquisition	Capital Contribution	Business
<ul style="list-style-type: none"><li>▪ <u>A real estate purchase with a minimum value of €500,000</u></li><li>▪ A real estate purchase with a minimum value of €350,000 for the refurbishment of properties older than 30 years or in an area of urban regeneration, including the cost of renovations</li></ul>	<ul style="list-style-type: none"><li>▪ €1 million transfer into a Portuguese bank account or approved investment options</li><li>▪ €350,000 for research act. of public or private entities that are part of the national scientific and technological system</li><li>▪ €250,000 in support of artistic production or in the recovery or maintenance of the national cultural heritage</li><li>▪ <u>€350,000 for the acquisition of units of investment funds or venture capital funds</u> committed to the capitalization of companies incoop. under the Portuguese law with a maturity of at least five years and with a least 60% of the investment portfolio in companies with a head office in the national territory</li></ul>	<ul style="list-style-type: none"><li>▪ Creation of a minimum of 10 new jobs</li><li>▪ €350,000 for the incorporation of increase of the share capital of a company registered in Portugal, creating for maintaining a min. of five permanent jobs, for a period of three years</li></ul>

*The Portuguese Golden Visa program in its current form will remain until Jan 2022*

Source: Law no. 23/2007, 4th July, article 3<sup>rd</sup> no. 1 paragraph d).

# ELIGIBLE INVESTMENTS

A STAG Asset Managers Fund

Advised by:



## Possibility to get residency starting from €356.000 investment only

No income tax on distributions and capital gains in fund investments for non-tax residents versus 28% to be paid on rental income and capital gains in direct property investments

	NEXT Equity Fund	Property *		Capital Contributions
Minimum Investment	€ 350,000	€ 350,000	€ 500,000	€ 1,000,000
Subscription Fees	1.23%	0%	0%	0%
Transfer Taxes	0%	7,5%	7,5%	0%
Title Transfer Fees	0%	6.5%	6.5%	0%
Stamp Duty	0%	0.8%	0.8%	0%
Registration & Notary Cost (Approx.)	0%	0.2%	0.2%	0%
Exit Fees (Est.)	0%	(5%+VAT)	(5%+VAT)	0%
Furniture (Est.)	0%	€ 15,000	€ 20,000	0%
Lawyer Fees (Est.) **	€ 2,000	€ 5,000	€ 5,000	€ 5,000
<b>TOTAL Investment (Est.)</b>	<b>€ 356,305</b>	<b>€ 417,775</b>	<b>€ 593,250</b>	<b>€ 1,005,000</b>

*The Portuguese Golden Visa program in its current form will remain until Jan 2022*

\*Direct property Investments in Metropolitan areas can be excluded from Golden Visa eligibility starting from 2021 according to recent declarations of the Government. To be confirmed.

\*\* Golden Visa application costs should be added and depend on the number of applicants and legal consultancy fees of legal councils.



# PORTUGUESE GOLDEN VISA PROGRAM

A STAG Asset Managers Fund

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A simple process for investing in the Fund and to become eligible for Golden Visa



*The Portuguese Golden Visa program in its current form will remain until Jan 2022*



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# VI. POST-COVID ANALYSIS

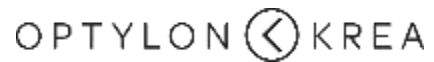


# POST-COVID REBOUND

## Country Comparison

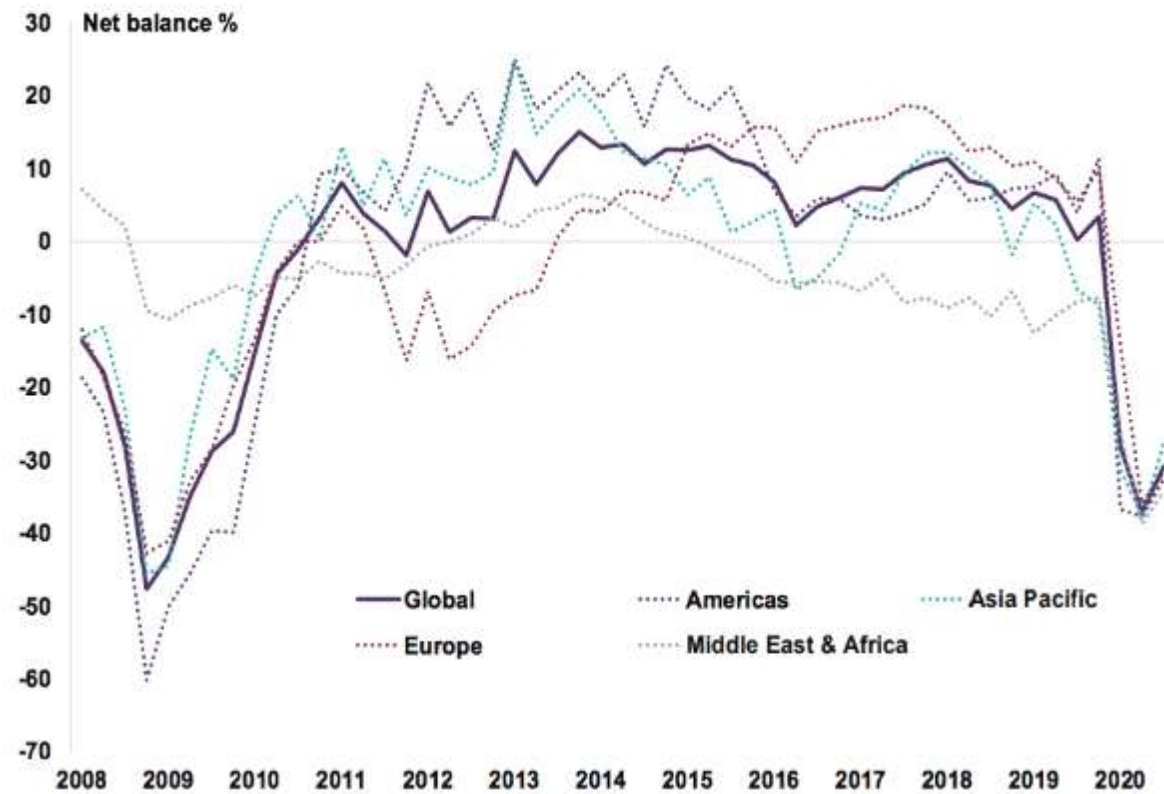
A STAG Asset Managers Fund

Advised by:



## Downturn Trend Expected in All Markets

Chart 1: Global Commercial Property Sentiment Index\*



Source: RICS, LaSalle Investment Management

# POST-COVID REBOUND

## Country Comparison

A STAG Asset Managers Fund

Advised by:



«Germany’s Methodological System and Portugal’s early response made a difference»

Developed Countries	Quality of Life	Peaceful Country Index	Covid-19 Death per 1m Population	WHO Health System	Cost of Living	Press Freedom
Countries	Ranking	Ranking	Number	Ranking	Relative Index	Ranking
Spain	2	38	899	7	54	29
Italy	49	31	781	2	67	41
UK	48	42	783	18	67	35
France	18	66	715	1	74	34
Sweden	29	15	626	23	70	4
USA	44	121	773	37	71	45
Canada	11	6	295	30	68	16
<b>Portugal</b>	<b>1</b>	<b>3</b>	<b>357</b>	<b>12</b>	<b>49</b>	<b>10</b>
Germany	22	16	162	25	65	11
Greece	38	57	124	14	56	65

Sources:  
<https://www.worldometers.info/coronavirus/>  
[https://www.numbeo.com/cost-of-living/rankings\\_by\\_country.jsp](https://www.numbeo.com/cost-of-living/rankings_by_country.jsp)  
[https://rsf.org/en/ranking\\_table](https://rsf.org/en/ranking_table)

<https://www.visionofhumanity.org/maps/#/>  
<https://www.who.int/healthinfo/paper30.pdf>  
[https://www.numbeo.com/quality-of-life/rankings\\_by\\_country.jsp](https://www.numbeo.com/quality-of-life/rankings_by_country.jsp)



# POST-COVID REBOUND

## Country Comparison

A STAG Asset Managers Fund

Advised by:



## Losers & Winners : What We Know So Far

- **FDI Loves Freedom:** Germany, Portugal, Ireland, New Zealand and Canada do great on peaceful country index as well as press freedom.
- **Attracting Talent:** Portugal and Spain top the list in the “Quality of Life Index” for expats.
- **Dependency on Tourism:** Spain, Greece, Cyprus and Portugal all need to keep their tourism industry on life support.
- **Geopolitical Factors:** Countries that are in economic ruin will create waves of refugees as well as regional instability.

In which city you would invest?  
People tend to choose major cities.

But is it the right decision to make?

Overall rank		Overall prospects
1	Berlin	2.20
2	London	2.12
3	Paris	2.09
4	Frankfurt	1.87
5	Amsterdam	1.86
6	Hamburg	1.77
7	Munich	1.77
8	Madrid	1.55
9	Milan	1.25
10	Vienna	1.24
11	Dublin	1.20
12	Brussels	1.18
13	Barcelona	1.16
14	Warsaw	1.15
15	Lisbon	1.09
16	Stockholm	1.01
Mean		
17	Luxembourg	0.97
18	Copenhagen	0.97
19	Helsinki	0.81
20	Zurich	0.71
21	Lyon	0.64
22	Manchester	0.63
23	Rome	0.60
24	Prague	0.59
25	Birmingham	0.57
26	Budapest	0.47
27	Edinburgh	0.45
28	Athens	0.45
29	Oslo	0.41
30	Istanbul	0.36
31	Moscow	0.15

More than 1 standard deviation above mean  
 +/- 1 standard deviation of mean  
 More than 1 standard deviation below mean

Source: Emerging Trends Europe survey 2021

# POST-COVID REBOUND

## Asset Classes

A STAG Asset Managers Fund

Advised by:



### Losers & Winners : What We Know So Far

- No 1 Winner Online: Online shopping, logistics, data centers...
- Technology and Design: New normal for every industry, technology, health and medical are winners
- Real Estate : Logistics, classical street retail and low-rise residential winners
- Losers: Offices, Shopping Centers, Airlines...

Overall prospects		Rank	Investment	Rank	Development	Rank	Income
1	Data centres	1	4.55	1	4.45	1	4.30
2	Logistics facilities	2	4.51	2	4.39	3	4.21
3	Life sciences*	3	4.43	3	4.32	4	4.09
4	New energy infrastructure*	5	4.29	4	4.26	2	4.23
5	Industrial/warehouse	6	4.24	5	4.12	5	3.92
6	Health care	7	4.18	7	4.02	6	3.90
7	Private rented residential	9	4.12	8	4.02	8	3.84
8	Affordable housing	8	4.12	6	4.04	9	3.69
9	Communication towers/ fibre*	4	4.36	13	3.62	7	3.86
10	Social housing	11	3.96	9	3.92	13	3.65
11	Retirement/assisted living	10	4.00	10	3.67	11	3.66
12	Self-storage facilities*	12	3.94	11	3.85	10	3.68
13	Housebuilding for sale	13	3.71	12	3.74	12	3.65
14	Co-living	14	3.47	14	3.46	14	3.38
15	Student housing	15	3.36	16	3.28	15	3.16
16	Serviced apartments	16	3.33	15	3.32	16	3.12
17	Central city offices	17	3.21	18	2.93	17	3.10
18	Parking	20	3.08	17	3.06	18	3.10
19	Business parks	18	3.16	20	2.79	19	2.94
20	Flexible/serviced offices and co-working	19	3.08	19	2.60	20	2.79
21	Suburban offices	21	2.81	21	2.54	21	2.78
22	Retail parks	22	2.78	23	2.30	22	2.53
23	Leisure	23	2.66	22	2.49	23	2.38
24	High street shops	24	2.45	25	2.14	24	2.27
25	Hotels	26	2.21	24	2.15	27	2.01
26	City centre shopping centres	25	2.24	26	1.87	25	2.10
27	Out-of-town shopping centres/retail destinations	27	2.11	27	1.78	26	2.02

○ Generally good = above 3.5   ○ Fair = 2.5–3.5   ○ Generally poor = under 2.5

Source: Emerging Trends Europe survey 2021

# POST-COVID REBOUND

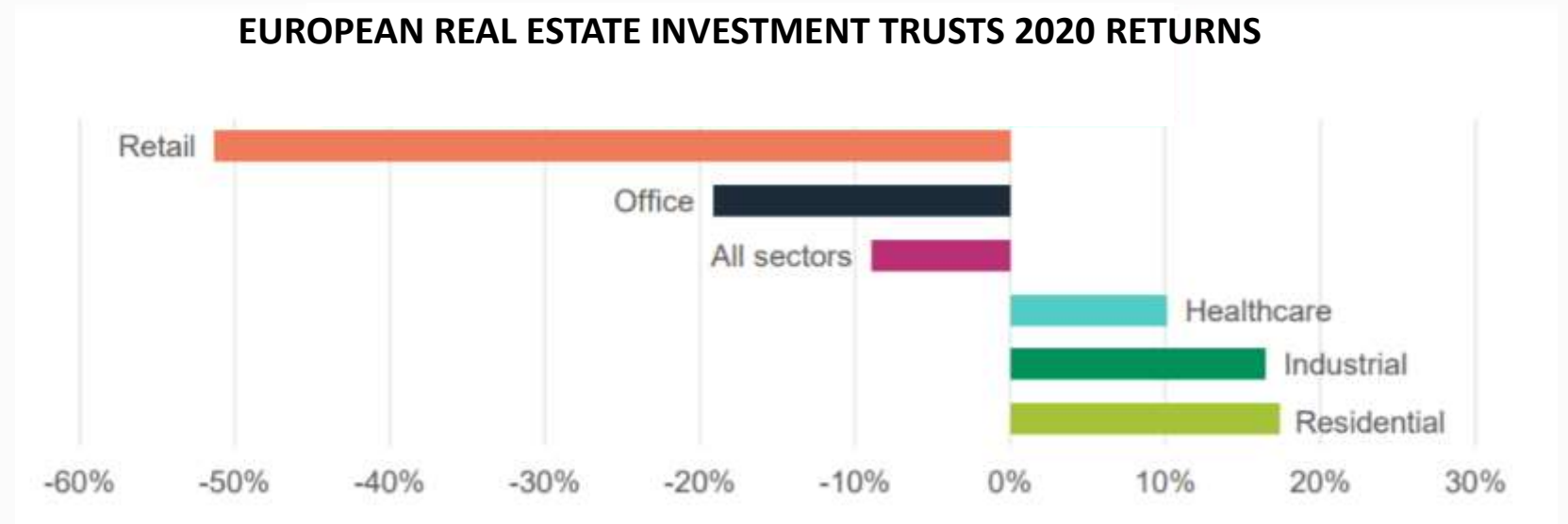
## Asset Classes

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Significant Covid-19 impact on returns for some Asset classes



Source : PNP Paribas Europe Covid-19 Report, July 2020

# POST-COVID REBOUND

## Asset Classes

A STAG Asset Managers Fund

Advised by:  
OPTYLON  KREA

### There may be opportunities for conversion

- Over the coming five years, the repurposing of assets from one sector to another is on the agenda.
- The game going forward will be to make sure that whatever you invest in can be repositioned and repurposed.

To what extent do you agree or disagree with the following statements:

Prime assets are overpriced



(Re)development is the most attractive way to acquire prime assets

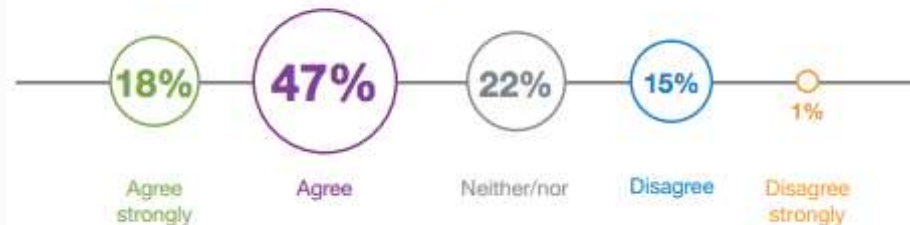
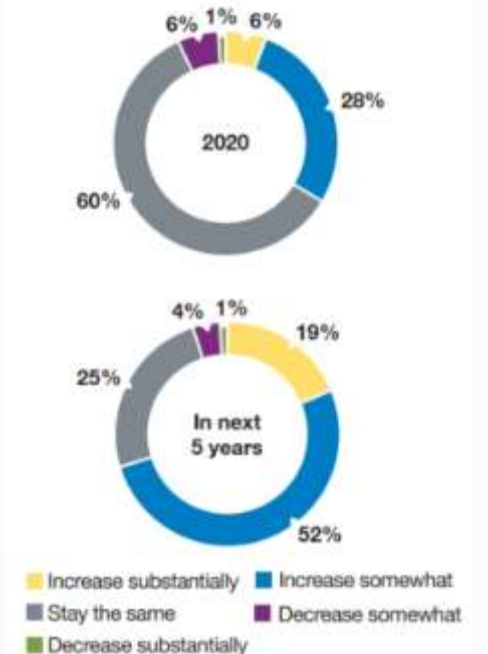


Figure 1-11 Change in the number of assets repurposed



Source: PWC, Emerging Trends Europe Survey, 2021

# POST-COVID REBOUND

## Asset Classes

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Advised by:

OPTYLON  KREA

### Spotlight: Hong Kong's Case in 2003.

- A city that was battle-hardened against SARS.
- Quick rebound in high street retail after the crisis within the year.
- Due to extreme supply shortage, residential also rebounded but it's a very local case.

Impact of SARS on Hong Kong property prices and rents		
	Jan-Jun 2003	The whole of 2003 (YOY)
Grade A office rents	-13.0%	-17.2%
High-street shop rents	-17.8%	-5.7%
Residential prices	-8.5%	+0.9%
Luxury residential rents	-9.0%	-8.1%
Industrial prices	-10.3%	-3.4%
Warehousing rents	-11.8%	-2.8%
Hotel room rate	-20%	-4.7%

Source: Colliers International, HKTB, Rating and Valuation Department

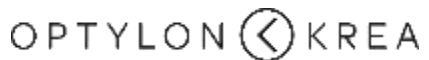


# POST-COVID REBOUND

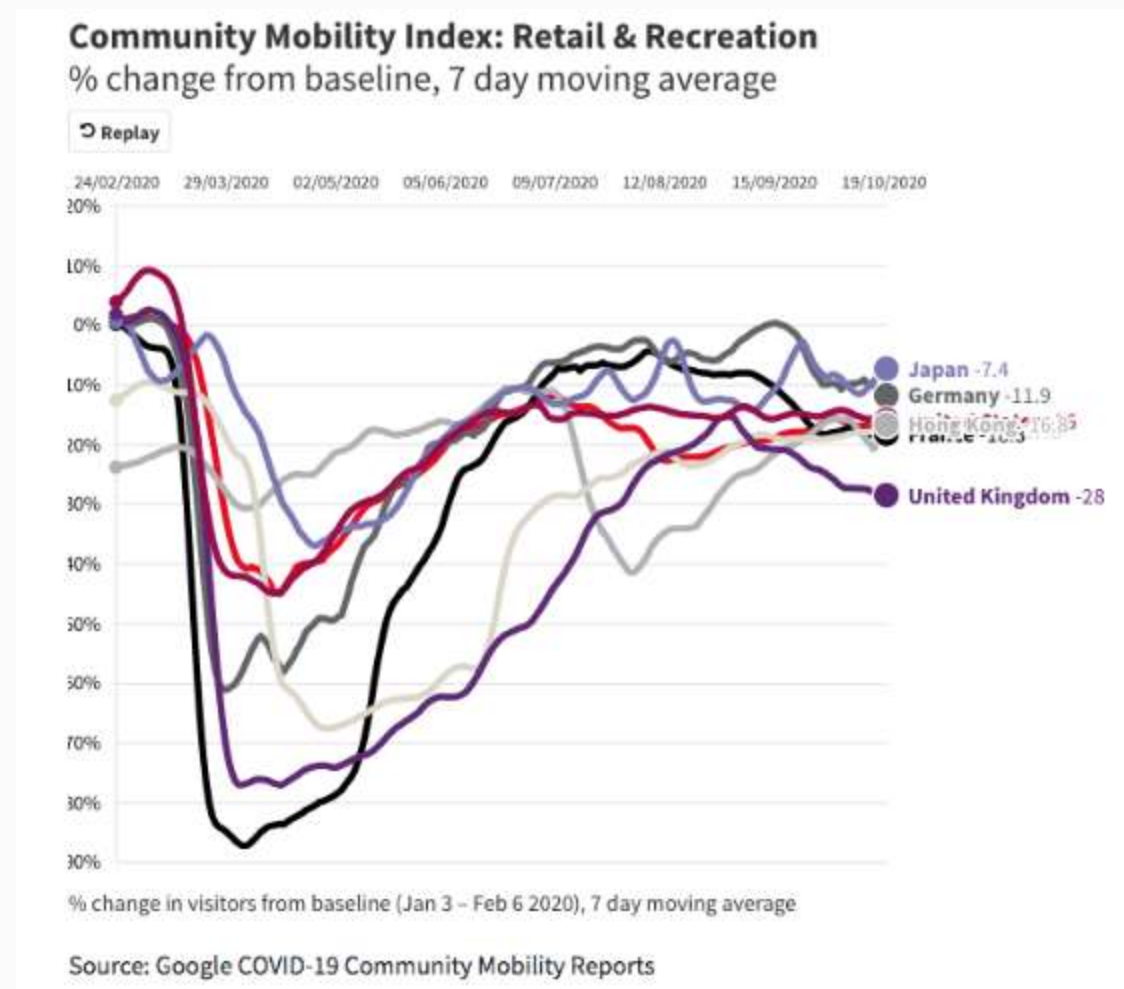
## Asset Classes

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### Retail May Catch-up fast in high-street locations





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# VII. MARKET HIGHLIGHTS



# RETAIL

## Portugal

A STAG Asset Managers Fund

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### Lisbon's Retail market's impressive growth since 2015 should resume in 2021, attracting new brands into the City Center

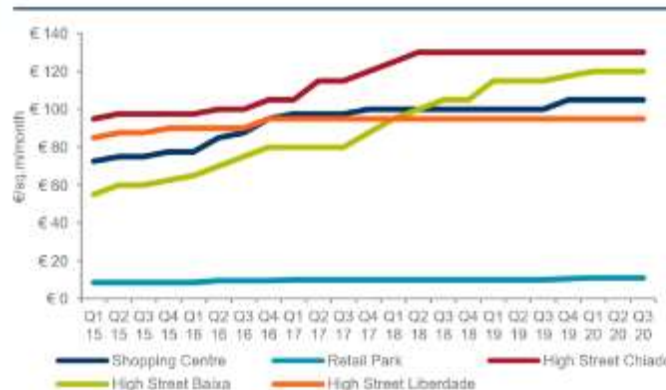
#### Pre-Covid Trend

- Retail sales are growing since 2014
- During 2019, demand levels increased, partially benefiting from a more mature and dynamic tourism sector, The highest share of deals took place on high street, with 64%
- Rental prices steadily increase in Baixa, while remaining stable in Chiado and Avenida da Liberdade

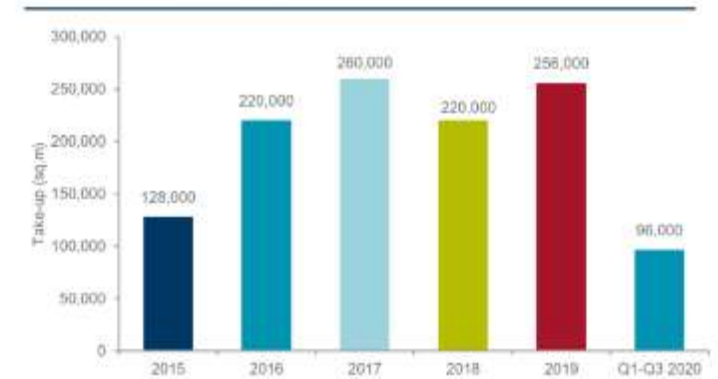
#### 2020

- Overall, retail sales registered a 3.7% year-on-year drop.
- Rental values remain stable throughout the city, as the government implemented a rental moratorium
- The food sector is registering an increasing demand, follows with 15% of new openings.

PRIME RENTS



DEMAND EVOLUTION

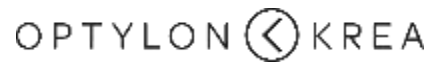


# RETAIL

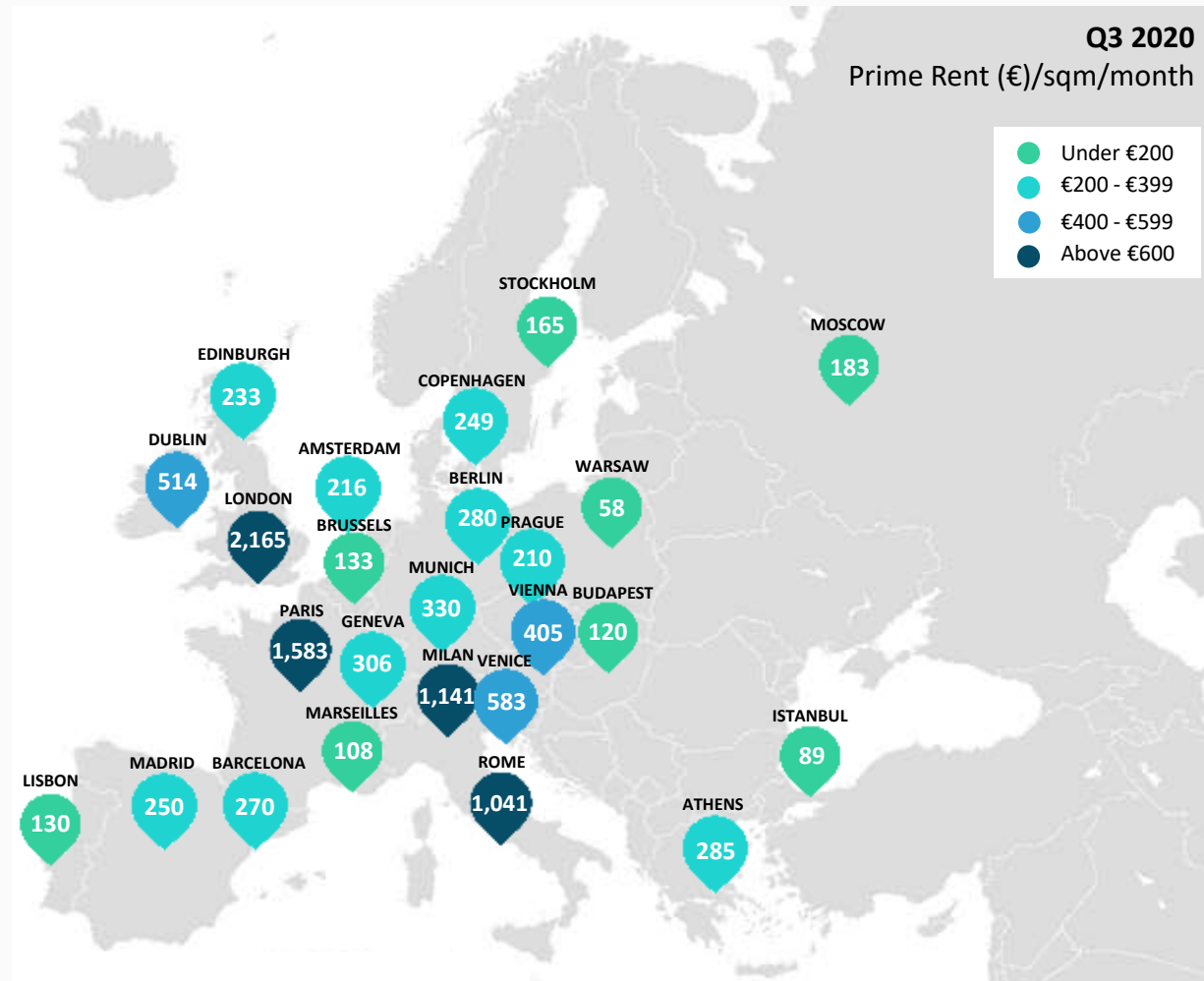
## City Comparison

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Advised by:



### Where to put your money in Street Retail?



Source : Cushman & Wakefield, Retail Market Snapshot Q3 2020

# LOGISTICS

## Portugal

### Lisbon's lack of supply in the Logistics area and the growing demand for online shopping should create opportunities

#### Pre-Covid Trend

- Exports have grown 2.6% in 2019, above the Eurozone average, but should slow down in 2020 to a 1.6% increase.
- Given the lack of available quality space, occupiers are more willing to pay a premium to establish on locations with good accessibilities, consequently increasing both market rents and the feasibility of new developments.

#### 2020

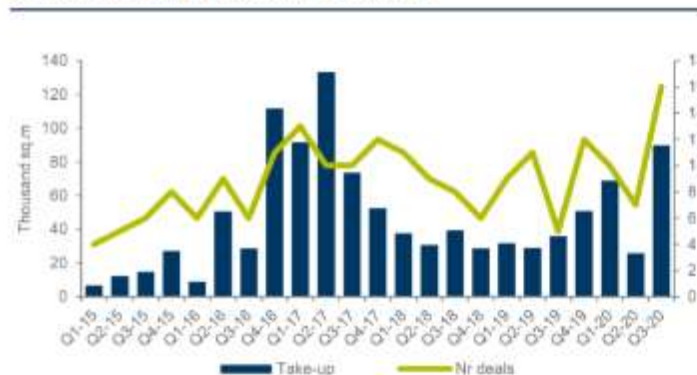
- The logistics and industrial sector take-up volume represent a growth of 67% in 2020 compared with the same period of 2019.
- Rental values remain stable given the current lack of quality supply
- With the increase of online sales and given the lack of quality assets in Portugal, speculative developments shall resume their projects shortly in the logistics area.

A STAG Asset Managers Fund

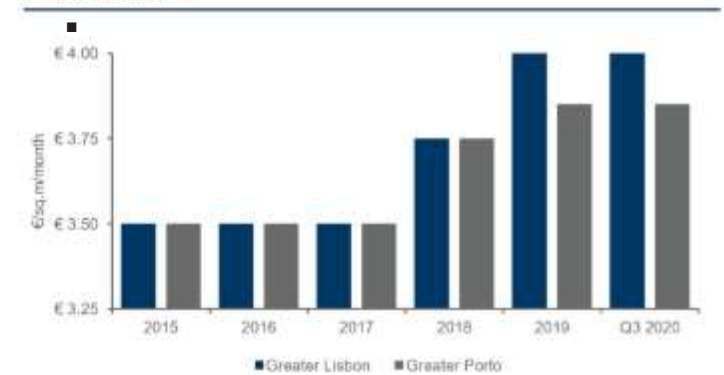
Advised by:



INDUSTRIAL & LOGISTICS DEMAND



PRIME RENTS





# LOGISTICS

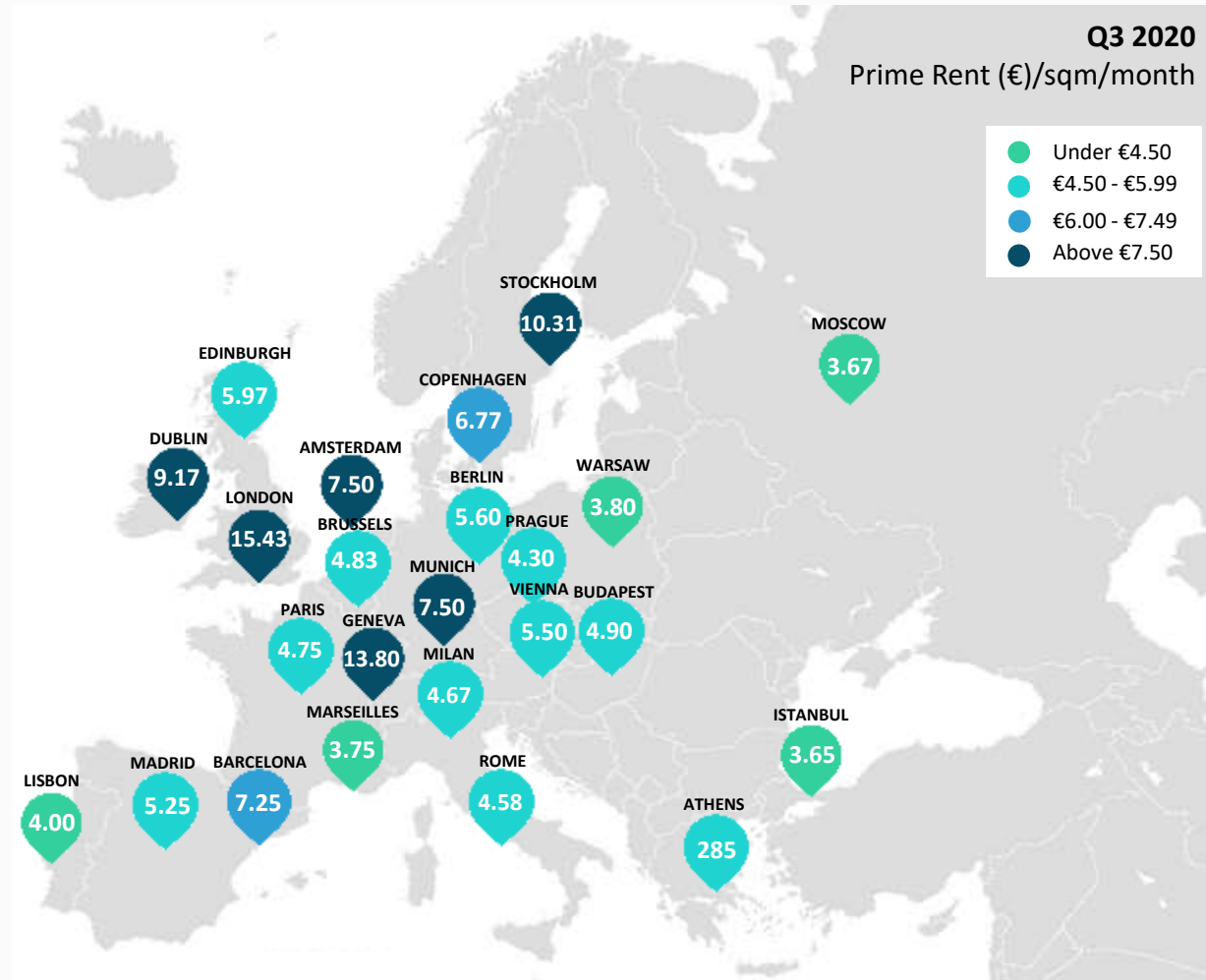
## City Comparison

A STAG Asset Managers Fund

Advised by:



### Where to put your money in Logistics assets?



Source : Cushman & Wakefield, Industrial Market Snapshot Q3 2020

# OFFICES

## Portugal

A STAG Asset Managers Fund

Advised by:



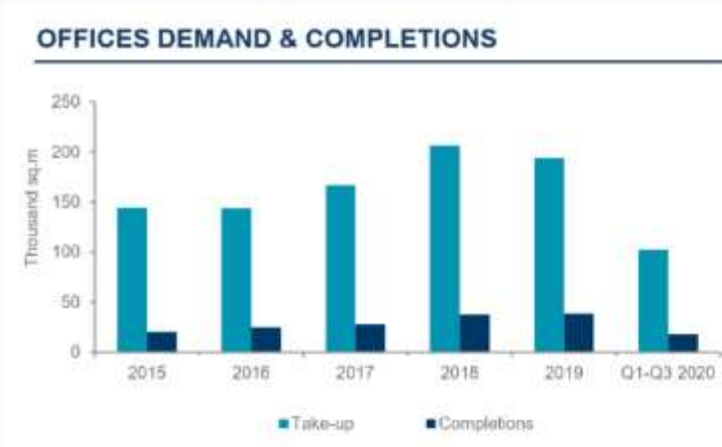
### Lisbon's Office market still competitive despite lower demand

#### Pre-Covid Trend

- High level of demand and low availability of quality office space is prompting landlords to reduce incentives and increase rents.
- Larger occupational requirements are evidenced by an increase of the average deal size, which rose from 900 sq.m in 2018 to 1,110 sq.m in 2019.
- Vacancy rate decreased along 2019, standing at 4.0% by the year-end.

#### 2020

- The Greater Lisbon office market merely registered 15 new lease deals during the third quarter of 2020, totaling 18,000 sq.m, a 49% year-on-year decrease.
- Vacancy rate increased gradually to 4.5%
- Rental values remain stable given the landlords preference to maintain gross rents, while becoming increasingly available to provide incentives given the anticipated decrease in demand levels.



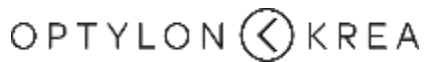
Source : Cushman Wakefield MarketBeat Offices Q42019 & Q32020

# OFFICES

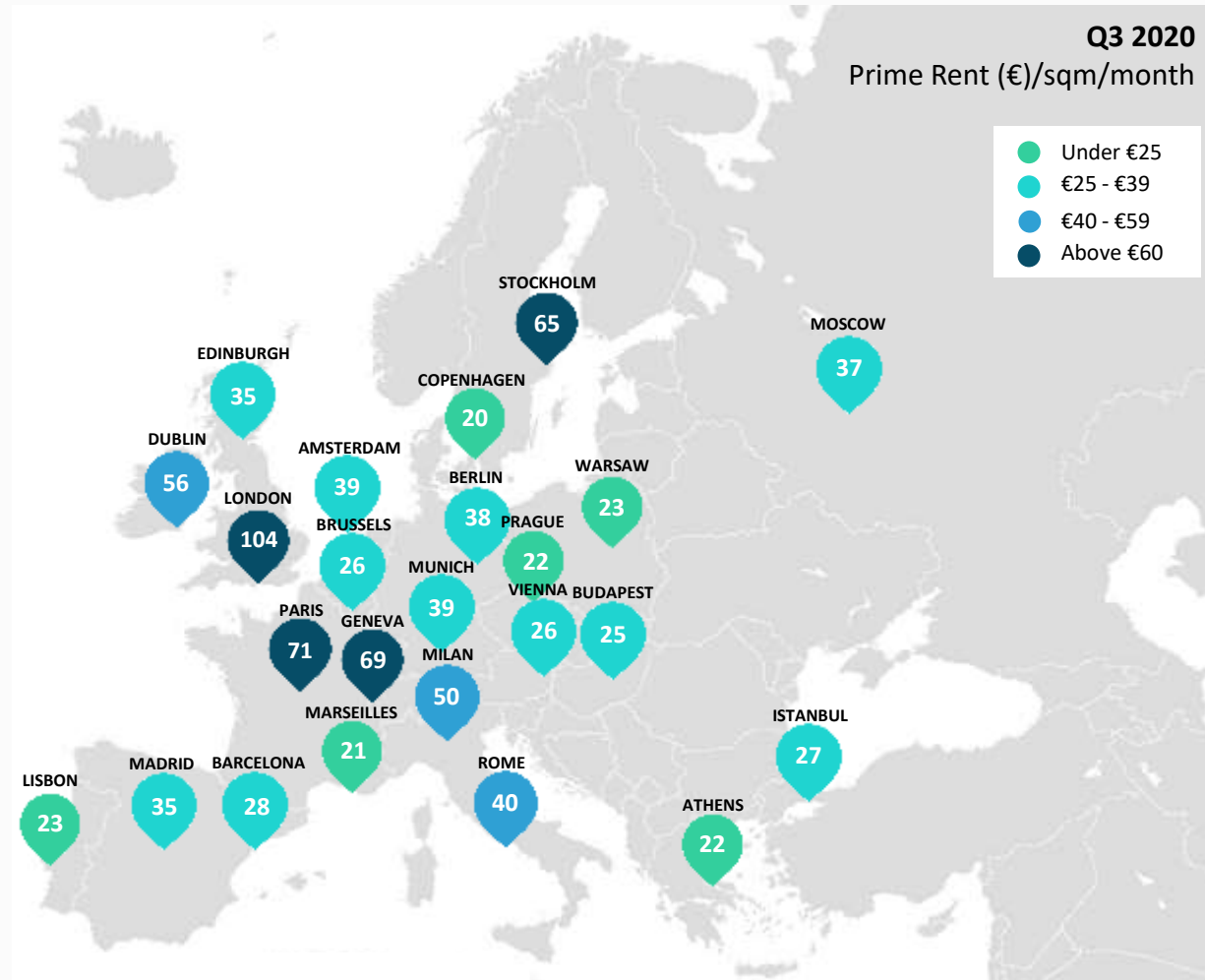
## City Comparison

A STAG Asset Managers Fund

Advised by:



### Where to put your money in Office assets?



Source : Cushman & Wakefield, Office Market Snapshot Q3 2020

# ECONOMY

## Portugal

A STAG Asset Managers Fund

Advised by:



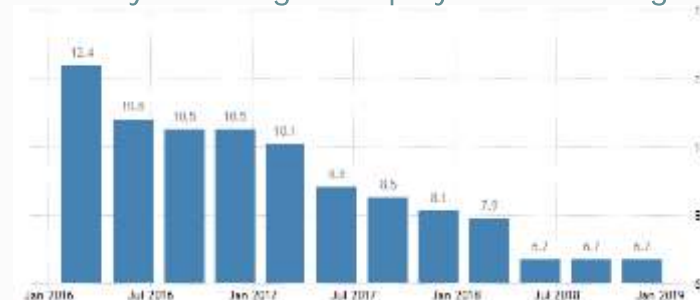
### Economy was growing steadily outperforming Eurozone countries

Pre-Covid Trend	2020
-----------------	------

- Portuguese economy has been growing steadily. After reaching the highest GDP growth of the last decade of 3.5% in 2017, outpacing the Eurozone, the Portuguese economy continued its positive momentum but at a slower pace in 2018 (2.8%) and 2019 (2.2%)
- The Debt-to GDP ratio is on a firmly declining path, the successful payment of the loan to the IMF ahead of schedule and the ever decreasing rate of unemployment all point to the continuity of positive economic performance.

- According to Oxford Economics, GDP should contract by 9.0% in 2020 followed by a rebound to 6.5% next year.
- Exports will register the highest drop, estimated at 21.2% in 2020.
- Private consumption and investment shall decrease by 7.9% and 4.8% respectively by the year-end.

Firmly Declining Unemployment in Portugal



# VALUE DRIVER INDUSTRIES

## Technology

A STAG Asset Managers Fund

Advised by:

OPTYLON  KREA

## Technology and Business

There is a clear correlation between booming technology companies and three critical pull factors.

- Ability to attract foreign talent as well as increasing the quality and capacity of local talent. «In Lisbon graduate-level hires are high caliber and easier to come by» while the city university curriculums in machine learning already rival those of Dutch Universities who are extremely advanced.
- Freedom and safety (Portugal ranks stellar in both counts 3rd most peaceful country in the world and 10th in terms of press freedom) which fuels venture capital and financing growth as well as contributing to the above-mentioned talent pool.
- Ease of doing business for start-ups such as simplified licensing and special legislation designed to make life easier for tech and innovation businesses.

<http://www.portugaln.gov.pt/why-portugal/tech-innovation-hub/> <https://sifted.eu/articles/startups-relocating-lisbon-beind-the-hype/>  
<https://www.lexology.com/library/detail.aspx?g=8770c385-863b-46c8-b49a-698ed2e38e6f>  
<http://www.portugalglobal.pt/EN/SourceFromPortugal/prominent-clusters/ICT/Pages/ICT.aspx>



# VALUE DRIVER INDUSTRIES

## Remote Working

A STAG Asset Managers Fund

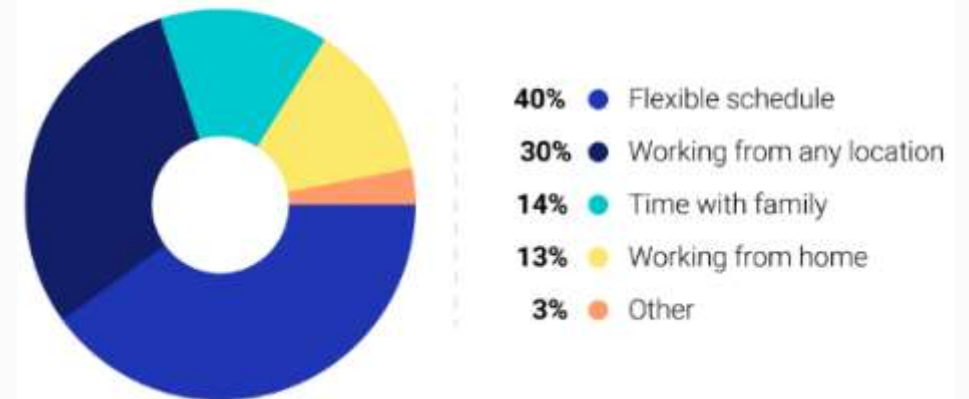
Advised by:

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### «Remote work is here to stay»

- According to a survey conducted by research company Gartner with 317 CFO and business finance leaders, 74% plan to move their previously on-site workforce to permanently remote positions post-COVID-19.
- Since the outbreak of COVID-19 began, many people have been discussing their company's work from home policy.
- Lisbon, with its already robust digital nomad community, mushrooming co-working spaces and extremely good quality of life will be the go-to place for remote workers.

What's the biggest benefit you see to working remotely?



<https://www.theatlantic.com/ideas/archive/2020/03/coronavirus-creating-huge-stressful-experiment-working-home/607945/>

<https://medicalfuturist.com/life-after-covid-19-what-will-change/#> <https://lp.buffer.com/state-of-remote-work-2020>

<https://www.bbc.co.uk/news/world-europe-52831017> [https://www.ey.com/en\\_be/covid-19/why-remote-working-will-be-the-new-normal-even-after-covid-19](https://www.ey.com/en_be/covid-19/why-remote-working-will-be-the-new-normal-even-after-covid-19)

<https://www.ekoapp.com/blog/the-future-of-remote-work-after-covid-19-3-common-predictions>

# VALUE DRIVER INDUSTRIES

## Senior Living & Retirement

A STAG Asset Managers Fund

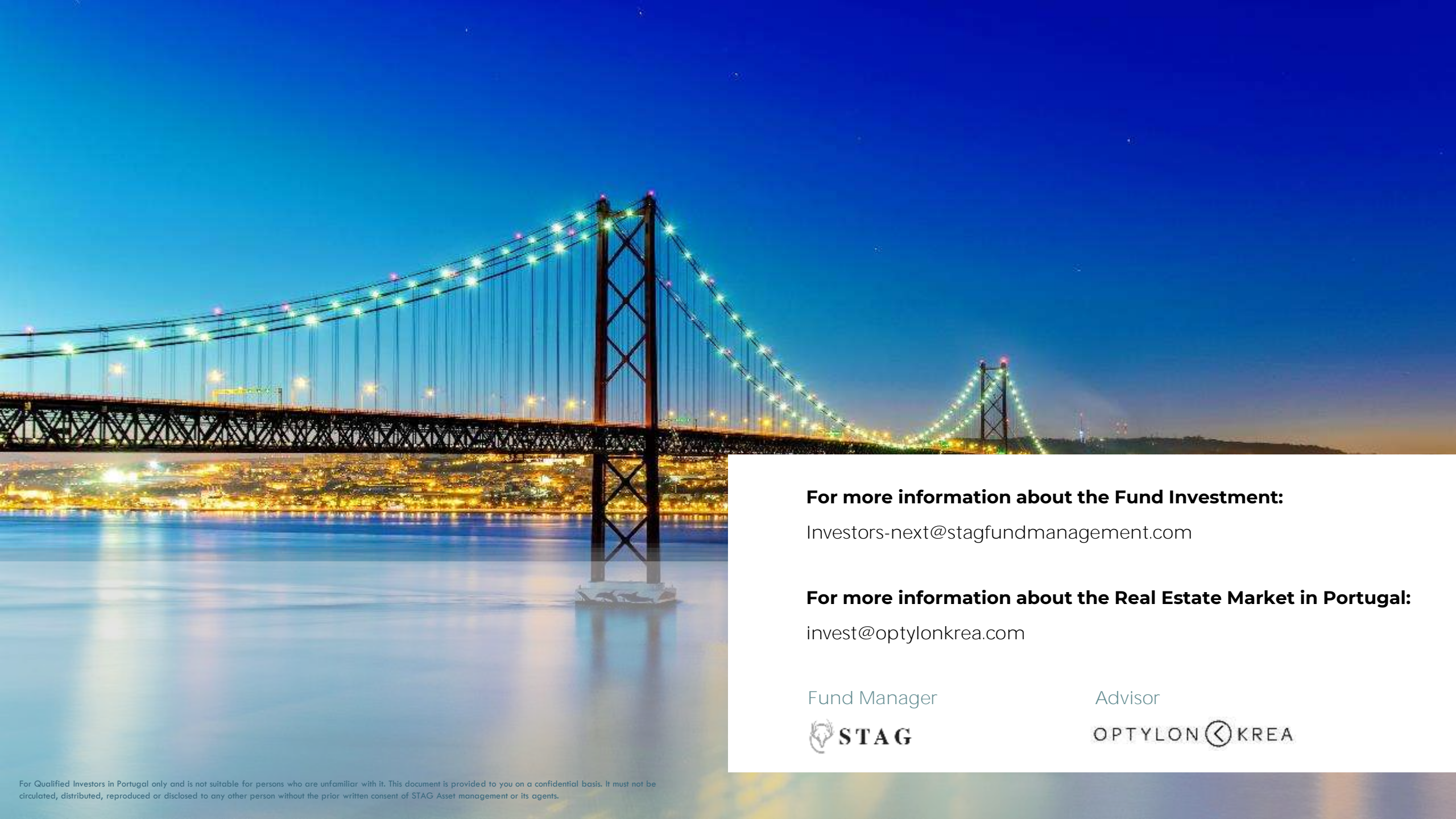
Advised by:

OPTYLON  KREA

## High Quality of Life & Low Prices = Happy Retirement

- Portugal is in a unique spot with its high quality of life, good healthcare, low crime rate, zero taxes on pensions and agreeable weather to capitalize on the «Silver Economy» a term used for the spending power of 60+ olds which will reach USD 15 Trillion by 2020.
- According to Expat Insiders 2019 datas, Portugal has ranked first place in «Quality of Life» category.
- Portugal is ranked as one of best places to retire in the world. Affordable living estimated at around USD 1500-1700 PER MONTH in small towns or around USD 2200 for larger cities, such as Lisbon.
- After the COVID-19 Crisis, retirees and senior citizens have started looking at **alternatives in countries where senior citizens weren't extremely hard hit**. In 2021, Portugal is sure to increase in the Senior Living Indexes.

<https://www.cnn.com/2018/08/02/five-european-cities-where-you-can-retire-on-35000-a-year.html>  
<https://www.expatca.com/pt/finance/retirement/retire-in-portugal-908573/>  
<https://www.internations.org/expat-insider/2019/quality-of-life-index-39831>



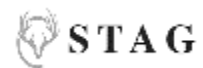
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