

ELIGIBILITY STATEMENT OF SUB-FUND CERES I – DEVELOPMENT FOR INVESTMENT RELATED TO ARI PROGRAM – RESIDENCE PERMIT FOR INVESTMENT ACTIVITY

Following the approval of Parliament Decree 81/XV/1st, significant amendments were made to Article 3 of Law No. 23/2007 of July 4th, specifically:

“Article 3.º n.º 1 (...)

vii): “Transfer of capital amounting to (euro) 500,000 or more, intended for the acquisition of shares in **non-real estate collective investment entities** established under Portuguese law, whose maturity, at the time of investment, is at least five years, and at least 60% of the value of the investments is realized in commercial companies headquartered in national territory” (...)

4 – Investment activities outlined in sub-items ii) and v) to viii) of paragraph 1 require evaluation every two years regarding their impact on scientific activity, culture, and the promotion of direct foreign investment and job creation.

5 – **Investment activities** outlined in the sub-items mentioned in the previous paragraph **may not be directed, directly or indirectly, towards real estate investment.**

Therefore, Magnify Afterburner Capital Partners – Sociedade de Capital de Risco, S.A., the fund manager of CERES I – Development sub-fund, informs that it qualifies as a Venture Capital Fund and, as such, under the new Asset Management Regime, is classified as a non-real estate collective investment entity.


As can be verified in the Management Rules of the respective Fund, specifically in Article 5, the Fund's purpose is to invest in majority stakes exclusively in companies established under Portuguese law, of small and medium size, regardless of their legal form, whose objective is to develop projects for the development of commercial units for exploitation by national or international food retail chains.


Thus, the Fund acquires companies (*share deals*), investing in their capitalization for the purpose of developing and directly or indirectly operating food retail activities, in supermarkets and hypermarkets, in other non-specialized establishments, with a predominance of food products, beverages, or tobacco, and restaurants. Finally, the Fund divests solely through the sale of these companies (*share deals*).

The Fund does not acquire or sell real estate assets (*asset deals*), and its invested companies do not have any Economic Activity Code (CAE) related to real estate activities.

We hereby confirm that the CERES I – Development Sub-Fund complies with all the requirements of Parliament Decree 81/XV/1.^a recently approved, as well as all the requirements that were already in place and have not been amended in Article 3 of Law No. 23/2007 of July 4th.


Lisbon, September 27, 2023

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