FINPROP CAPITAL

FUND MERCAN PRIVATE EQUITY FUND I, FCR
KEY INFORMATION DOCUMENT (KID)

PURPOSE

This document provides the key investor information about the **Mercan Private Equity Fund I**. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products. It is recommended the reading of this document in order to make an informed investment decision.

PRODUCT

Name of the Product:	Fund - Mercan Private Equity Fund I, FCR (MPEF I)
Name of the manufacturer:	Finprop Capital, SGOIC, SA
Product ISIN:	CLASS A1 - SERIES 1 - PTFPPBIM0004 CLASS A1 - SERIES 2 - PTFPPEIM0001 CLASS A1 - SERIES 3 - PTFPPFIM0000 CLASS A1 - SERIES 4 - PTFPPGIM0009 CLASS A2 - SERIES 1 - PTFPPCIM0003 CLASS A2 - SERIES 2 - PTFPPHIM0008 CLASS A2 - SERIES 3 - PTFPPIIM0007 CLASS A2 - SERIES 4 - PTFPPJIM0006 CLASS B - PTFPPDIM0002
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Competent Authority:	Comissão do Mercado de Valores Mobiliários (CMVM)
Document valid as at:	15 July 2025

WARNING

You are about to acquire a product that requires specific financial knowledge for its comprehension.

WHAT IS THE PRODUCT?

Type: The MERCAN PRIVATE EQUITY FUND I – Fundo Fechado de Capital de Risco (MPEF I) (hereinafter the "Fund") is a closed-end private equity fund ("Fundo de Capital de Risco").

Term: The Fund has an initial term of 12 (twelve) years from the Fund´s incorporation date, which may be extended for additional periods by extraordinary resolution of the General Meeting of Investors, upon proposal by the Fund Manager, as per the terms established in the Fund´s limited partnership agreement.

Objectives: The Fund invests in companies that operate and render services in the hospitality sector in Portugal. The Fund shall invest in companies with a high potential for growth, appreciation in value and profitability, operating in the hospitality sector, targeting co-investment opportunities with the Mercan Group, to the extent that FINPROP considers that such co-investment is in the Fund's best interest. The Fund pursues the investment policy by investing, for limited periods of time, in equity (and quasi-equity) and debt instruments, with the goal to benefit from their appreciation. The Fund will target conservative investments.

Investment policy: The Fund invests: in shares and equity instruments of companies that operate and render services in the hospitality sector in Portugal, including securities or convertible rights, exchangeable or that grant the right to the acquisition of equity; in debt instruments, including loans and credits, issued by the companies in which the Fund has invested in or intends to invest; in hybrid instruments issued by companies in which the Fund holds or intends to hold equity positions. The Fund invests in such instruments for limited periods of time with the goal to benefit from their appreciation. The Fund can also make conservative investments of excess cash surpluses in money market liquid financial instruments and debt instruments and not for speculation purposes; carry out financial operations, including interest rate hedging, that are necessary for the development of the respective activity; make acquisitions of equity positions in the secondary market in accordance with the investment policy set forth in Fund's limited partnership agreement; make investments in partnerships with other private equity funds or/and with other investors for the sole special purpose of structuring the acquisition of equity and/or quasi-equity instruments in one single company; borrow funds; and make follow-on investments on any of the Fund's portfolio companies, irrespective of the nature and size of such companies at the time the follow-on investments are made.

Investment Limits: There are no other investment limits beyond the ones mentioned in the investment policy section.

Investment Rules: The Fund invests for limited periods of time in equity, debt and quasi-equity instruments of companies that operate and render services in the hospitality sector with the goal to benefit from their appreciation.

Borrowing policy: The aggregate value of all borrowing by the Fund together with any financial guarantees, security or collateral issued by the Fund (and any other form of indebtedness) shall not, in aggregate, exceed of 10% of the Fund's subscribed capital. The Fund may only engage in borrowing for the purposes of complying with the regular dividend distribution cycle, to finance working capital shortfalls, and for permitted general corporate and/or investment purposes.

Fund's financial performance: The Fund´s financial performance will depend on the performance of the instruments hold and performance of the underlying companies.

Terms and conditions of subscriptions, transfer or redemptions:

The minimum initial subscription amount per investor is: (i) € 250,000.00 (two hundred and fifty thousand Euros), corresponding to 250,000 (two hundred and fifty thousand) for the Class A participation units (that are issued in Series); and (ii) € 100,000.00 (one hundred thousand Euros), corresponding to 100,000 (one hundred thousand) for Class B participation units. The capital of the Fund is divided into classes, with the following characteristics, as per the Fund's limited partnership agreement: (i) the Class A-1 Participation Units is a distributing class of participation units and distributes the return mentioned in Article 20 of the Fund's limited partnership agreement – 2%, the preferred return; (ii) the Class A-2 Participation Units is an accumulating class of participation units and accumulates the return mentioned in Article 20 of the Fund's Limited partnership agreement – 2%, the preferred return; the Class A-2 is entitled to additional interest of 2% in years 8, 10 and 12; and (iii) the Class B Participation Units is the residual claim participation units with no pre-defined distribution profile. Each series of Class A participation units starts accruing the preferred return on different dates, as per the Fund's limited partnership agreement. The series of the Class A participation units allocated to each investor is function of the subscription date. Further, the Participation Units may be subscribed in different stages that will occur during the 36 (thirty-six) months of the subscription period or until the capital of the Fund is totally subscribed, as per the Fund´s limited partnership agreement. If the subscription is made until 30 June 2024, in which case the investor will invest in the "Series 1" Class A Participation Units, the participation units will start accruing income on 1 of January 2025 and the ISINs of the participation units are: CLASS A1 - SERIES 1: PTFPPBIM0004 and CLASS A2 - SERIES 1: PTFPPCIM0003. If the subscription is made between 1 July 2024 and 31 December 2024, in which case the investor will invest in the "Series 2" Class A Participation Units, the participation units will start accruing income on 1 January 2025 and the ISINs of the participation units are: CLASS A1 - SERIES 2: PTFPPEIM0001 and CLASS A2 - SERIES 2: PTFPPHIM0008. If the subscription is made between 1 January 2025 and 31 December 2025, in which case the investor will invest in the "Series 3" Class A Participation Units, the participation units will start accruing income on 1 January 2026 and the ISINs of the participation units are: CLASS A1 - SERIES 3: PTFPPFIM0000 and CLASS A2 - SERIES 3: PTFPPIIM0007. If the subscription is made on or after 1 January 2026, in which case the investor will invest in the "Series 4" Class A Participation Units, the participation units will start accruing income on 1 January 2027 and the ISINs of the participation units are: CLASS A1 - SERIES 4: PTFPPGIM0009 and CLASS A2 - SERIES 4: PTFPPJIM0006. The Class B Participation Units ISIN number is PTFPPDIM0002.

After the approval of the subscription form, the Fund Manager shall notify the subscribers to contribute the amount established for their respective participation units within 5 (five) days. Being a closed-end fund, there is no redemption windows.

The Fund's capital and/or income shall be allocated and distributed among all Investors holding Class A-1 and Class A-2 Participation Units, in proportion to the subscribed capital, until the Fund has assigned to the same an amount ensuring an annual internal rate of return of 2% (two per

cent) on the amount contributed in respect of Class A-1 and Class A-2 Participation Units ("Preferred Return") starting to accrue in the dates mentioned above.
Intended Investor: The Fund targets professional and non-professional investors with (i) experience and/or financial knowledge about the product; (ii) that have obtained adequate advice about the product; (iii) that have the adequate risk profile. The product is not adequate to non-professional investors that cannot afford to hold illiquid investments for the time horizon of the Fund.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Risk Indicator:

Low Risk — High Risk

Lower return — Higher return

1	2	3	4	5	6	7

The risk indicator assumes that the product is hold for 12 years and there is no early redemption.

The risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Fund is unable to pay you. We have classified this product as 6 out of 7, which is the second highest class. This rates the potential losses from future performance at a high level and poor market conditions may impact the capacity of the Fund to pay you. The risk category shown is not guaranteed and may change over time and the lowest category does not mean risk free. The investment decision should be made after reading the Fund's limited partnership agreement and the Fund´s KID. The Fund is rated 6 due to the nature of its assets which include the following risks: **loss of capital risk:** the investment in the Fund may lose value and the capital is not guarantee; **market risk**: the market´s context and the transactions executed by other market participants in similar assets to those owned by the Fund, may adversely affect the Fund´s portfolio. Potential investors should be aware that under such circumstances, the Fund´s assets value may be adversely affected. The underlying investments by the Fund may change in value notably due to variations in the portfolio composition and the assets which form part of such portfolio and therefore the value of the Fund's participation units may increase or decrease; **concentration risk**: the Fund can concentrate its investments to few assets; **valuation risk**: the Fund may invest some of its assets in illiquid and/or unquoted securities or instruments. Such investments or instruments will be valued by the Fund Manager and accredited entities in good faith as to their probable realisation value. Such investments are inherently difficult to value and there is no assurance that the estimates resulting from the valuation process will reflect the actual sales or "close-out" prices of such assets; **credit risk**: the Fund can invest in debt instruments which are exposed to the default risk of the issuing companies; **political risk**: the value of the Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations. **liquidity risk:** the Fund holds illiquid assets which may take longer to sell and/or need to be sold at lower prices. Particular risks not adequately captured by the risk indicator include: **counterparty risk**: the insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to instruments, may expose the Fund to financial loss; and **operational risk**: the risk of failures in the organization of the entity involved in the management and administration of the Fund.

Performance scenarios:
Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on evidence from the past. Actual returns could be lower.

Investment of EUR 10.000 in Fund Scenarios		**12 years**
Stress scenario	What you might get back after costs	13.294
	Average net return per year (%)	2,40%
Unfavourable scenario	What you might get back after costs	14.802
	Average net return per year (%)	3,32%
Moderate scenario	What you might get back after costs	22.827
	Average net return per year (%)	7,12%
Favourable scenario	What you might get back after costs	30.853
	Average net return per year (%)	9,84%

This table shows the amount you could get back over the next 12 years, under different scenarios, assuming that you invest EUR 10.000 in the Fund's assets (note that the table does not reflect the performance of any specific class of participation units). The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product. This means that it is difficult to estimate how much you would get back if you redeem before maturity. The stress scenario shows the outcome that can be obtained in extreme market situations and does not include circumstances that precludes the Fund from paying you back. The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF FINPROP CAPITAL – SGOIC, S.A. IS UNABLE TO PAY YOU BACK?

The Fund is an autonomous estate and shall not be held liable or responsible for any debts or liabilities incurred by the Fund Manager or any other funds managed by the Fund Manager; the Investors may not be held liable or responsible for the Fund's debts or liabilities and their payment duties towards the Fund are limited to the subscription price in respect of their Participation Units; only the assets of the Fund are liable for the Fund's own debts. Losses are not covered by an investor's compensation or guaranteed scheme.

WHAT ARE THE COSTS?

The person advising on or selling you this product may charge you other costs. If this is the case, this person will provide you with information about these costs and how they affect the performance of your investment. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself. The figures assume you invest EUR 100.000 in the Fund (and not in a specific Class of participation units). The figures are estimates and may change in the future.

Costs over time: The table show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product performs. The amounts shown here are illustrations based on an example investment amount and different possible investment periods. We have assumed:

- The product performs as shown in the moderate scenario.
- The investment is EUR 10.000

Investment EUR 10.000 ***Moderate scenario***	**Exit at maturity date**	**Exit at maturity date plus two years**
Total costs estimate	EUR 568	EUR 684
Impact on annual return (RIY)*	0,22%	0,26%

* This illustrates how costs reduce your annual return over the holding period. For example, it shows that if you exit at the maturity date your average annual return is projected to be 7,34% before costs and 7,12% after costs. These numbers express the investment in the Fund and not on a specific Class of participation units.

Composition of costs:
The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different categories of costs.

Costs breakdown			
One-off costs	Entry costs	0%	N/A
	Exit costs	0%	N/A
Ongoing costs	Management fee (annual)	0,25%	The management fee includes a fixed amount of EUR 2.000 per month plus an annual nominal rate of 0,25% over the subscribed capital, adjusted for inflation (subject to a minimum monthly amount of EUR 6.000), paid on a monthly basis.
	Depository fee (annual)	0,05%	The annual depository fee rate is 0,05% charged on a quarterly basis over the realised capital (subject to a minimum annual amount EUR 10.000).
	Supervision fee (bi-annual)	0,0072%	Rate charged over the assets under management on a bi-annual basis and subject a minimum amount of EUR 600 and maximum of EUR 60.000.
	Transaction costs	c. 0,01%	The impact of the costs of transacting the underlying assets of the Fund.
	Other ongoing costs	c. 0,02%	The impact of the running costs of other services required to manage the Fund (audit, advisory, etc).
Incidental costs	Performance fee	N/A	N/A
	Other costs:	N/A	N/A

HOW LONG SHOULD I HOLD THE INVESTMENT AND CAN I TAKE MY MONEY OUT EARLY?

Holding period: 12 (twelve) years. The product is designed for long-term investment, and it is recommended a holding period of 12 (twelve) years. The holding period can be extended for additional periods by extraordinary resolution of the General Meeting of Investors, upon proposal by the Fund Manager, which shall be taken at least six (6) months before the end of the respective term, as per the Fund´s limited partnership agreement. If the Fund´s maturity date is not extended, it will enter in liquidation. The investors that vote against the extension of the duration of the Fund can ask for the redemption of their participation units. The Fund **Mercan Private Equity Fund I, FCR, is a closed-end venture capital fund and given its nature requires a holding period of 12 years.** However, the product can be sold in the secondary market at any time, as long as the transaction complies with the rules established in the Fund's limited partnership agreement. It is possible that there may not be a liquid market for the product and investors may have difficulty selling it. Each Class of participation units is remunerated and/or paid as per the rules established in the Fund´s limited partnership agreement after the payment of the Fund´s costs. The Fund can, on exceptional circumstances, retain capital in order to use it to pay future costs, if it is expectable that it will not be able to pay such costs.

HOW CAN I COMPLAIN?

If you wish to complain, you should write directly to the registered office of Finprop Capital or to the e-mail: info@finpropcapital.com. You can also call to the number: +351 221 206 290. You could also fill a complain to Comissão do Mercado de Valores Mobiliários using either the website https://investidor.cmvm.pt/ or calling 800 205 339.

OTHER RELEVANT INFORMATION

The information contained in this KID is supplemented by Fund´s limited partnership agreement, which will be provided to investors before commitment, free of charge and in English by Finprop Capital. The Fund Manager shall determine the value of the portfolio of the Fund, the net asset value of the Fund and the value of the Participation Units of the Fund (including each Participation Unit Class), every six months, with reference to the last day of each half year period, within 45 (forty-five) days after the end of the half year in question. Finprop Capital may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's limited partnership agreement. Investors should note that the tax legislation that applies to the Fund may have an impact on the personal tax position of your investment in the Fund. **Classes of participation units**: the rights and obligations of the holders of the classes of participation units (A and B) are the same as per article 25 of the Fund´s limited partnership agreement. Finprop Capital has established an outsourcing agreement for the back-office services with Hipoges Iberia SL., limited partnership established under the Spanish law and with registered office at Calle de Albacete, 3, 5º floor, 28027 Madrid, Espanha, and has not identified any conflicts of interest resulting from such outsourcing agreement. **Depositary**: Bison Bank S.A. with registered office at Rua Barata Salgueiro, n.º 33, floor 0, 1269-057, Lisboa, registered at Banco de Portugal with the number of 63 and in CMVM with the number of 170. **Auditor:** is Ernst & Young Audit & Associados, SROC, S.A, with registered office at Avenida da República, n.º 90, 6.º floor, 1600-206 Lisboa and registered in Comissão do Mercado de Valores Mobiliários with the number 20161480.