

SCREENPROJECT

SMART BUILD PORTUGAL

Investor Questions and Answers

Responses to due diligence questions raised to date

DATA ROOM · SECTION 7 · SEPTEMBER 2026

Questions answered

32

Across eight themes

Open items disclosed

11

Pending third-party issuance

Cross-references

All

To Sections 0 to 6

Version

1.0

September 2026

CONFIDENTIAL — This document consolidates questions raised by placement agents and prospective investors, together with questions the General Partner anticipates. Where an answer is that a matter is unresolved, that is stated. This document will be updated as items are closed.

How to Use This Document

Answers are grouped by theme and cross-referenced to the data room section containing the underlying analysis. Where a question concerns a matter that has not been resolved, the answer says so and identifies what would resolve it. No question raised to date has been omitted.

A SPONSOR, MANAGER AND GOVERNANCE

SMART BUILD PORTUGAL · INVESTOR Q&A

Q1. Who manages the Fund, and what is their track record?

LYNX Asset Managers, SGOIC, S.A., an independent management company founded in 2008, majority-owned by its management team and supervised by the CMVM. It manages more than €7 billion across more than 133 vehicles for over 940 clients, including 6 real estate funds, 98 corporate-form real estate undertakings and 25 venture capital funds. It is the independent management company with the largest number of closed-end private-subscription funds under management in Portugal and the national leader in closed-end real estate collective investment undertakings.

Q2. Who is the General Partner, and who actually builds?

The GP is a consortium of two entities: a major Portuguese construction group, which executes construction and subscribes Class B1 equity, and SCREENPROJECT, which is responsible for project management, supervision, cost control, licensing management and the identification and analysis of opportunities. The consortium's combined annual turnover is stated to be no less than twice the size of the Fund.

Q3. Who decides what the Fund buys?

LYNX Asset Managers, exclusively. SCREENPROJECT and the GP originate, analyse and execute; the decision to acquire, dispose of or finance any asset rests with the management company, which holds formal and fiduciary responsibility under Portuguese law. This separation between origination and approval is a structural investor protection rather than an administrative formality.

Q4. What independent oversight exists?

Three parties operate outside both the management company and the GP. A depositary bank holds Fund assets in segregated custody and reports independently to the CMVM. Property valuations are performed by appraisers registered with the CMVM under Law 153/2015. An external auditor audits the accounts annually, which are filed with the CMVM and made available to participants. See Data Room Section 1, Chapter 2.

Q5. Has the GP invested its own capital?

Yes. Class B1 represents €3,750,000 of GP capital, equal to 7.5% of Fund equity, subordinated to Class A in the order of repayment. The GP recovers its capital only after Class A has recovered its own in full. The GP has stated an intention to increase this commitment toward 20% of Fund equity; the committed figure is 7.5%.

B RETURNS AND THE FINANCIAL MODEL

SMART BUILD PORTUGAL · INVESTOR Q&A

Q6. What are the unlevered project return and the levered equity return?

The unlevered objective at project level is 9.0% per annum. The pipeline as currently modelled produces an unlevered internal rate of return of 32.2% in the central scenario, substantially above that objective. The aggregate equity result before Fund operating costs is €103,044,128.

Q7. Is the 16.5% an IRR or something else?

It is a preferred return, expressed as a simple annual rate, applied to Class A and Class B1 pro rata to capital actually invested. Over a six-year term it corresponds to a cumulative return of approximately 99% on invested capital, or a multiple of approximately 1.99x. It is not an internal rate of return and should not be compared directly with an IRR figure.

The distinction is material. An internal rate of return is money-weighted and sensitive to when capital is returned; a simple annual return is not. The same 1.99x multiple corresponds to an internal rate of return of approximately 12.2% if all capital is returned at the end of the term, or approximately 16.5% if returned progressively. The Fund's cycle returns capital progressively.

Q8. How does the subscription fee affect the return?

The 3% subscription fee is charged in addition to the amount subscribed and does not reduce capital invested in the Fund. An investor subscribing €1,000,000 makes a total cash outlay of €1,030,000. All return, MOIC and distribution figures in the data room are calculated on capital invested in the Fund. On a 99% cumulative target return, €1,000,000 invested would generate approximately €1,990,000 of distributions — a multiple of approximately 1.93x on the €1,030,000 total outlay rather than 1.99x.

Q9. What are the Fund's own costs?

Fund operating costs total €5,817,937 over the Fund's life in the central scenario: partner fee to SCREENPROJECT €3,295,635; management fee to LYNX €1,798,374; CMVM, depositary, auditor and valuations €450,677; stamp duties €248,651; and a one-off set-up fee of €24,600. These are charged to the equity cash flow before capital calls are computed, and therefore before the waterfall runs. Fee bands are set out in Data Room Section 1, Chapter 3.

Q10. What happens in a downside scenario?

The Bear scenario applies a 15% reduction in sale prices, a 15% increase in construction costs, a three-month schedule delay and a 120 basis point increase in Euribor, simultaneously across all seven projects. Peak capital utilisation rises to approximately €137 million against €200 million of capacity. Under those conditions the pipeline remains capital-preserving at the aggregate equity level but generates materially reduced surplus above the return of capital, and the Tier 3 preferred return is not reached in full.

Q11. Has the model been independently reviewed?

No. The consolidated financial model was prepared in September 2026 on the basis of the seven project business plans, the Investment Memorandum and the management company's fee schedule. It is a working version used to test project economics and pipeline aggregation. It has not been audited or independently reviewed. Corrections applied to the source business plans, and modelling introduced that did not exist in them, are disclosed in Data Room Section 3, Chapter 1.

C THE PIPELINE

SMART BUILD PORTUGAL · INVESTOR Q&A

Q12. Have any assets been acquired?

No. All seven pipeline assets are at pre-acquisition stage. The Fund has not been constituted. Terms currently agreed with vendors may not survive to constitution, and Portuguese residential land prices rose 16.8% nationally in 2025, so delay carries repricing risk.

Q13. Are the permits already secured?

No, and it is important to be precise about this. The Fund's acquisition framework restricts purchases to land already subdivided under a valid permit or covered by a Detailed Plan permitting development by prior notification. For the initial pipeline, no subdivision permit reference or plan coverage has been documented for any asset.

The modelled licensing periods are themselves revealing. Vale de Flores at three months, Algueirão at five and Quarteira and Lagos at six are consistent with a notification route. Feijó and Albufeira Poente at twelve months, and Albufeira Nascente at thirty-six months, are not. See Data Room Section 4, Risk 3.1.

Q14. Were the land prices negotiated at a discount?

Not for three of the seven. An independent land-price study conducted in September 2026, using comparable transactions filtered at 1.5 times the interquartile range, found three acquisition prices above the highest observed market comparable: Feijó at +278%, Quarteira Velha at +163% and Algueirão–Mem Martins at +59.5%.

This contradicts a stated pillar of the Fund's strategy. The Target Acquisition Framework establishes acquisition at up to 15% below appraised value as a core discipline; for these three assets the modelled position is the opposite. The framework governs acquisitions made after constitution; these three were

negotiated before its adoption. Independent appraisal under Law 153/2015 is recommended before commitment, in that order of priority.

Q15. How concentrated is the pipeline?

Substantially. Marina de Albufeira, across its Poente and Nascente phases, represents 66.5% of pipeline gross development value. Albufeira Poente alone absorbs €31.7 million of equity, approximately 57% of all equity invested, and has an equity payback of 53 months. It also carries the weakest metrics in the pipeline: a 16.3% net margin and a 17.6% levered return.

Q16. Why is so much of the pipeline in the Algarve?

Four of seven assets, representing 89.2% of gross development value, are in the Algarve. This creates a tension with the Fund's thesis, which rests on Portugal's structural housing deficit — a primary-home phenomenon concentrated in metropolitan areas. Algarve demand depends more on second-home, international and lifestyle buyers, and correlates with tourism cycles, currency movements and residency policy in a way that metropolitan primary-home demand does not. This is rated a Medium risk in Data Room Section 4, Risk 1.2.

Q17. Can 355 units at Albufeira be absorbed?

The model assumes a six-month post-construction sales period for the Algarve assets. Selling 186 units at Poente and 169 at Nascente within that period requires an absorption rate that has not been evidenced by any submarket study. Slower absorption would slow the cash sweep that amortises the project facility, which in turn affects the availability of the revolving line for other projects. See Data Room Section 4, Risk 6.2.

D FINANCING

SMART BUILD PORTUGAL · INVESTOR Q&A

Q18. Is the debt committed?

No. The entire €150 million debt component is an assumption. No facility has been agreed, offered or indicatively priced by any bank. The Fund's levered return depends on debt at 75% of total capacity; without it the strategy is not executable at the modelled scale. This is rated a High risk in Data Room Section 4, Risk 4.1.

Q19. Is 100% loan-to-cost realistic?

It is an aggressive assumption. Banks financing residential development in Portugal typically require developer equity within the construction cost. If the actual facility requires, for example, 20% equity in construction cost, the Fund's equity requirement rises materially above the €50 million committed and the pipeline as modelled is not fundable at its current scale. The 100% figure replicates the assumption in the original project business plans and has not been tested with a lender.

Q20. What interest rate is assumed?

A nominal rate of 5.796%, comprising 6-month Euribor at 2.796% (Banco de Portugal, 9 September 2026) plus a 3.00% commercial spread. The spread was assumed by the promoter across all seven business plans and has not been externally validated. Interest is capitalised monthly during construction rather than serviced, so a rate increase compounds into the outstanding balance — an effect greater on the longer programmes at Albufeira.

Q21. The bottom-up debt requirement is €257 million against a €150 million facility. How does that work?

The facility is revolving. Each project amortises its own drawdown through a cash sweep of sales receipts, releasing capacity for the next. The €257,295,052 figure is the sum of each project's own maximum requirement over its life, never drawn simultaneously. The modelled simultaneous peak is €96,626,188. The mechanism depends on sales proceeding at the modelled pace; if they do not, capacity is not released and subsequent projects cannot draw.

Q22. Is the equity sufficient?

Marginally. Peak equity required is €47,439,252 against €50,000,000 committed — 94.9% utilisation — and the model records a maximum shortfall of €349,131, meaning that in at least one month calls exceed available commitment. The model assumes all seven projects commence simultaneously; the real calendar is unconfirmed. Staggering commencement would materially reduce peak demand. See Data Room Section 4, Risk 4.2.

E TAX AND REGULATION

SMART BUILD PORTUGAL · INVESTOR Q&A

Q23. How is the Fund taxed?

Article 22 of the Tax Benefits Statute exempts the Fund from corporate income tax on property income and capital gains. Development proceeds may therefore be reinvested across the pipeline without tax leakage at fund level. Taxation arises at investor level, in each investor's own jurisdiction, and is not modelled in the Fund's projections.

Q24. How are non-resident investors taxed?

Taxation depends on the investor's jurisdiction and on the applicable double taxation treaty. Portugal has treaties with Canada, the United States and China among others. Investors should take independent tax advice in their home jurisdiction, particularly regarding the characterisation of fund income, available treaty benefits, and controlled foreign company or passive foreign investment company rules where relevant. This data room does not provide tax advice.

Q25. Does the 6% VAT rate apply to the whole portfolio?

No, and it should not be presented as a portfolio-wide advantage. The 2026 Housing Tax Package applies 6% VAT to residential construction where the sale price does not exceed €660,982 per fraction. Three of the seven projects are modelled at 6%. The four Algarve assets, representing 89.2% of gross development value, are modelled at the standard 23% rate on a prudential basis pending confirmation of eligibility per fraction.

The risk runs both ways. Confirmation of eligibility for Algarve fractions would improve project economics. Conversely, if any fraction in the three metropolitan projects exceeds the ceiling or fails the permanent-housing or residential-letting conditions, the 17 percentage point differential falls on the Fund.

Q26. What transaction taxes apply on acquisition?

IMT at the general rate of 6.5% applicable to land for construction, and stamp duty at 0.8% under item 1.1 of the General Stamp Duty Table. Both are included within the property subtotal of each project's cost base. Both rates are technically correct for this type of acquisition.

Q27. Has the CMVM approved the Fund?

No. The Fund has not been constituted, and the Fund Management Regulations and Investment Memorandum have not been approved by the CMVM. All terms described in the data room, including the distribution waterfall, are subject to regulatory approval and may change. No approval timetable has been provided.

F SUBSCRIPTION AND LIQUIDITY

SMART BUILD PORTUGAL · INVESTOR Q&A

Q28. What is the minimum investment and how do I subscribe?

The minimum initial subscription is €1,000,000, corresponding to 100 participation units of €10,000 each, plus a 3% subscription fee charged in addition. The Fund will not launch below €10,000,000 of subscribed capital across all distribution channels. Full subscription mechanics, custody options and anti-money-laundering requirements are set out in Data Room Section 9.

Q29. Can I exit before the end of the term?

No. Smart Build Portugal is a closed-end, fixed-capital fund with no mechanism for redemption at the investor's initiative during its life. Participation units are registered at INTERBOLSA and transfer may be possible subject to the Fund's management regulations and applicable securities law, but no organised secondary market exists or is promoted. An investor should assume capital is inaccessible for the full term.

Q30. What is the term, and could it extend?

Six years. The modelled window runs from January 2027 to July 2032. Albufeira Nascente alone runs 5.5 years within that window, leaving limited headroom; any delay to that asset could extend the Fund beyond its assumed term. This is noted in Data Room Section 4, Risk 7.1.

Q31. When are distributions made?

Progressively, as units complete and sale proceeds are received, rather than at a single terminal event. Proceeds are applied first to discharge the project-level facility; net proceeds return to the Fund and become available for distribution through the waterfall, or for reinvestment within the investment period. The Fund's cumulative equity position turns positive at approximately month 29 in the central scenario.

Important Notice

This document consolidates questions raised by placement agents and prospective investors to date, together with questions the General Partner anticipates. It does not constitute an offer or solicitation to invest, nor investment, legal, tax or financial advice.

Answers reflect the position at the date of preparation. Several concern matters that are unresolved; their status at the date of an investment decision should be treated as the operative position. This document will be updated as items are closed, and prospective investors should confirm they hold the current version.

The formal offering will be made exclusively through the Investment Memorandum and Fund Management Regulations approved by the CMVM. Prospective investors should read Data Room Section 4 (Risk Factors) in full and take independent advice before making any investment decision.

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