



PESTANA

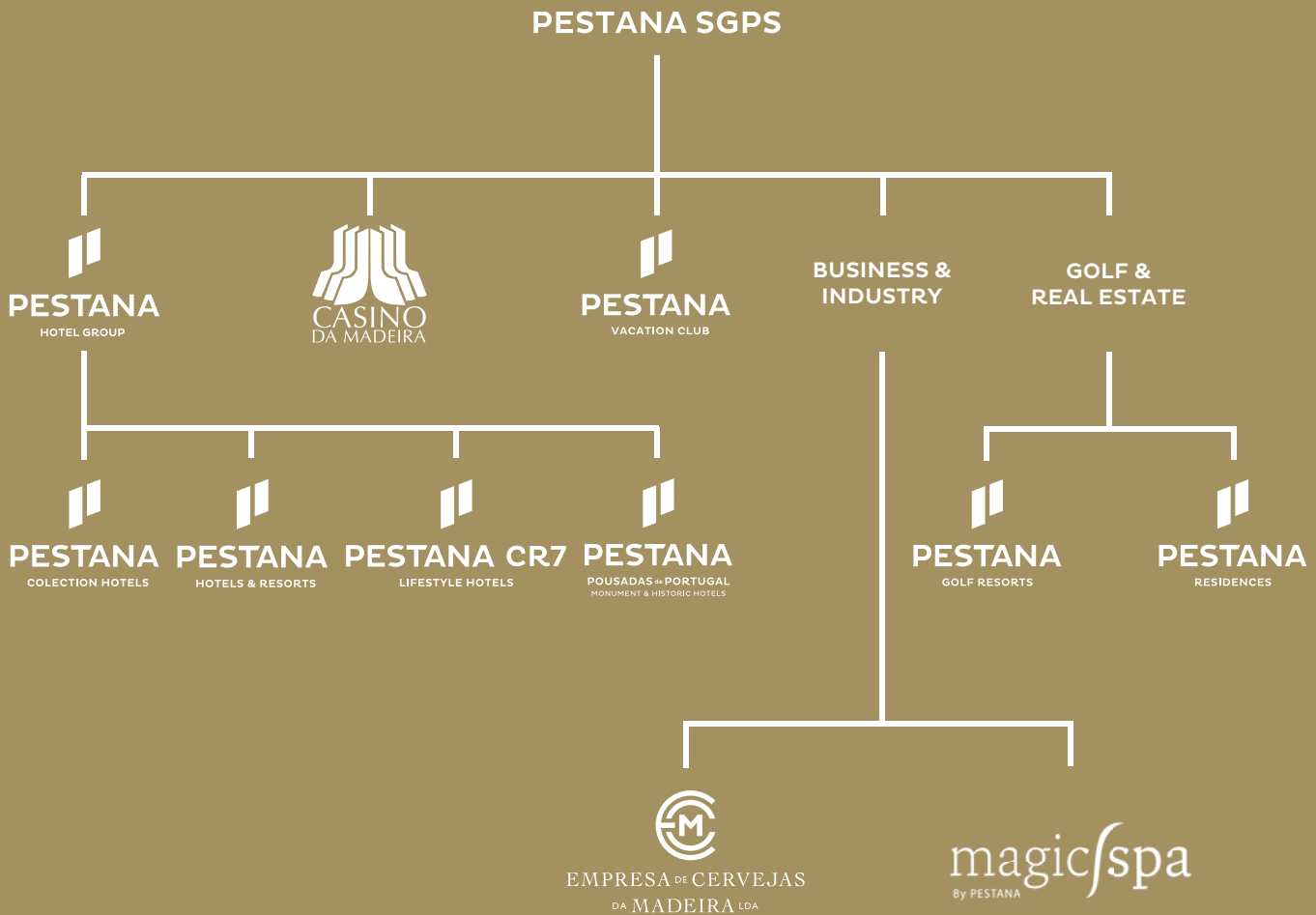
HOTEL GROUP

different sectors of business

one vision



COMPANY STRUCTURE



The companies in Group Pestana are organized into several business divisions: Hotels, Vacation Club, Golf, Real Estate and Industry. Each company, with its own individual strengths and areas of expertise, is tailored for dynamic growth and is structured in such a way that it functions in its respective market as an autonomous unit. At the same time, however, the companies in the different divisions cooperate with each other whenever practicable.

The basic idea behind this concept is that each positive development within the individual divisions strengthens Pestana Group as a whole.

This organizational structure allows SGPS, as a strategic financial holding company, to oversee and coordinate the companies in the Corporate Group centrally and ensure overall corporate continuity.

CHAIRMAN'S REVIEW



Dr Dionísio Pestana
Chairman of Pestana Group

“We know how important it is for our clients to experience a quality service that is refined, attentive and efficient. We want their experience with us to be a memorable one.”

During more than 40 years Pestana has established itself as a recognized and successful force in the hotel and leisure industry. The Group was able to leverage its strong performance in the hotel sector to further diversify into real estate, construction and brewing in Madeira. Before embarking on new projects, the group prides itself on a thorough analysis of market surveys, financial data and competitive activity.

We operate in very dynamic times where the need to change and innovate is paramount. But in one principle I believe we have remained consistent and that is the importance of paying special attention to the needs and desires of our customers.

We recognize that our customer is better informed, has greater choice and is more demanding than ever before. Our business needs to be conducted with the interests of the customer in mind. Our common goal is to use our experience, our expertise and our vast range of services to impress our customers, win their trust and establish long term relationships. By achieving this, we will be able to strengthen our business, expand internationally and enjoy sustained growth. Despite the rapid expansion of our Group, the focus has remained

on providing autonomy within the various business sectors which has the advantages of providing faster lines of communication and efficient decision making. We understand the important role our employees play in our Group whilst committing themselves to standards of excellence. We aim to recruit employees who are well qualified for the positions they hold and who are able to grow and prosper within our companies. In pursuit of this aim, training is intensive and ongoing in order to allow each individual to develop to their full potential.

Our Group is very focused on setting targets and establishing clearly the expectations placed on each business unit and the respective management team.

Customer comments and feedback from guest questionnaires are closely analysed and objectives are set in an attempt to continuously improve service levels.

The Pestana Group and all its employees assume responsibility for ensuring that we meet the expectations of our customers, now and in the future. We share a common goal of building a corporate group that is friendly, efficient and autonomous which earns the trust of its customers again and again.

Dionísio Pestana

HOTELS

*The art of hospitality:
service at its very best*





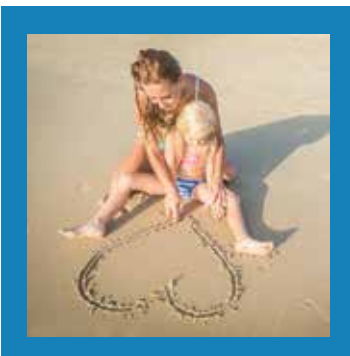
Pestana Palace, Lisbon



Pestana Porto Santo

The Highest Quality for Business and Tourism

Pestana Hotels & Resorts is the brand name given to the hotel division of Group Pestana. The portfolio of luxury four and five star hotels currently embraces over 50 hotels on four continents, namely Europe, Africa, North and South America. The latest survey of Hotel Digest magazine rated Pestana Hotels and Resorts as the 99th largest hotel group worldwide.



Pestana Hotels & Resorts has been making a name for itself since it opened its first hotel in Madeira in 1972.

Inaugurated as the Madeira Sheraton Hotel, the 300 room hotel was built on prime oceanfront land purchased by the company founder, Comendador Manuel Pestana. The hotel, now known as Pestana Carlton Madeira Hotel, has undergone an extensive refurbishment program upgrading public areas and converting many standard rooms into junior suites.

Starting with the acquisition of the 5 star Pestana Casino Park Hotel in 1985, the group began a strong expansion drive in the Portuguese hotel sector. On the island of Madeira, the group currently owns and manages 11 hotels with the Pestana CR7 Praça do Mar Lifestyle Hotel being the most recent new hotel opening. The Group also has the concession for Madeira's only casino complex which also provides an extensive entertainment programme.

We make the most of our individual strengths to achieve a common goal: the satisfaction of our customers

HOTELS

the art of hospitality:
service at its very best



Group Pestana has its flagship city hotel in Lisbon- the five star Pestana Palace Hotel



On mainland Portugal, the group focused on growing its hotel operations in the Algarve and today Pestana owns and manages 9 hotels in Portugal's main tourist destination. One of the latest additions to the Pestana hotel portfolio is Pestana Blue Alvor a premier hotel and resort with direct access to famous Três Irmãos beach in Alvor.

Group Pestana has its flagship city hotel property in Lisbon. Named Pestana Palace Hotel the hotel is located in the original building and grounds of the 19th century Valle-Flor Palace which is classified as a national monument. The highly acclaimed Valle Flor Restaurant set in the palace building serves some of Lisbon's finest cuisine.



A further five Pestana hotels are located on mainland Portugal, in Cascais, Sintra, Troia and further north in the city of Porto. The building in which the Pestana Vintage Porto Hotel is located has a World Heritage classification and is situated on the northern bank of the famous Douro River.

A portfolio of luxury four and five star hotels spread over 4 continents

HOTELS

the art of hospitality:
service at its very best

In 2017, new hotels open in Amsterdam and Madrid with New York following a year later.



In pursuing a strategy to extend the Pestana brand to major cities in both Europe and the Americas, the group opened hotels in London, Berlin, Barcelona and Miami. In 2016, Group Pestana launched four new hotels, namely the Pestana Ilha Dourada in Porto Santo, the Pestana Algarve Race, the Pestana CR7 Funchal and the Pestana CR7 Lisboa. In 2017, new hotels in Amsterdam and in Madrid open, with New York opening in 2020.

In 1999, Pestana Group recognised the enormous potential of the Brazilian tourist industry and set a strategy to become a major player within 5 years. The first acquisition was the 5 star Rio Atlantica Hotel on the famous Copacabana beachfront. Further hotel openings followed notably in Angra dos Reis, Natal, São Luis, Salvador, São Paulo and Curitiba. Today the Pestana name is one of the most recognised hotel brands in Brazil, synonymous with quality and good service.

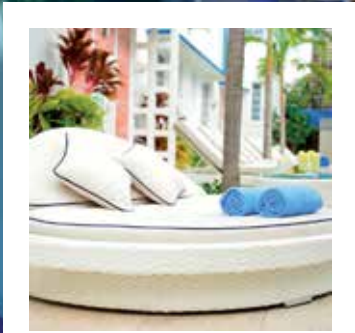
Further expansion occurred in South America with the opening of a hotel in Argentina, namely the Pestana Buenos Aires and in 2008 Pestana opened a 195 room hotel in Caracas, Venezuela.

In Southern Africa, the strategy of the group is to promote holidays that combine the fascination and thrill of a South African bush safari with the pristine beaches found on the Mozambique coastline. To this end, the group owns the Pestana Kruger Lodge situated on the banks of the Crocodile River, the southern boundary of the Kruger Park, and in Mozambique the Pestana Rovuma Hotel located in the capital city of Maputo.

In pursuing the growth strategy of opening hotels in Portuguese speaking destinations, Pestana Group launched three hotel properties in São Tomé and one hotel in Cidade da Praia, capital of the island nation of Cape Verde.



Amsterdam, Netherlands



HOTELS

the art of hospitality:
service at its very best



Through a strong service culture, the group is well-equipped to build a long term relationship with its customer

Golf courses, health clubs, beauty spas, other sports and recreational facilities as well as gourmet dining, provide some of the additional facilities offered by these fine hotels and give added value for the discerning customer.

In 2016, Pestana Group signed a joint cooperation agreement with the world famous Portuguese football player Cristiano Ronaldo, combining his CR7 brand with Pestana Hotels to develop and open four boutique hotels in Portugal, Spain and the U.S.A.

Symbolically, the first of these hotels to be opened was in the heart of Funchal, capital city of the Portuguese island – Madeira, the birthplace of both Ronaldo and Pestana. In keeping with the other three hotels in Lisbon (Historic Downtown), Madrid (Gran Vía), Funchal (Cruise Harbour) and Manhattan, New York (near Times Square), the property has been designed to appeal to the modern day millennial traveller and inspired by Ronaldo's CR7 brand.

The group also targets the business traveller and excellent conference facilities and meeting rooms featuring the latest in conference technology are offered at most of the group hotel properties.

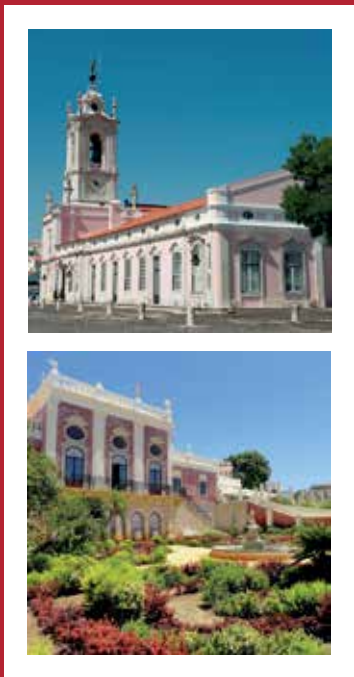
With a shift by customers from the traditional use of reserving holidays through travel agencies and tour operator brochures, the group is constantly investing in the latest information technologies to ensure we are at the cutting edge of customer online booking trends.

The group strives to keep raising the bar in terms of service levels to its customers and has introduced Pestana Priority Guest, a flexible, customer loyalty initiative that offers various benefits to both individual and corporate guests.

Customer retention, plus a well-trained and motivated work force are the keys to increased profits. Towards this aim, the group continues to invest heavily in its intensive employee training programme and the development of dynamic new products and services.

POUSADAS

Tradition on the move: a strong brand for diverse markets





WELCOME TO POU
CASCAIS

**POUSADA
CASCAIS**
Cidade da História: Hotel
& ART DISTRICT

POUSADAS

Offering the history, culture and cuisine of Portugal

The opening of Pousada do Porto in Freixo in 2010 set new standards for quality, comfort and service.

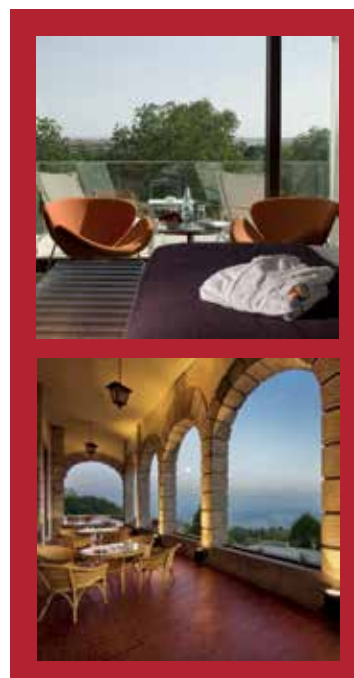


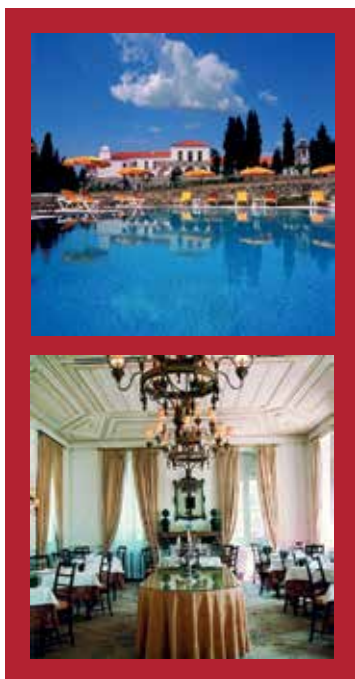
Tradition on the move: a strong brand for diverse markets

The Pousadas of Portugal is a strong, recognizable brand both in Portugal and internationally and since 2003 has been part of Pestana Group.

The Pestana Group won an international tender to acquire 49% of the state owned company, Enatur SA, who owns 35 Pousadas spread throughout Portugal. They are mostly situated in areas of either historical importance or outstanding natural beauty. These Pousadas are also well known for providing guests with regional cuisine and local culture. Often converted from castles, convents and monasteries, the Pousadas tend to average 30 rooms providing guests with attentive and personalised service.

The Pestana Group retains full control over the management of all Pousadas and has allocated considerable resources to upgrading and expanding the brand. In Portugal the group has undertaken a detailed study of each Pousada with a view to allocating fresh capital and resources to further strengthening the brand.





A consumer study showed that there existed a need to segment the Pestana properties into three distinct categories namely, Charm, Historic and Design. 'Historic' pousadas are those that have maintained their original historic architectural style whilst 'Historic Design' denotes those historic pousadas where substantial renovation was required and thus created a new architectural design of the building. The segmentation strategy provides potential customers with a clearer idea of the attraction and distinctiveness of different pousadas.

The award winning, ninety room Pousada de Lisboa is located in Terreiro do Paço - Praça do Comércio, an historic part of the city of Lisbon. It opened in the summer of 2015 and being an Historic Pousada, it preserves the original 18th century architectural style of the building which once housed the Ministry of Internal Affairs.

Often converted from castles, convents and monasteries, the Pousadas tend to average 30 rooms providing guests with a very attentive and personalised service.

POUSADAS

Offering the history, culture and cuisine of Portugal

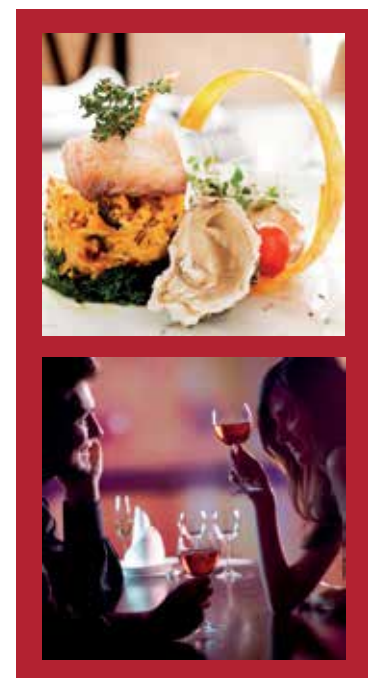


Through a strong service culture, the group is well-equipped to build a long term relationship with its customer

The Group also recognised the opportunity to expand the Pousada brand abroad. A new strategy has been developed to identify future potential Pousadas in those regions outside Portugal when in past times Portugal had a historical presence. The first example of this was in Salvador in Brazil where a disused convent dating back to 1546 has been fully restored and is operating under the Pestana Hotels & Resorts brand. Further territories earmarked for possible Pousada expansion are Goa, Macau and Timor in Asia and São Tomé, Mozambique and Angola in Africa.

For many overseas visitors coming to Portugal mainly from England, Germany and America, staying in a variety of Pousadas spread across the country is a great way to discover the beauty, nature and history of the various regions. The Pousadas also pay particular attention to providing their guests with a culinary experience emphasising the ingredients and flavours of each region.

Besides overseas visitors, the Pousadas remain very popular amongst Portuguese travellers, with weekend breaks having a special appeal.





Pousada Palácio de Estoi, Algarve

VACATION CLUB

Loyalty is to recognise and to reward, with exclusive privileges and rewards.





Pestana Carlton Madeira & Madeira Beach Club



Providing a long term commitment to our members.

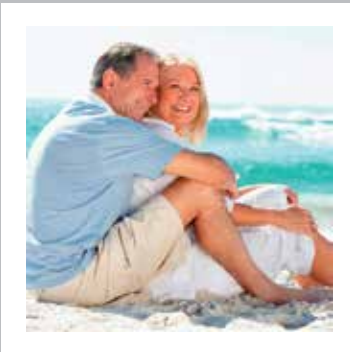


Pestana Group pioneered in Europe the concept of selling weekly intervals in mixed-use hotel and vacation club properties. The Group believed that this concept needed a long-term vision which would be best served by integrating the vacation club concept into existing hotel properties. By including the professional management skills and a full range of facilities associated with hotel properties, holiday ownership customers were given the guarantees and credibility needed to make a long-term commitment with Pestana.

In 1985 sales began at the Madeira Beach Club which is integrated into the 5 star Pestana Carlton Madeira Hotel. On average 1000 new families each year have been acquiring weekly intervals at a Pestana holiday ownership resort and the member base has grown to over 25,000 families among 44 different nationalities. The number of vacation club properties in Madeira and the Algarve has grown to 12 and includes more than 900 luxury apartments. The objective has always been to establish a long-term relationship with these members by offering a quality product backed by excellent service and professional management.

VACATION CLUB

Loyalty is to recognise and to reward, with exclusive privileges and rewards.

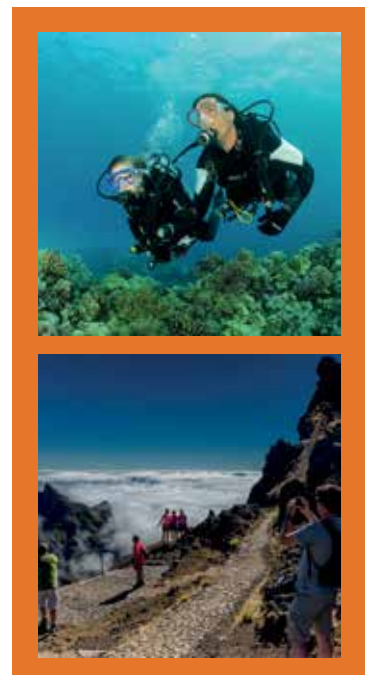


Pestana Vacation Club is designed to provide our guests with the finest options to fulfil their holiday needs and expectations.

Based on the success of this concept, in 2001 the Group launched the Pestana Vacation Club in Brazil. This Club is a point based concept whereby the customer purchases a set number of points which can be exchanged each year for holiday time in any Pestana hotel in Brazil.

The concept offers the flexibility of allowing members to use their points in a variety of destinations and at any time of the year. Since the launch of the Holiday Club in Brazil the member base has grown to 6,000 families who will take their annual holiday in a Pestana Hotel in Brazil or Portugal.

Despite more than 30 years selling holiday intervals at Pestana properties, the group continues to invest in new projects. The latest vacation club to open is at the Pestana Promenade Hotel following the same philosophy of integrating vacation club units into a premier hotel.

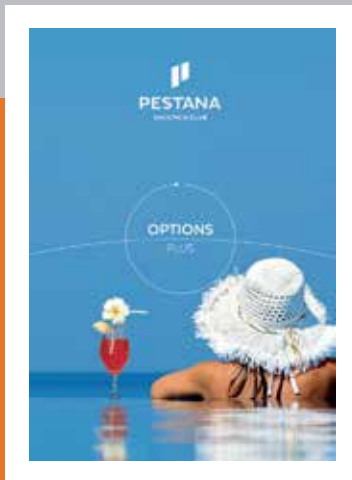




Pestana Porches, Algarve

VACATION CLUB

Loyalty is to recognise and to reward, with exclusive privileges and rewards.



The latest Options Plus product gives the customer every flexibility to choose the season, size of unit and destination every time he wishes to holiday.

The group recognized the need for a top end exclusive club offering weekly intervals of ownership to a select niche of owners. There are four Luxury Collection resorts, integrated at the Pestana Grand, the Madeira Beach Club, another at Pestana Palms and a fourth at Pestana Alvor Praia in the Algarve. Growth in this sector remains buoyant in the Algarve where Pestana has six vacation club resorts. Four of the resorts are located in Alvor with access to the famous Três Irmãos beach. Pestana Porches and Pestana Palm Gardens are located in Armação de Pêra and Carvoeiro respectively.

In 2010, Pestana Vacation Club launched an innovative new holiday product known as Options which was followed by an enhanced version, Options Plus. The emphasis for Options is giving maximum flexibility to the customer who can choose the season, size of unit and destination that each year

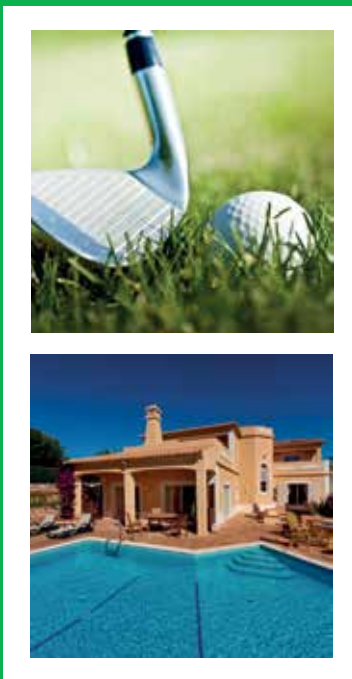
best suits their holiday needs. By purchasing Options Plus, the customer has all the flexibility of Options but has the additional benefit of being able to secure their preferred time of year to holiday and the unit type of their choice. The new concept also allows members to gain access using their credits to the Pousada hotels as well as selective Partner resorts.

Group Pestana has received awards and distinctions from Resort Condominium International (RCI), the world's largest holiday exchange company. During 30 years Pestana has affiliated 18 vacation club resorts in Portugal and Brazil with RCI giving members the opportunity to use their weeks to exchange into a large selection of quality resorts worldwide. Dionísio Pestana was inducted into the RCI Hall of Fame for his significant contribution to the holiday ownership industry in Europe.

Over 25,000 families have joined this holiday concept since sales began at the Madeira Beach Club back in 1985.

GOLF & REAL ESTATE

*Values and growth:
profitable real estate and
professional management*





18



GOLF & REAL ESTATE

Values and growth:
profitable real estate and
professional management

The two magnificent courses of Pinta and Gramacho keep being chosen as the venue for the annual PGA European Senior Tour qualifying event.



Providing fine hospitality to home owners and golfers

With the strong hotel expansion by Pestana in the Algarve, the challenge of filling hotel rooms during the low winter season became clear. As golf was primarily a winter sport in the Algarve, the Group set out to find the right opportunity for entering this sector. In 1996 Carvoeiro Golf with two courses Pinta and Gramacho came on the market and Pestana acquired this premier golf resort which includes the Pestana Golf Academy.

Nick Price, the world's number one golfer for two years in the nineties and winner of the prestige British Open Golf championship agreed to consult on the expansion of Gramacho to a par 72 championship course. These two magnificent courses have been chosen as the venue for the annual PGA European Senior Tour qualifying event. The Gramacho course also hosted the Portuguese Ladies Open in 2005.

In 2006 Pestana opened its third 18 hole course in Silves to wide acclaim. More recently the group acquired the 18 hole course Alto Golf which is a short drive from the 5 star Pestana Alvor Praia Hotel. Vila Sol in Vilamoura is the latest addition to the portfolio of five premier golf courses in the Algarve owned and managed by Pestana.

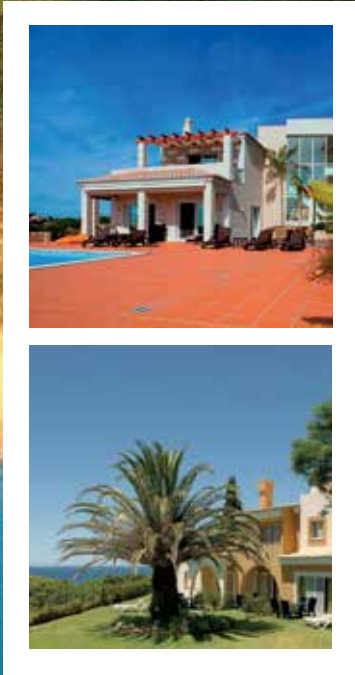
Away from the Algarve, Pestana owns Beloura Golf which is located between the coastal resort of Estoril and the historical city of Sintra. Designed by the well-known golf architect Rocky Rockmore, the par 73 parkland course is set amongst trees and features six lakes. The course continues to grow in popularity appealing to local residents as well as holidaymakers, especially those staying at nearby Pestana Cascais Hotel and Pestana Palace Hotel. Adjoining the golf course is the 4 star Pestana Sintra Golf Hotel which offers spectacular views over the golf course of the Sintra mountains.



Based on the principles of sustainability, adding value and preserving resources for future generations, a unique selection of properties where the Pestana Hotel Group offers the possibility of tourist/holiday rental services, guaranteeing extra return on your investment.

In the Algarve, where Pestana first developed projects in this sector, you will find a wide selection of Pestana Golf & Resorts properties. Be it an apartment, townhouse or villa, there is a holiday or second home for everyone, bordering the group's renowned fairways and greens, in Gramacho, Vale da Pinta or in the new Silves Golf Resort. Find out more at Pestana properties

Pestana Vila Sol is the latest addition to the portfolio of five premier golf courses in the Algarve owned and managed by Pestana.



Lakeside villas, Carvoeiro, Algarve

GOLF & REAL ESTATE

Values and growth:
profitable real estate and
professional management



Pestana Residences includes the exciting real estate project of Pestana Troia Eco Resort with a mix of villas, townhouses and apartments.

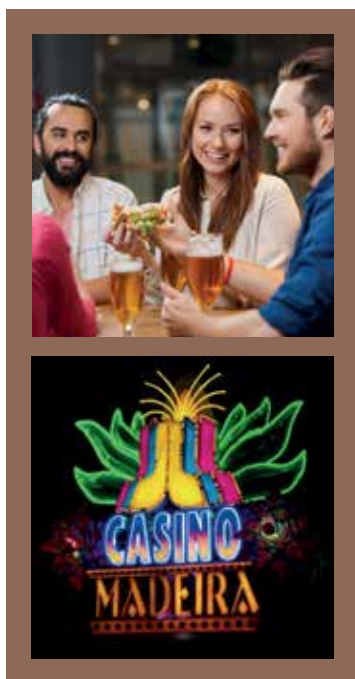


One hour from Lisbon, on the Tróia peninsula best preserved spot, the Pestana Tróia Eco-Resort & Residences comprises of a 100ha property, bordered by a 2km beachfront. Developed over 10 years, in 5 different stages, the resort was designed from scratch to be in full harmony with nature and have minimum environmental impact. It is the lowest building density project in the whole of the Alentejo coast and one of the few PIN (Projects of National Interest). Set in a Nature Reserve, construction amounts to only 5% of the property, while the remaining areas are considered Ecological Reserve (50%) and Green Protected Area (45%). Fully sold, the resort is available for holiday rental reservations at www.pestana.com

Further down the Alentejo coast, the Pestana Comporta Village Residences is the Group's latest real estate development. Set in typical Comporta, well known as the 'Portuguese Hamptons' and a favourite among international VIPs and press, the project that comprises 75 houses is due to be ready by 2022. Located in the heart of the small village and less than 2km away from the beach, the Pestana Comporta Village Residences offers a unique experience, a combination of the preserved local lifestyle and its hippie-chic atmosphere, from the comfort and privacy of a private condominium and with the convenience of the group's hospitality services. Fully reserved, the development currently manages an active waiting list.



Offering an elegant environment, with live music and shows



CASINO

Designed by renowned Brazilian architect Oscar Niemeyer and situated within the extensive tropical gardens of the Pestana Casino Park Hotel, the Casino da Madeira opened in 1976.

Recently refurbished to the very highest standard, it offers an area devoted to slot machines with more than 200 of the latest models. The Palm Bar and the "Rio" restaurant offer South American specialities until the early hours. There is also a gaming room with French roulette and Black Jack, as well as the "Bahia" panoramic restaurant where you can take in an international show with your meal. On the ground floor is the Copacabana Bar, decorated throughout in a tropical style and featuring live music, it makes the ideal spot for a fun filled evening.

Further afield, Group Pestana also operates a casino at their prestigious 5 star Pestana São Tomé island resort off the coast of West Africa.

magic/spa

By PESTANA



Life is made of magic moments take the time of your life with us



The Magic Spa by Pestana, offer a completely unique signature menu for face and body treatments, inspired in ancient therapeutics taken from various parts of the world. In each of the treatments you can feel the touch of our accredited therapists and aromas carefully selected to obtain visible and immediate results.

The Magic Spas launched their unique product range Magic Potion, free of parabens, artificial flavours and colours, focusing on quality of natural materials, which highlights the essential first extraction oils.

Using the latest technology in packaging, glass Miron guarantees the preservation of Magic Potion products against changes in temperature and luminosity.

A successful experience that we invite you to experience in a unique environment of relaxation.

BREWERY

Diversifying beyond tourism into viable opportunities in other industrial sectors

Strong brands, each with their own individual appeal



In September 1994, Pestana Group acquired an initial interest in Empresa de Cervejas da Madeira (ECM), and later purchased 100% of the share capital. ECM, whose origins date from 1872, is one of the most prestigious companies in Madeira and its brands are very well established and recognized. ECM employs some 220 people and has an annual sales turnover in excess of €45 million corresponding to 30 million litres of beer, soft drinks, juices, water, and wines. 'Coral' is the major beer brand of ECM and the uncontested leader in Madeira with a market share of 80%. This Madeiran 'pilsener' is also marketed on mainland Portugal and exported to other markets such as United Kingdom, Australia, South Africa, China, Angola, Guinea- Bissau, São Tomé and Curaçau. ECM completes its brewery portfolio with the brands 'Tonic' (dark beer), 'Coral' non-alcoholic beer and 'Zarco' (lager). The widespread recognition of the 'Coral' brand is achieved through the many sporting and cultural events which it sponsors. 'Coral' beer has been awarded numerous gold medals at the Monde Selection International Competition.

ECM also produces a popular range of soft drinks. Its own carbonated soft drink brands are market leaders in Madeira and gaining in popularity in the non-carbonated category which includes the brand

Brisol. 'Laranjada', the best-selling soft drink in the Madeira Islands which has been produced since 1872. Within the 'Brisa' brands (carbonated soft drinks) ECM produces Maracujá, Limonada, Maça, Manga, Água Tônica and Soda (passion-fruit, lemonade, apple, mango and Tonic Water). Bottled water, both still and carbonated, mainly the 'Atlântida' brand, is another ECM innovation. Introduced in 2005, it has achieved a solid market share.





PESTANA

HOTEL GROUP

www.pestana.com

www.pousadas.pt

www.pestanavacationclub.com

www.pestanagolf.com

www.pestanaresidence.com

www.ecm.pt

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HOTEL GROUP

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