



VTF Q & A

What is the objective of Vineyard & Terroir Fund (VTF)?

Vineyard & Terroir Fund seeks to reimagine investment into vineyards and land, by investing and engaging with established as well as up-and-coming winemakers and the associated lands. Bringing together investment capabilities and deep industry know how. VTF support promising growers while also generating compelling mid to long term investment returns.

The target return to investors is 8-12% per annum.

Why invest in vineyards and land now and through VTF?

According to SAFER (Land registry organisation in France), OMC in Italy and the Silicon Valley Bank in the US, in super prime regions including Burgundy Grands Crus or Pauillac, the value of the land has more than doubled in the last 10 years. This development applies as well in smaller and up-coming appellations around the world. This phenomenon is due to a global increase of fine wines consumption in the US and Asia, combined with a global trend of a desire to experience high quality wines.

Investing into vineyards is complex and requires specialist knowledge. VTF smoothly accommodates investors with little to significant wine knowledge, in investing into this secure asset.

Vineyard and land investing can offer attractive risk-adjusted returns and excellent portfolio diversification due to its low correlation with other asset classes with 8 to 12% annual potential return.

What is the legal statue and licensing of the fund?

Vineyards and Terroir Fund will be a sub fund of WSF SICAV PLC. with a European Passport.

The fund is a SICAV under the law of Malta as a multi-fund public limited liability company with variable share capital (SICAV) pursuant to the Companies Act (Chapter 386 of the Laws of Malta), and is licensed by the Malta Financial Services Authority ("MFSA") as a Professional Investor Fund which is available to Eligible Investors.

The investment structure fully complies with European Fund Investment regulations as an Alternative Investment Fund.

Does an investor need to have significant knowledge about the wine and vineyard industry when investing through VTF?

Before anything else, VTF is a financial investment tool which can offer attractive risk-adjusted returns, but it's also an excellent portfolio diversification. Our team has a combined 50 years of experience in wine, land and finance. As an investor in VTF you will fully benefit of this know how, experience and access.



What kind of winemakers does VTF invest in?

VTF is sister company of Wine Source Group which has a large portfolio of established as well as up and coming winemakers who come from all over the world adding to the solid network of wine producers of the fund managers.

What other investors are you anticipating to get into the fund?

We are anticipating all financial investors who are seeking attractive risk- adjusted returns and excellent portfolio diversification. Wine lovers who are interested in being involved in a vineyard and appreciate visits, tastings, allocations, but also looking for secure asset investment.

What kind of investors is this fund suitable for?

Professional and Institutional Investors : Any HNWI's, Family Offices, Private Banks and other institutions seeking returns in medium to long terms luxury asset.

Will an investor actually own specific vineyards?

Investors in VTF will own a share of different lands all around the world, farmed by our winemaker partners.

Will investors be able to meet the winemakers? buy their wine? visit them?

VTF is more than a financial investment, we give you access to a number of services. You can book a visit in the finest wineries, get private wine advisors and of course purchase allocations of wines from our partners.

What other funds are there out there with similar structure and legal status?

There are very few funds with a similar structure or investment area to the one of VTF. We have achieved to create a serious investment fund managed by an experienced team and fully compliant with the European Investment Fund Laws, in order to meet the requirements of the most rigorous institutional as well as private investors.

What is the fee structure of an investment into VTF?

1% management fee and 10% performance fee with a 6% high water mark when investing minimum of €/\$200,000 until 1st of April 2020

From 2nd of April 2020 , the fees schedule is as in the following:

2%/10% for min investment of €/\$200,000 from 2nd April 2020

1%/10% for min investment of €/\$500,000

6% high watermark

Lock in Period: 5 years

**Are there entry/exit fees ?**

No entry and exit fees.

Why is the investment locked in for 5 years at least?

The minimum investment period is 5 years in line with farming contracts. Even though we could sell the asset over a shorter time, we will have less freedom to maximise returns for the fund. We therefore do not intend to force a sale in the middle of the 5 year time period and the advised investment period for optimal value is 5 years.

How are vineyards evaluated in France, Italy, or the US?

Vineyard and land price level are set by the local land registrars in the respective countries. In France it is SAFER, OMC in Italy and Silicon Valley bank in the US.

How does the investment process work?

The Fund shall, through its Investment Committee, use various proprietary strategies to make investment decisions.

Choice of the regions is key, mainly driven by the winemakers-partners who are the best to value the potential of a land. Regions we are targeting are: Central California, Northern Rhone, Beaujolais, Burgundy, Piedmont.

The fund should secure in priority lands in areas where the price is below the Euros 1Mio per hectare mark. This will allow the investment to get short to medium return on top of the valuation of the land.

is VTF classified as an and Alternative Investment?

Yes. Alternative investments are alternatives to so-called 'mainstream investments': equities and fixed income. They include private capital, real estate, real assets and hedge funds and last but not least art and wine. Investors increasingly use alternative strategies to help them achieve their return and diversification goals.

Could I loose my full investment?

VTF offer attractive risk-adjusted returns and excellent portfolio diversification due to its low correlation with other asset classes - like any other alternative asset. Investing into alternative assets is risky and can result in full loss of the invested capital.