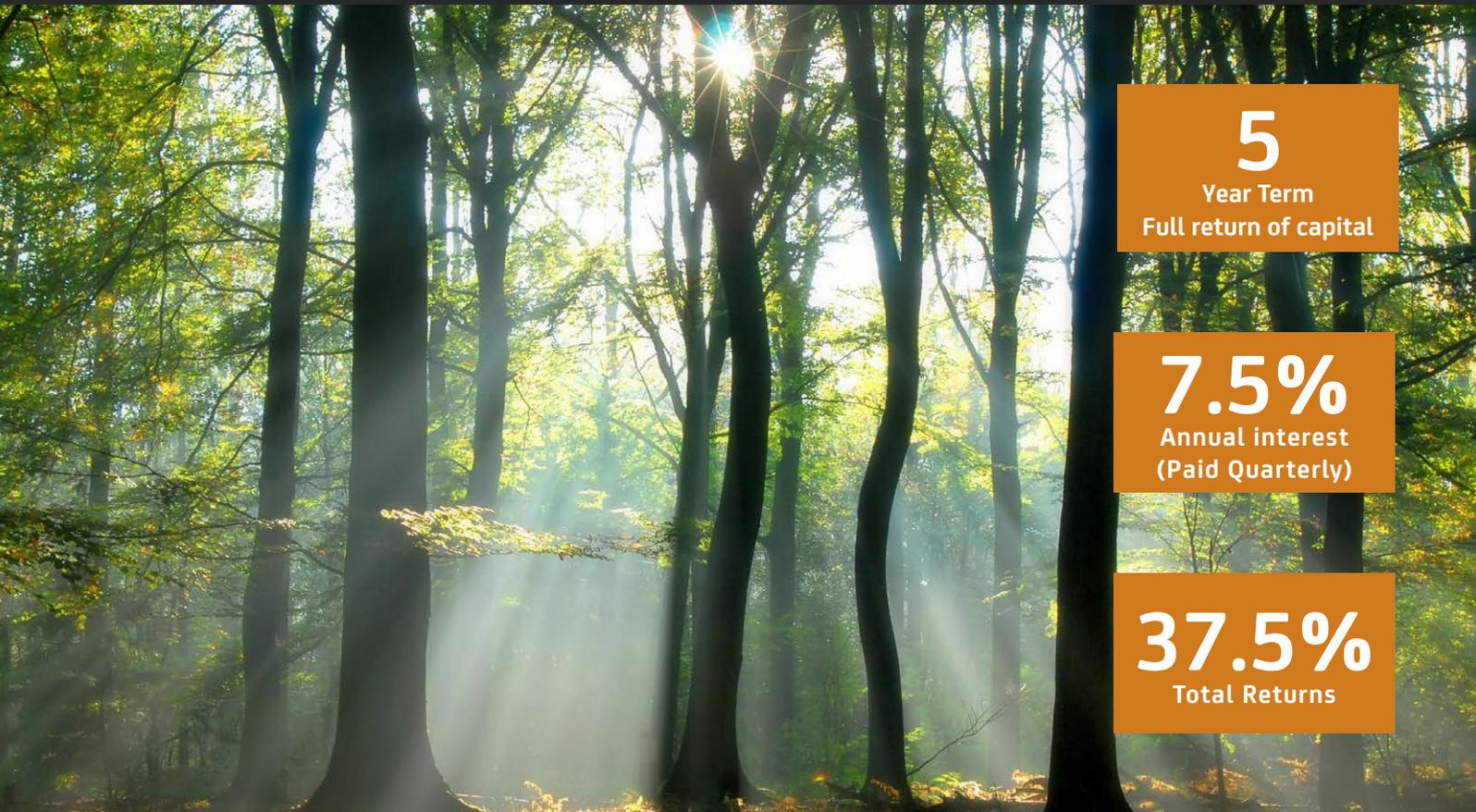


# Green IS Ventures



PRODUCT INFORMATION • PRODUCT INFORMATION • PRODUCT INFORMATION • PRODUCT INFORMATION



**5**  
Year Term  
Full return of capital

**7.5%**  
Annual interest  
(Paid Quarterly)

**37.5%**  
Total Returns

## AN OPPORTUNITY TO INVEST IN A SUSTAINABLE AND ETHICAL HARDWOOD FORESTRY PROJECT

### WELCOME TO GREEN IS VENTURES



I'm pleased to tell you about the next stage in developing our activities in Brazil. We have over 10 years experience in growing tropical hardwood, and in that time have built a business that is self-sufficient, with all aspects of production under our direct ownership.

We control the process from the point of growing seedlings in our nursery to the export of high-quality finished timber from our saw mills.

All this has been achieved by a series of successful bond issues, enabling the group to acquire substantial assets and infrastructure in the region. Green IS are fully integrated into the local community, providing secure employment to our workforce and sponsoring local organisations and activities.

Being granted Forest Stewardship Council (FSC) certification was a milestone for the group, and recognition of our success in applying sustainable and ethical processes.

We were proud to be approached by IBAMA, who are the division within the Brazilian Department of the Environment that oversees the development of natural resources. Recent events highlight that an established timber company with a proven environmental record is an ideal applicant for licences to help sustainably manage Brazilian forests.

I'm excited about this opportunity to combine both commercial and conservation objectives, and welcome you to the Green IS Ventures investment community.

**Guy Conroy**  
Group CEO



## SPECIAL PURPOSE INVESTMENT VEHICLE

Green IS Ventures Ltd has been established as part of the Green IS Group Ltd to provide a special purpose vehicle for investment in the harvesting, processing and sale of highly sought after tropical hardwoods.

The Green IS Group is incorporated in the UK, and has a successful record of using bond finance for acquiring both forestry and infrastructure. The group has evolved out of a forestry management company that has been providing excellent returns for investors since 2010.

## THE OPPORTUNITY

The climate and growing conditions in the central region of Brazil, with its warm, humid environment, are ideally suited for growing tropical hardwoods. Green IS has been invited to apply for licenses to manage large areas of natural forest. This will include the opportunity for the ethical and sustainable harvesting of rare timber.

The financial viability of the opportunity is based on an accurate estimate of the volume of timber available for harvesting, which allows us to make a detailed financial projection for each project.

## BOND SECURITY

The net asset value of Green IS Group Ltd has been pledged as security for this bond listing, and is substantially greater than potential borrowings. The board of Green IS Group Ltd have made a board resolution to ensure that net assets will always be higher value than outstanding bond liabilities.

Bond liquidity is achieved by a retention policy whereby 8% of the subscription proceeds remain with the Issuer's Custodian Bank in cash. Green IS Ventures Ltd has chosen to be listed on the Irish Stock Exchange, with its stringent regulatory framework and commitment to EU membership.

## THE LICENSING AUTHORITY - IBAMA

IBAMA is an acronym for The Brazilian Institute of Environment and Renewable Natural Resources. It is a federal agency, under the Brazilian Department of the Environment, and it was instituted to uphold the objectives of the National Environmental Policy. This policy was established to protect the environmental quality of Brazil.

As part of its remit, IBAMA has created a licensing scheme, which allows for the ethical and sustainable exploitation of the hardwoods held in the Brazilian rainforest. The tracts of land involved are vast, and IBAMA uses a satellite monitoring system to ensure compliance with the terms of the license.

These licensed operations are known as Managed Projects.

## MANAGED PROJECTS

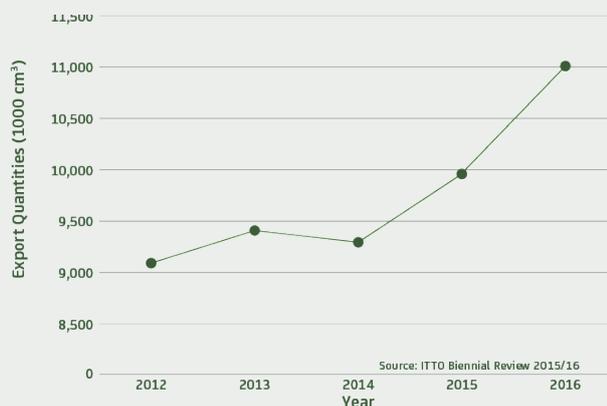
The Managed Project scheme has been devised as a way to sustainably utilise the rich natural resources of the Amazon.

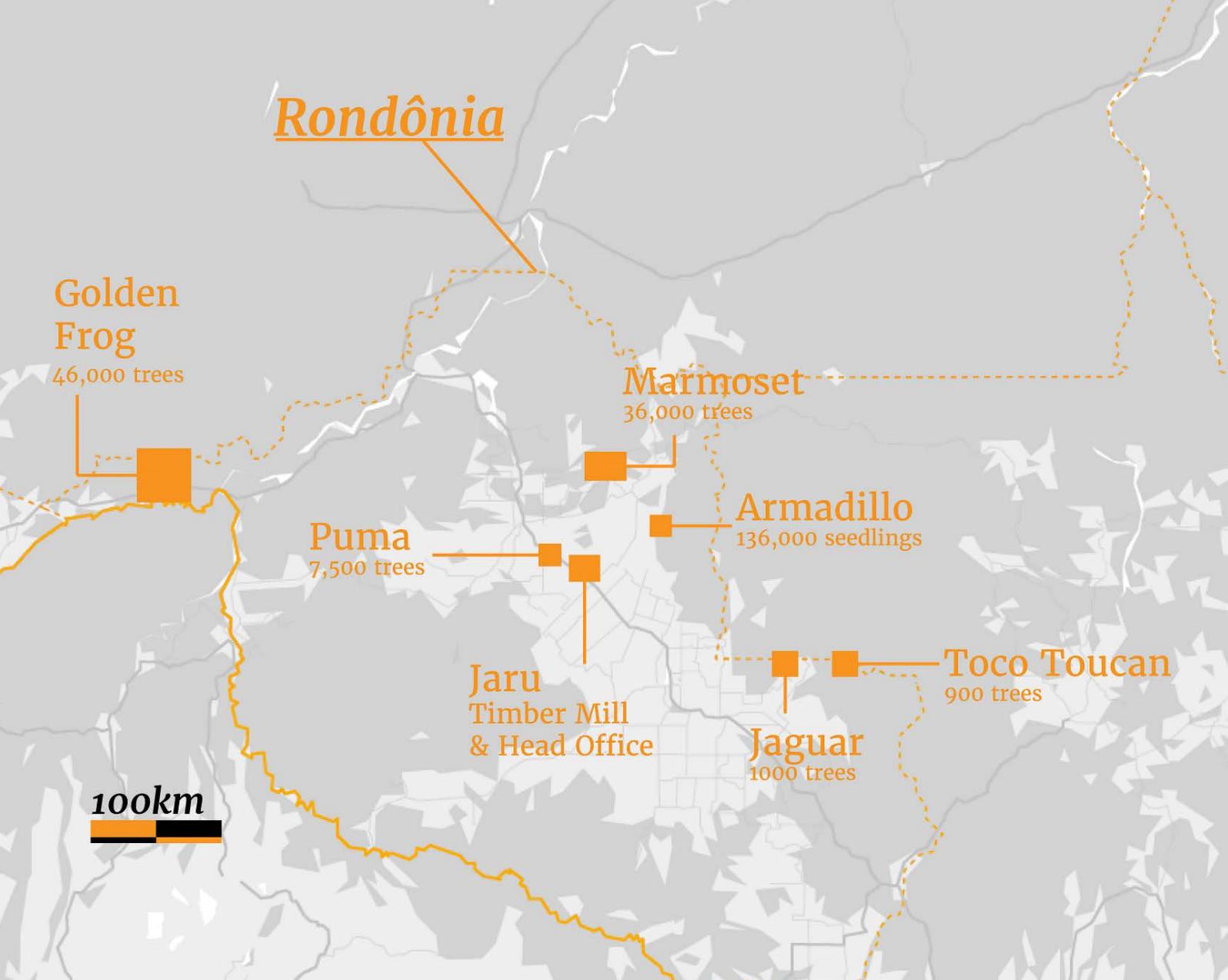
IBAMA carry out a detailed survey of the licensed area, and an inventory is constructed to allow for low impact logging with minimal degradation of the surrounding woodland.

With an overall limit of 5%-8% logging of available timber, combined with a comprehensive replanting and restoration programme, there is an assurance

### Worldwide Demand for Tropical Hardwoods

Production, Trade and Consumption of Tropical Timber by ITTO Consumers (1000m<sup>3</sup>)





that this natural resource will continue to flourish to the benefit of future generations.

Indigenous peoples typically own the extraction rights to these Managed Projects, but they are still subject to meeting IBAMA's strict license conditions.

It is at this point that they strike an arrangement with commercial timber companies with the necessary infrastructure and experience.

### **BR & UK FLORESTAL LTDA**

In order to qualify as a suitable commercial partner it is necessary to meet various tests, as only Brazilian-based community associations, cooperatives and companies can participate in forest concessions. Our Brazilian operation, BR & UK Florestal Ltda, is a well-established Brazilian timber company, with all necessary infrastructure to support nurseries, plantations, sawmills and export. It also meets the following requirements, which are essential for Managed Projects eligibility:

### **Company formation**

- Incorporated in Brazil under CNPJ/MF registration number 24.583.799/0001-54
- Foreign owned companies must have a Brazilian director and shareholder
- Registered for corporation and payroll taxes

### **FSC CERTIFICATION - C 133983**

Forest Stewardship Council (FSC) certification provides an independent assurance to timber buyers around the world.

### **EXPORT LICENSING**

RADAR (Registro e Rastreamento da Atuação dos Intervenientes Aduaneiros) is authorised to operate on the SISCOMEX, which is a computer system that registers all Imports and Exports.



## TIMBER EXTRACTION LICENSES

When harvesting Sustainable Forest Management Projects in native forests, concessionaires must be on IBAMA's technical register, and hold the following:

- A concession contract
- A Sustainable Forest Management Plan (Plano de Manejo Florestal Sustentável – PMFS)
- An Annual Operational Plan (Plano Operacional Annual – POA)
- Operating Authorisation (Autorização de Exploração – AUTEX)

## PROCESSING LICENSING

Saw mills and warehouses must possess the relevant licenses for the processing of Teak and native species.

## THE MECHANISM

Green IS Ventures will sub-contract all logging and processing to our group company, BR&UK Florestal Ltda, at which point the timber product will be sold with the benefit of FSC certification to the international market with full chain of custody, proving full ownership and traceability from plantation to port.

## THE END PRODUCT

There is an extremely high worldwide demand for timber with the very special characteristics that can only be found in exotic tropical hardwoods. Managed Projects provides us with a rare opportunity to create a highly profitable vehicle to provide premium timber that is fully certified to recognised international standards.

There is increasing demand in world markets for sustainably grown tropical hardwoods, and it is predicted that prices will increase, as there is a shortage of certified suppliers.

## APPLICATION PROCESS

**AML** - Submission of anti-money-laundering declaration (if applicable)

**Initial application** - Completed application and certified AML/KYC documentation sent by email to:

Ireland@trustmoore.com

**Original documents** – The original application and certified documentation to be posted to:

Trustmoore Ireland

31-32 Leeson Street, Lower Dublin 2 D02 F838  
Ireland

+353 1 961 9355



## ECOLOGICAL MITIGATION

### Carbon sequestration

It is essential that the world reduce carbon emissions in order to mitigate the damaging effects of global warming, however scientists also stress the importance of sequestration – the removal of existing carbon dioxide from the atmosphere. There are a number of technological solutions being developed, but one of the most efficient ways of capturing carbon is reforestation. Carbon dioxide is utilised as part of the growing process by all plants and trees.

Forests represent a form of carbon storage, and this benefit is preserved when a tree is harvested and the timber made in to furniture or used in construction. A mature teak tree accumulates approximately 0.5 tonne of carbon by the time it is ready for harvesting.

A further contribution is the potential saving achieved by a reduction in the number of rainforest trees that would otherwise be felled.

Planting a tree is a real contribution to carbon reduction, and BR & UK Florestal Ltda plant over 100,000 a year.

### Replanting

A key requirement of the Managed Projects licensing scheme is proof of sustainability, and a mixed programme of replanting or self-seeding is agreed with IBAMA on a project-by-project basis.



## SILVOPASTORALISM

### **A more natural way of farming**

Agroforestry is a general name for various styles of land management, where the growing of trees or shrubs is integrated with either crops or animal husbandry.

In our case Green IS Ventures follows a form of agroforestry called Silvopastoralism – combining forestry (Silvo) with the raising of livestock (pastoralism).

This is an example of historical farming methods being resurrected to suit modern demands, and the renewed interest in Silvopastoralism is a response to the environmental damage caused by intensive farming techniques.

As a modern take on traditional practices it can be practiced in a number of ways, but in our specific case it is the beneficial relationship between growing trees and raising beef cattle.

Cattle benefit from the presence of trees in a number of ways, including foraging for food, the shade provided during periods of intense heat, and shelter during very wet weather. In return, the trees and the soil benefit as cattle manure returns nutrients to the earth as a natural fertiliser.

This form of complementary farming is not a compromise between growing crops and trees. If properly managed, a system of Silvopastoralism results in an overall increase in productivity in both beef and timber.

There are a number of ecological benefits. The growth of each tree helps the environment in a number of ways, and turning a mature tree in to furniture, or using timber in construction, ensures the long-term capture of carbon dioxide. In addition, by decreasing the need for artificial additives such as fertilisers and pesticides, the overall health of soil and watercourses is improved.

## KEY PERSONNEL

### **Green IS Group Ltd - UK**

#### **Guy Conroy - Group CEO**

Guy is a technical forestry expert, and has worked in the timber industry for his whole career. His speciality is managing forestry investment projects, and he founded Green IS ten years ago for this purpose.

#### **David Evans - Managed Projects**

David worked in IT for 30 years, implementing accounting and control systems around the world for many different industries. He is experienced in the methods needed to manage multi-lingual, multi-currency businesses.

### **BR & UK Florestal Ltda - Brazil**

#### **Cleilton Leite – Managing Director**

Cleilton is the Managing Director of BR & UK Florestal Ltda. He oversees the management team who run our operational activities, and identifies opportunities for acquiring plantations and timber stocks.

#### **Ronaldo Priori – Financial Manager**

After obtaining his Accounting degree, Ronaldo has experience as financial controller for a wide range of businesses. He is currently studying for a Postgraduate Auditing degree.



## QUESTIONS AND ANSWERS

### 1. How will bond proceeds be utilised?

Green IS Ventures will use the bond proceeds to fund project acquisitions in Brazil. Typically, the first investment will be the purchase of an IBAMA licence, followed by the financing of operational costs during the initial phase of the project.

### 2. Why use bond finance?

Green IS Group Ltd has managed a series of successful bonds, and is experienced in meeting the needs and expectations of investors. Bond finance allows the company to react quickly and take advantage of commercial opportunities as they are presented. The rigidity and timescales experienced in traditional bank finance applications may result in the loss of those opportunities and reduce our flexibility.

### 3. What is the minimum investment amount?

The bond can be purchased in multiples of £10,000 (sterling), €10,000 (Euros) or \$10,000 (US dollars).

### 4. What is the amount being raised in this bond?

€25,000,000.00

### 5. Who can invest?

The bond is open to private investors over the age of 18, trusts and companies. It is also SIPP, SSAS, ISA and UCITS compliant.

### 6. How will I be paid?

The bond investment will be paid using company earnings.

### 7. Do I need to discuss this investment with a financial advisor?

You are recommended to seek the advice of a suitably qualified and registered independent financial advisor before making any investment.

### 8. When will my original investment be repaid?

Investors original capital investment will be paid in full on the 5th anniversary of the term.

### 9. What is the bond security?

The bond is secured against the net asset value of Green IS Group Ltd. There is a board resolution to ensure that net assets will always be higher in value than outstanding bond liabilities.

### 10. What are the terms of the bond?

This is a 5 year fixed term bond.

### 11. What happens if the investor should die within the term of the bond?

The Green IS Ventures bond will form part of the investors estate, and be subject to the instructions of the executor or administrator of the estate. The company will transfer the title of the bond investment to the intended beneficiary, subject to a properly executed transfer instruction.

### 12. Can I transfer my bond?

Yes, subject to the new investor meeting the bond investment criteria.

### 13. Is the bond recognised by the FCA?

Yes. The FCA classify these bonds as standard assets due to the structure controlled by the Central Bank of Ireland and listing on the Irish Stock Exchange, which is recognised as a major stock exchange.

### 14. Are there performance updates for the bond?

Under the terms set by the administrators, Trustmoore Ireland, Green IS Ventures will provide both quarterly management accounts and annual company accounts. A newsletter will be published twice a year, in the form of a report on acquisitions and business developments.



## KEY FEATURES

**Bond returns** – 7.5% interest per annum paid gross, quarterly

**Investment term** – 5 year fixed term

**Minimum investment amount** - The bond can be purchased in multiples of £10,000 (sterling), €10,000 (Euros) or \$10,000 (US dollars).

**Bond security** - The bond is secured against the net asset value of Green IS Group Ltd. There is a board resolution to ensure that net assets will always be higher value than outstanding bond liabilities.

**Investment eligibility** – In addition to private investors, this bond is SIPP/SSAS/ISA/UCITS compliant.

## KEY FACTS

**Securities Name:** GREEN IS VENTURES LTD 7.5% Fixed Rate Bond 2019

**Issuer:** Audacia Capital (Ireland) plc

**Issuer's Auditor:** EisnerAmper

**Interest Coupon:** 7.5% Annual Interest (Paid Quarterly)

**Type:** 5 Year Fixed Rate, Asset Backed

**Denomination:** GBP

**Listing:** DUBLIN GEM exchange

**Clearing System:** CREST

**Administration:** Trustmoore Ireland

**Banking:** NORTHERN TRUST

**Liquidity:** Valued Daily

**Eligibility:** SIPP/SSAS/ISA/UCITS

**ISIN:** IE00BK77MJ65

**SEDOL:** Awaiting Issue

**Bloomberg Ticker:** BBG00PYQQ144

**Website:** www.greenisventures.com

### Funds Raised By Green IS For Previous Bond Issues

Green IS Assets  
Valuation: £13,600,000

Green IS Bonds 2 & 6  
Raised: £8,625,000



### Funds Repaid and Reinvested in Green IS Bonds

Green IS Bondholders  
Funds Repaid: £505,000

Green IS Bondholders  
Funds Reinvested: £225,000



## THE SMALL PRINT...

The Green IS Ventures Ltd Bond is comprised in debt securities issued by Audacia Capital (Ireland) plc, a company registered in Ireland (number: 622442) whose registered office is at Block 5, Irish Life Centre, Abbey Street Lower, Dublin, Ireland.

The Green IS Ventures Ltd Bond has been listed and is publicly tradable on the General Exchange Market (GEM) of the Euronext Dublin Stock Exchange, for which the company has submitted information to the Exchange as published on the following link: [http://www.ise.ie/debt\\_documents/ListingParticulars\\_9d8d85c2-89b4-42e0-b8f0-c7cb4d0dc6bb.pdf](http://www.ise.ie/debt_documents/ListingParticulars_9d8d85c2-89b4-42e0-b8f0-c7cb4d0dc6bb.pdf)

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