

Specific Information Regarding the S.I. Project Qualification of Style Royale

Project: System of Incentives for qualification and internationalisation of SME (No. 12799)

Amount of Overall Investment: 387,470.00€ (Three hundred eighty-seven thousand four hundred and

seventy euros)

Eligible expenses: 385,270.00€ (Three hundred eighty-five thousand two hundred and seventy euros) Incentive: 175,121.50€ (One hundred seventy-five thousand one hundred twenty-one euros and fifty

Tax Incentive Rate: 45.45% of expenses considered eligible

Contract No.: 2010/12799 Start date: 01/01/2010 End date: 15/07/2012

Style Royale

Style Royale's objectives with the project of Incentives for the qualification and internationalisation of SME

Style Royale, Lda shall make this investment with the intent to complete a series of objectives defined below.

Main objectives - general

- To achieve market share in order to become a benchmark company in its area of operation.
- · For the company to be recognised in the market and for its name to be synonymous with quality and service.
- · By overall growth, the company should achieve even more negotiating strength in relation to its suppliers and outside entities.
- · To maintain sound management of human resources, emphasising employees as the predominant factor in setting it apart from the competition.
- To grow, but in a sound manner, ensuring above all a company that is financially healthy, with balanced accounts, and efficient and quick in its daily operations.
- To maintain a strong partnership with its suppliers, so that they can join forces and face the competition.

The aim of these objectives is to position the company in the market, since these are critical determining factors for its competitiveness.

Areas of preferred investment

Innovation

We shall develop, in partnership with one partner, collections that are geared towards the international market where design and innovation must be in agreement with each market, and the company shall expand its design to the area of shoes and belts. We shall invest at the level of designing new products with new aesthetic concepts and new functionalities to be able to compete with the large brands already on the market.

Commercial Marketing

We shall invest in a new showroom area that will allow us to display our collections to our national and international customers.

· Internationalisation

We shall invest in the image of our own brand and in important markets, such as Spain, Germany, The Netherlands, Denmark, Switzerland, Sweden and others. We shall invest in prospecting trips to various countries and in catalogues developed for these markets.

The company will take part in many fairs during this investment period, and we can mention Italy as one of the best European locations for us to have a booth with our own brands and our range of products. The electronic business portal will feature more than one language. We shall register the new brands to be created in the international markets, in an effort to protect international property rights.

· Quality

The company will invest in certification of quality.

· Professional Training

The company has a training plan for all employees which includes: Technologies of materials, Teamwork; Notions of quality, Information Technology.

Strategic investments of support to the company's global strategy

- · Right now, the company should develop a policy of sound and efficient investment. This factor is very important, since it will allow the company to maintain large-scale development, constantly striving to maintain high levels of competitiveness in relation to competitors.
- · We should invest in proper high quality facilities, so that customers will be at ease while there, and always receive personalised quality service.
- · We should invest in the productive area with technologically advanced equipment which at the same time allows quick operation and maximum flexibility in order to provide our customers with the best service.
- · To carry out this new strategy, it will be of the utmost importance to establish partnerships with potential suppliers in the sense of establishing and making the business areas profitable.
- · We should invest in a high capacity computer system with the latest technologies, capable of meeting the needs of a company prepared for the future and able to respond professionally, creatively and diligently to the permanent challenges of the market.

With this project, the Company hopes to achieve the following objectives:

- · Direct and quantifiable profits with an increase in business volume from 50,000 euros in 2009 to 695,750 euros in 2012
- · Be able to respond to customers efficiently, quickly and soundly.
- · Beginning in 2012, to sell about 80% of its business volume to external markets.
- Increase Productivity; Improve Quality; Technological Modernisation of the technology of Storage Systems;
- · Strengthen Internationalisation
- · Create and Launch new products for house brands in an attempt to create partnerships with distribution agents.
- · Profits that are not quantifiable but which exist and are extremely important economically and financially to the company, at the level of efficiency, flexibility of operation in light of changes, control of company management, and support for top decision-making. These profits translate into competitiveness, in competitive processing profits. In direct financial profits, the company will invest in reducing poor quality in assembling and processing.
- · Be a company certified in quality.

market.

The aim of these objectives is to position the company in the market, due to its incidence in the critical determining factors for competitiveness so that, when we have achieved this investment, we can look to the future with much greater enthusiasm, having hope in an efficient company with a consolidated position in the

· Continue to have a motivated team, trained for the future investments of the company.