

PKF PCC Cell 2 - 20% Bond Fact Sheet

20% Limited Recourse Bond Due 2026



Overview of PKF

PKF PCC is a wholly owned subsidiary of PKF Capital Markets (Seychelles) Limited (“PKF”), a licensed Securities Dealer (SD001) and a licensed Seychelles Fund Administrator (FA007) with the Financial Services Authority of Seychelles and a member of MERJ Securities Exchange.

As a diversified financial services business, PKF provides a comprehensive range of financial products and services including corporate finance, sponsor advisory, private wealth management and securities broking services to institutions and private clients.

The Issuer

PKF PCC was incorporated on 10th August 2017. The Company is an International Business Company (“IBC”) and a Protected Cell Company (“PCC”) registered in terms of the IBC Act of the Seychelles.

The nature of business and principal activities of the Company is issuing of Bonds and similar securities and investing the proceeds in a portfolio of financial instruments and structured products in accordance with its investment policy.

The Bond

PKF PCC Cell 2 - 20% Bond is a debt instrument that offers investors a fixed return over a 5-year term. The underlying investment provides a yield by issuing unsecured debt to individuals in Europe.

These loans are at EUR 1,000 per year for a maximum term of two years, with monthly repayments including interest. Due to the nature of this product, being unsecured loans, it is considered high risk. This risk is however mitigated by a strict application process, which involves a high level of due diligence, and additionally, the risk is spread over a broad client base where a fall off rate of 20% can be absorbed. We therefore feel that the risk to return ratio is justified.

Key Parties

Investment Manager: PKF Capital Markets (Seychelles) Limited
Issuer: PKF PCC
Listing: MERJ Exchange
Clearing and settlement: MERJ Clear
Global Distributor: PKF Capital Markets (Seychelles) Limited
Issuer Legal Counsel: Chetty and Chetty Chambers

Bond Information on 30th June 2022

Bond Name:	PKF PCC Cell 2 - 20% Bond
Currency:	EUR€
Market Value:	€ 1,681,500
Face Value:	€ 100 / Bond
Holding Company:	PKF Capital Markets (Seychelles) Limited
Term:	60 Months
Withdrawals:	12 months from issue with 30 days notice
Inception:	01 st April 2021
Maturity Date:	31 st March 2026
Coupon:	20% Per Annum
Coupon Payment:	Quarterly
Coupon Payment Date:	On or before the 14 th day after the quarter
Minimum Investment:	€ 100
Target Raise:	€ 100,000,000
Initial Charge:	0%
Investor Criteria:	Primary issuances exclusively for clients of PKF
Regulation and Liquidity:	Listed on MERJ Exchange
Symbol:	PKFPCC2
ISIN Number:	SC1725IFEJ93
Dealing:	10am-6am
Investor Protection:	Each class of Bond is issued from a PCC cell and the Bondholders have recourse to the assets of that cell only

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Performance

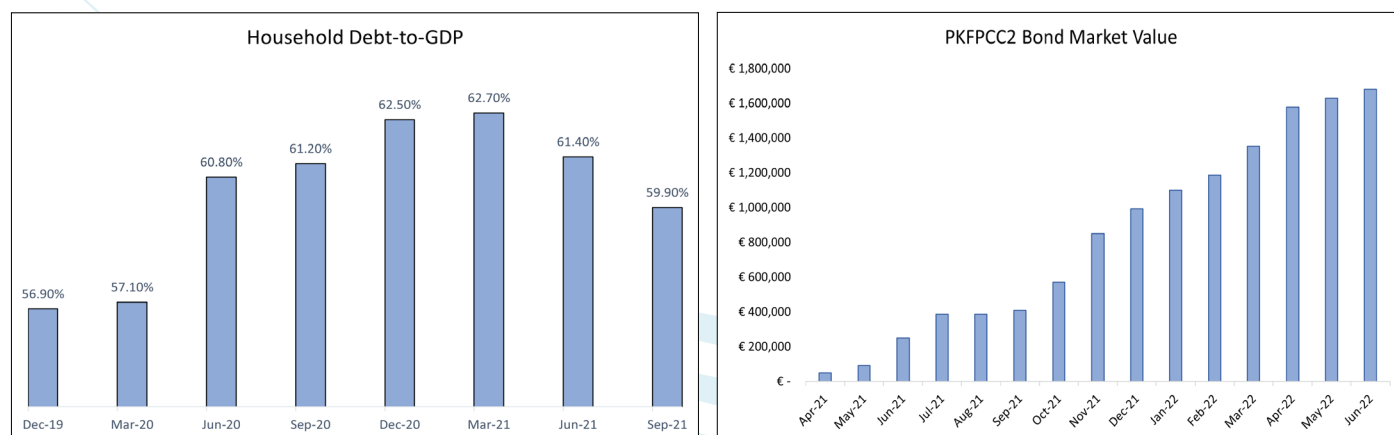
Year	Q1	Q2	Q3	Q4
2021	-	4.99%	5.04%	5.04%
2022	4.93%	4.99%	-	-

Bond Commentary on 30th June 2022

The PKF PCC Cell 2 - 20% Bond was listed on 1st April 2021 and has gone through one full year cycle. All Bonds with the option to redeem after 12 months have been reinvested and Bondholders are enjoying the benefits of compounding returns.

The current geographical focus is Spain, as Spain has a sophisticated debt market, comprehensive banking data and credit profiling for individuals. An important factor to consider when investing in the private sector of a country is the household debt-to-GDP ratio. Spain sits comfortably in the middle rating for Euro-zone countries when looking at this statistic. As seen in the below graph, household debt has decreased since the recent high of early 2021. Prior to the start of the Covid-19 pandemic, the household debt-to-GDP ratio of Spain experienced a consistent decline from the all-time high of 85.8% in 2010 due to the financial crisis.

The PKF PCC Cell 2 - 20% Bond has continued to grow steadily, issuing bonds to the value of EUR 329,500 over this quarter and EUR 688,200 for the year thus far.



PKF PCC is a wholly owned subsidiary of PKF Capital Markets (Seychelles) Limited, a member firm of the PKF International Limited family of legally independent firms and PKF International Limited does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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