

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 10 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 Spain.

These loans are issued at EUR 1,000 for 12 months or EUR 2,000 for 24 months, with repayment and interest collected monthly. 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 31st March 2023

Bond Name:	PKF PCC Cell 2 - 20% Bond
Currency:	EUR€
Market Value:	€ 2,441,400
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 April 2021
Maturity Date:	31 March 2026
Coupon:	20% Per Annum
Coupon Payment:	Quarterly
Coupon Payment Date:	On or before the 14th 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

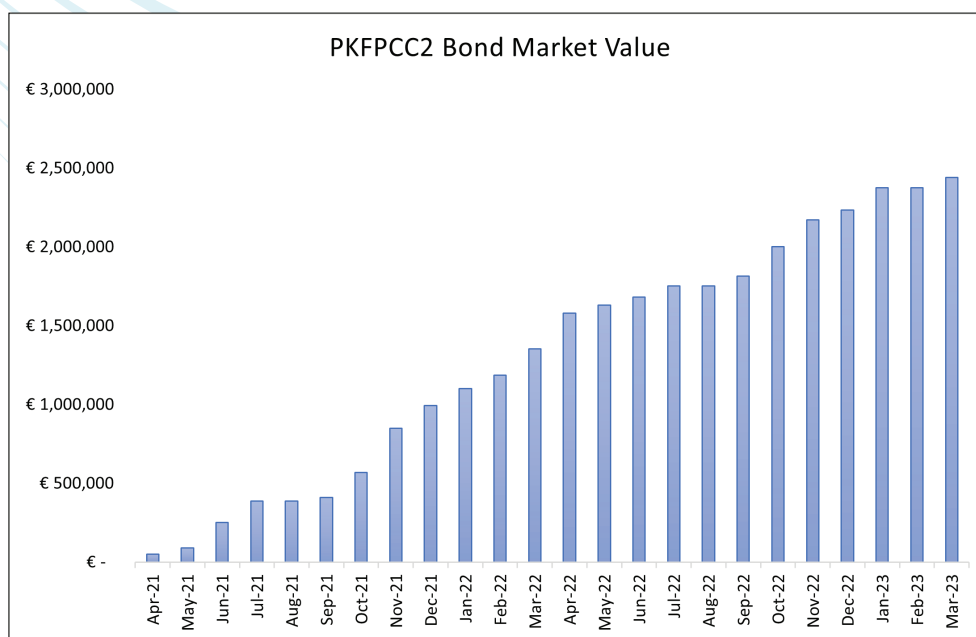
Year	Q1	Q2	Q3	Q4
2021	-	4.99%	5.04%	5.04%
2022	4.93%	4.99%	5.04%	5.04%
2023	4.93%			

Bond Commentary on 31st March 2023

As of 2023, the global economy has shown signs of recovery from the market correction experienced in 2022, but uncertainty still persists. The S&P 500 index has since recovered some of its losses from 2022, however bond prices remain lower compared to their 2021 levels, reflecting the continual interest rate rises in an effort to try and curb the effects of inflation.

Inflation has continued to be a major concern in 2023, with some countries, such as the United States, experiencing higher inflation rates than others. The ongoing conflict in Ukraine, strained relationships between China and the West, and energy crises in some regions also remain sources of uncertainty for the global economy. Furthermore, the potential for a recession in 2023 has not been ruled out, with some economists predicting slower economic growth for the year.

In the first quarter of 2023 Spain has continued to withstand the negative impacts of Russia's war against Ukraine relatively well. The resilience of the economy was underpinned by the strong rebound in tourism over the summer season and dynamism of private consumption, also supported by positive labour market developments. The Spanish economy has also been resilient in the face of high energy prices. Bottlenecks are disappearing and domestic demand is supported by savings accumulated during the pandemic and by some public policies. Forecasts for Spain are more upbeat than those of the main European economies thanks to the implementation of certain policies and less reliance on the economies of Russia and Ukraine. The bond continues to perform and is well poised to withstand market shocks and provide further yields into 2023.



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.

right people
right size
right solutions