



PARDUS



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For financial advisors only.

Why the Pardus Fixed Income Bond

- 2 year fixed income
- 12% per annum
- 3% paid quarterly in arrears
- GBP, USD, Euro denomination
- Capital Returned in full at end of term

- Significantly Mitigated Risk

Why the Pardus Fixed Income Bond

- Launched end of 2018
- 14 consecutive quarterly coupons of 3% paid
- 18 months of maturities met
- Coupon payments announced on LSE

In the beginning – The Protection of ALL investor Capital

- Druces designed the product, drafted all the literature and remain ongoing legal counsel for all trades
- Druces introduced a debenture where first charge sits with the bond holder
- Druces drafted a Guarantee & Indemnity Agreement
- Druces surrounded Pardus with FCA regulated partners

DRUCES
— SINCE 1767 —

Where do Client funds reside?

- Funds are placed currently with multiple Tier 1 banks - Lloyds Bank in London, HSBC in Hong Kong, Barclays
- The investment remains at all times under the control of the company with oversight from the 'Woodside Security' a globally acknowledged FCA regulated Security Trustee, part of the Tricor Group.
- Access to funds occurs only on set quarterly dates to meet coupon and fee commitments



How do Pardus generate these returns?

- Pardus trades investment capital in connection with contract arbitrage arrangements, implemented by its appointed 'Collateral Manager' Pardus Wealth.
- Pardus Fixed Income Bond opens doors to high yield private placement investment opportunities through its exclusive network of selected brokers and Tier 1 investors.



What is Private Placement trading?

- Around since the 1950's
- Established in the world of Institutional banking
- But regulated heavily after 2008 Banking crash & now only Tier 1 investment banks operate in this space
- All PP trades must have in place a key HNW individual or corporate who can facilitate transactions and where the banks can then leverage against the trade and turbo charge profits
- Banks therefore HAD to use a principal, they COULD NOT use their own money



How do Pardus generate these returns?

- The key HNW principals at Pardus have held multiple positions over the years with banks, trading companies, investment banks, stockbrokers and have built up a large network of contacts in this Tier 1 Investment/PP programme, which is typically \$500m+ per trade
- Through their extensive network of contacts drawn over many years, the directors saw an opportunity to bridge the gap between institutional investing & retail by introducing a fixed return product to direct & investment platform investors using this model



How do Pardus generate these returns?

- Greg Bryce -
<https://www.linkedin.com/in/greg-bryce-4b991131/>
- Omar Arti –
<https://www.linkedin.com/in/omar-arti-039b22a8/>



How do Pardus generate these returns?

- This involves the sourcing of a simple CONTRACT ARBITRAGE transaction between two parties
- Capital preservation and security are paramount in most investors' strategy. Therefore, the company believes that the most sought-after investment model is one which provides healthy returns with minimal risk to capital and for many this is the holy grail of investing.
- It is the simultaneous purchase and sale of an asset which generates a profit from the difference in price
- Risk is mitigated because the asset is presold before it is bought

How does this work? - The REMAX Analogy

- Remax US/Canada revenue in 2021 = \$376m
- They achieved this without buying a single property with their own money
- They contracted with a seller of a property and then found a buyer or vice versa
- They negotiated their margin between the buying and selling price and it was paid when the contract executed, e.g it was Pre-Agreed and Pre-Sold
- Therefore their profit margin was never at risk
- If the buyer or seller withdrew from the sale before exchange there was no risk to Remax's own capital as they were never using their own money to buy the property



& now in our context (an example)

- Pardus becomes aware of a trade in pure Nickel Wire where they have a seller with \$500m of it to sell and they are tasked with finding a buyer
- Through their extensive global contact base they find one
- An instruction is sent to the Druces to prepare extensive DD on both parties and a contract is then drawn up by them
- At this point \$500m (value of the trade) sitting on Pardus Wealth's bank balance sheet is placed under BLOCK by their bank meaning Pardus cannot borrow against it or withdraw it BUT it remains in their bank account



& now in our context

- If the DD concludes successfully, the pre-sold buy/sell prices are agreed upon and after ensuring they meet the criteria of the Investor mandate, the trade proceeds to settlement.
- This process could take up to a year which is why the bond has a two year term and is completely illiquid in the first year
- The funds are allocated on a non-callable basis, which is significant because if the buyer or seller withdraws from the sale, there is no risk to capital.
 - Pardus will have paid some legal fees and it will have cost some time but there has been no financial exposure



& now in our context

- Pardus introduce Tier 1 banks into the process to leverage against the deal as there is
 - a) a principal amount, the \$500m
 - b) the banks cannot lose as the deal is all pre-sold, so no risk to their assets
 - c) this process maximises profits to Pardus just as when a mortgage on a property sale is paid off, the profit is often more than the original deposit invested
- The trade settles, the buyer receives the nickel wire, the seller the \$500m, the banks leveraged amount is repaid and Pardus receive their margin
- The block is released on Pardus's bank account and they are free to move onto the next trade with that money



What is the actual risk therefore on all Capital?

Systemic Bank Failure

What is the actual risk therefore on all Capital?

The net assets of Pardus Wealth underpin the liabilities of the Pardus Fixed Income Bond

<https://find-and-update.company-information.service.gov.uk/company/11285519/filing-history>

The screenshot shows a financial statement with two main sections: 'Tangible fixed assets' and 'Debtors'. The 'Tangible fixed assets' section includes a table with columns for '£' and 'Total £', showing values for 'At 1 May 2020', 'At 30 April 2021', and 'At 30 April 2020'. The 'Debtors' section includes a table with columns for '30/04/21 £' and '30/04/20 £', showing values for 'Trade debtors' and 'Other debtors'.

Tangible fixed assets	Investments	
	£	Total £
Cost or valuation		
At 1 May 2020	97,286,838	97,286,838
Additions	31,536,138	31,536,138
Revaluation	17,000,000	17,000,000
At 30 April 2021	145,822,976	145,822,976
Net book values		
At 30 April 2021	145,822,976	145,822,976
At 30 April 2020	97,286,838	97,286,838

Debtors	30/04/21	30/04/20
	£	£
Trade debtors	5,453,400	4,653,500
Other debtors	-	1,000,000
	5,453,400	5,653,500

Why now is the best time to invest into Pardus?

Stock market volatility

Total correlation between equity and bonds so no hedge against each other

Rampant global inflation infecting the cost of living due in part to Ukraine crisis

So a double digit fixed return is therefore highly desirable



The End

Thank you all very much for
your time in coming to listen to
me today

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