

# PROPARTNERS STARTING GUIDE 2.1

## YOU WANT TO INVEST? READ THIS FIRST!

 ProPartners

**We're breaking it down,  
so you get to understand  
CAPITAL  
MARKET  
OPERATIONS.**

**Then, you can  
participate  
fully and meaningfully.**



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# What is Investment?

- ❑ Investment refers to the act of allocating resources, such as money, time, or effort, with the expectation of generating a profit or a return on the investment in the future. In other words, investment involves using money or other resources to purchase an asset or a financial instrument that has the potential to grow in value over time or generate income.
- ❑ Investments can take many forms, including stocks, bonds, mutual funds, real estate, commodities, and cryptocurrencies. The goal of investing is typically to achieve financial growth or security, either by generating passive income or by increasing the value of the investment over time.
- ❑ Investing also involves risks, and it's important for investors to understand the potential risks and rewards of any investment before making a decision. It's important to have a solid understanding of the investment's underlying assets and the market conditions that may affect its performance, as well as to have a well-diversified investment portfolio to help mitigate risk.

# What is Impact Investing?

- ❑ Impact investing is an investment strategy that seeks to generate both financial returns and measurable social or environmental impact. Impact investors typically invest in companies, organizations, or funds that aim to address social or environmental challenges, such as climate change, poverty, or access to healthcare and education. Impact investments can take many forms, including:
  - ❑ Community development projects: These projects aim to improve access to affordable housing, education, healthcare, and other basic needs in underserved communities.
  - ❑ Sustainable and responsible businesses: These are companies that prioritize social and environmental responsibility in their business practices.
  - ❑ Environmental initiatives: These are investments in projects that aim to reduce carbon emissions, increase renewable energy usage, and mitigate the impact of climate change.
  - ❑ Microfinance: This involves lending money to entrepreneurs in developing countries who do not have access to traditional banking services.
  - ❑ Impact investing differs from traditional investing in that it places a greater emphasis on achieving a measurable social or environmental impact in addition to financial returns. Impact investors typically seek to balance these two goals, and they may accept a lower financial return in exchange for a higher social or environmental impact.
- ❑ While impact investing can be a powerful tool for creating positive change, it's important for investors to carefully evaluate the impact of their investments and ensure that they align with their personal values and financial goals. Additionally, impact investments can carry higher risks than traditional investments, as they may be focused on emerging or untested markets or technologies. As with any investment, it's important for investors to conduct thorough research and seek professional advice before making any investment decisions.

# Will you go for Short-term Investment?

- A short-term investment is an investment that is expected to be held for a relatively short period of time, typically less than a year. Short-term investments are often used to earn a quick return on investment or to temporarily park funds while waiting for a better opportunity to invest in a long-term asset. Examples of short-term investments include:
  - Savings accounts: These are bank accounts that offer a low interest rate but provide a safe place to hold cash for short-term needs.
  - Certificates of deposit (CDs): These are time deposits that typically offer higher interest rates than savings accounts, but require a set term commitment to avoid early withdrawal fees.
  - Treasury bills (T-bills): These are short-term debt securities issued by the government that mature in less than a year and are considered to be very safe investments.
  - Money market funds: These are mutual funds that invest in short-term, low-risk debt securities, such as commercial paper and Treasury bills, and can provide higher yields than savings accounts or CDs.
- Short-term investments generally offer lower returns than long-term investments but are considered to be less risky due to their shorter investment time horizon. However, it's important to note that all investments come with risks, and investors should carefully evaluate their financial goals and risk tolerance before making any investment decisions.

# Will you go for Long-term Investment?

- A long-term investment is an investment that is held for an extended period of time, typically for several years or more. Long-term investments are often used to build wealth, secure a future income stream, or to fund specific long-term financial goals, such as retirement or education. Examples of long-term investments include:
  - Stocks: Stocks are equity securities that represent ownership in a publicly traded company and are considered to be one of the most common forms of long-term investments.
  - Private shares: Shareholding represents investment and ownership in a private company that is similar to publicly traded stocks on a stock exchange.
  - Bonds: Bonds are debt securities that represent a loan to a government or a corporation and typically offer a fixed rate of interest.
  - Real estate: Real estate investments involve buying property or land with the expectation of generating rental income or appreciation in value over time.
  - Mutual funds: Mutual funds are investment vehicles that pool money from multiple investors to purchase a diversified portfolio of stocks, bonds, or other securities.
  - Long-term investments typically offer higher returns than short-term investments, but they also come with a higher degree of risk due to the longer investment horizon. It's important for investors to have a well-diversified investment portfolio that includes a mix of short-term and long-term investments to help balance risk and reward. Additionally, it's important to regularly review and adjust your investment strategy based on changing market conditions and your personal financial goals.

# Should it be Equity Investment?

- Equity investing involves buying shares of stock in a company, which represents ownership in the company and a share of its profits. When you invest in equity, you become a part-owner of the company and have the potential to benefit from its future growth and success. Examples of equity securities include:
  - Common stock: These are the most common type of equity securities and represent ownership in a publicly traded company.
  - Preferred stock: These are equity securities that typically pay a fixed rate of dividend and have a higher claim on the company's assets than common stock.
  - Exchange-traded funds (ETFs): These are investment vehicles that hold a diversified portfolio of stocks and trade on an exchange like a stock.
  - Private shares: Shareholding represents investment and ownership in a private company that is similar to publicly traded stocks on a stock exchange.
  - Equity investments offer the potential for higher returns than debt investments, as companies can grow and increase their profits over time, leading to an increase in the value of their stock. However, equity investments also come with a higher degree of risk, as stock prices can be volatile and can fluctuate based on a variety of factors, including market conditions, economic trends, and company-specific news.
  - Investors should carefully evaluate the financial health of a company and its growth potential before investing in its stock. It's also important to maintain a well-diversified portfolio that includes a mix of equity and debt investments to help manage risk.

# Should it be Debt Investment?

- Debt investing involves investing in debt securities, which are financial instruments that represent a loan to a company or government entity. When you invest in debt, you are essentially lending money to the issuer in exchange for regular interest payments and the repayment of your principal investment when the debt matures. Examples of debt securities include:
  - Corporate bonds: These are issued by companies to raise capital and typically offer a fixed rate of interest and a set maturity date.
  - Government bonds: These are issued by governments to fund public projects and infrastructure and are considered to be very safe investments.
  - Treasury bills (T-bills): These are short-term debt securities issued by the government that mature in less than a year and are considered to be very safe investments.
- Debt investments can offer a predictable income stream through regular interest payments and can also provide a degree of safety and stability to an investment portfolio. However, debt investments are not without risk, as the issuer may default on the debt, leading to a loss of principal investment. Additionally, interest rate fluctuations can impact the value of debt securities, especially those with longer maturities.
- Investors should carefully evaluate the creditworthiness of the issuer and consider the overall risk-reward profile of the investment before investing in debt securities. It's also important to maintain a well-diversified portfolio that includes a mix of debt and equity investments to help manage risk.

# How and where would you like to invest your money?

- When deciding on the type of investment to pursue, there are several factors to consider, including:
  - Investment goals: Your investment goals will help determine the appropriate investment strategy. For example, if your goal is to generate income in the short term, you may want to consider debt investments, while if your goal is to build long-term wealth, you may want to consider equity investments.
  - Risk tolerance: Your risk tolerance is the level of risk you are willing to accept in pursuit of your investment goals. Generally, higher risk investments have the potential for higher returns, but also carry a greater risk of loss. It's important to determine your risk tolerance and choose investments that align with your comfort level.
  - Time horizon: Your time horizon is the amount of time you have to achieve your investment goals. Investments that require a longer time horizon, such as equity investments, may be appropriate for long-term goals, while investments with a shorter time horizon, such as debt investments, may be better suited for short-term goals.
  - Diversification: Diversification involves spreading your investments across a variety of asset classes, such as stocks, bonds, and real estate, to help manage risk. It's important to choose investments that complement each other and provide a well-diversified portfolio.
  - Market conditions: The current market conditions, such as interest rates, inflation, and economic growth, can impact the performance of different types of investments. It's important to consider market conditions when selecting investments and to adjust your strategy as market conditions change.
  - Personal values: Some investors may choose to invest in companies or funds that align with their personal values, such as environmental sustainability or social responsibility.
  - By considering these factors, you can develop a well-informed investment strategy that aligns with your goals, risk tolerance, and values. It's also important to regularly review and adjust your strategy as your circumstances and market conditions change.



# What about Alternative Investment with Propartners?

- EQUITY INVESTMENT PRODUCTS (Regular)
- Model Business Investment: This is a product for equity partners to invest directly into businesses run by Propartners on behalf of all owner-partners. Choose from available Model Businesses and proceed to make your capital contribution to be followed by registration at the Office of the Registrar of Companies.
- Holding Business Investment: This is a product for equity partners to invest into special purpose limited liability companies for the purpose of aggregating resources for profitable commercial projects and businesses. Choose a holding business and proceed with capital contribution to be followed by amendments at the Office of the Registrar of Companies (only GDPGH INVESTMENT LIMITED is currently available).
- Vetted Business Investment: This is a product for equity partners to invest directly into third-party businesses profiled for fundraising via equity partnership or equity crowdfunding. Choose your preferred business, access further details from Propartners and proceed to back the campaign of the issuer (guided by provisions from SEC).

# What about Alternative Investment with Propartners?

- ❑ EQUITY INVESTMENT PRODUCTS (Special)
- ❑ Portfolio Partner Investment: This is a product for high net worth equity partners to invest in a portfolio of several businesses across sectors. Register your interest as Portfolio Partner and your portfolio would be designed with your input and created as a special purpose holding business to be managed by Propartners.
- ❑ Short-Term Partner Investment: This is a product for equity partners to invest directly, on a profit sharing arrangement, into transactions lasting for a couple of months. Partners do not become shareholders. Register your interest as Short-Term Partner and deals would be communicated as and when they become available.

# What about Alternative Investment with Propartners?

- ❑ CLICK ANY LINK BELOW TO LAUNCH
- ❑ [Fill Form To Request Investment Details](#)
- ❑ [Investment Through Equity Partnership?](#)
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