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**Puma Heritage Limited**  
**Interim report 2024**

## **Officers and Professional Advisers**

### **Directors**

Michael Posen (Chairman)  
Graeme Alfille-Cook  
Michael van Messel

### **Registered Number**

08285184

### **Registered Office**

Highdown House  
Yeoman Way  
Worthing  
West Sussex  
BN99 3HH

### **Auditor**

RSM UK Audit LLP  
Chartered Accountants  
25 Farringdon Street  
London EC4A 4AB

### **Solicitors**

Charles Russell Speechlys LLP  
5 Fleet Place  
London  
EC4M 7RD

### **Bankers**

The Royal Bank of Scotland plc  
London City Office  
PO Box 412  
62-63 Threadneedle Street  
London EC2R 8LA

### **Trading Advisor**

Puma Investment Management Limited  
Cassini House  
57 St James's Street  
London  
SW1A 1LD

### **Registrar**

Equiniti Limited  
Aspect House  
Spencer Road  
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## Highlights

- Revenue of £13.6 million for the period, up 38% on the previous year
- Pre-tax profits of £7.2m (2023: £5.2 million)
- Dividend of 3.25p per share paid on Income Shares
- Net Asset Value (NAV) of £326 million as at 31 August 2024, an increase of £77 million in the period
- Adjusted NAV per Growth Share of 130.73p as at 31 August 2024, a year-on-year increase of 3.4%

## Chairman's Statement

### Introduction

I am pleased to present the interim report for Puma Heritage Limited (the “Company” or “Group”) for the six-month period to 31 August 2024.

The Group undertakes trading activities focusing on secured lending, with the principal aim of generating stable returns for shareholders, whilst at the same time seeking to offer downside risk protection and preserving capital.

The Group has recorded a successful half-year, in which revenues grew by 38% to £13.6 million, delivering pre-tax profits of £7.2 million. NAV per share for growth shares has grown at an annualised rate of 3.4%, ahead of the Group's target.

### Activity during the period

Puma Heritage passed another milestone in 2024, having funded developments with a value in excess of £2 billion whilst maintaining its track record of having suffered no capital losses. Moreover, total NAV of the Group is now approaching £400m.

The Group continues to maintain a defensive approach to lending. The loan book's weighted average loan-to-value remains at a conservative 62.0%. All loans benefit from first charge security over UK real estate, typically together with further credit support in the form of third-party guarantees. This should provide significant protection in the event of further economic turbulence.

35 new loans were completed in the period to multiple borrowers and cover a diverse range of sectors and geographies. Importantly, 19 loans were repaid during the period helping to generate important natural liquidity for our shareholders.

### Loan book and cash holdings

As at 31 August 2024 the Group's loan book had £297 million drawn (loans having been provided via its wholly owned subsidiary Heritage Square Limited (the “Subsidiary”)), as described below. The loan book is well diversified across a variety of residential and commercial sectors and UK locations.

The Group was holding £3.8 million of cash at the period end. This is in place both to meet future funding commitments on the existing loan book, as well as to be available to fund new loans. All cash is held in instant access accounts to enable immediate deployment. The Group also has access to a revolving credit facility provided by National Westminster Bank Plc, which is limited to a maximum of 15% of Net Asset Value. The board has no current intention to increase this limit. At the period-end, the revolving credit facility had an outstanding balance of £13.9m. The balance was repaid in full following the period-end.

The Board remains mindful of the need to balance a desire to deploy cash regularly to drive returns for shareholders, whilst also maintaining the rigour with which all prospective loans are analysed to ensure they meet the Group's prudent appetite for risk.

**Outlook**

The Board continues to appraise new lending opportunities and the Group has completed 21 new loans since the period end. There is a strong pipeline of transactions in place which it is anticipated will be executed over the coming months. In doing so, we will continue to assess values in the light of emerging events, and our focus on managing risk and lending at conservative levels remains ever-present.

The Group has taken a cautious approach over the last year to ensure that the average weight loan-to-value across the loan book remains at an appropriate level. No capital impairments of loan positions were made during the period nor have any been required since the period end.

We consider that 2025 will give us many opportunities to underwrite loans that deliver a good risk-adjusted return to enable Puma Heritage to continue to deliver a return to shareholders above its annual target. And we continue to maintain oversight on our ever-growing portfolio of loans to ensure that they perform as expected.

**Michael Posen**  
**Chairman**  
**18 February 2025**

## **Consolidated Profit and Loss Account (unaudited)**

### **For the six months ended 31 August 2024**

|  | <b>Six months ended<br/>31 August 2024</b> | <b>Six months ended<br/>31 August 2023</b> | <b>Year ended 29<br/>February 2024</b> |
|--|--|--|--|
|  | <b>Total<br/>£'000</b>                     | <b>Total<br/>£'000</b>                     | <b>Total<br/>£'000</b>                 |
| Trading book income  | 13,635                                     | 9,870                                      | 20,989                                 |
| Admin expenses   | (6,170)                                    | (4,748)                                    | (10,403)                               |
| Operating profit   | <u>7,465</u>                               | <u>5,122</u>                               | <u>10,586</u>                          |
| Interest payable   | (394)                                      | -  | (118)                                  |
| Interest income  | 95   | 125  | 490                                    |
|  | <u>(299)</u>                               | <u>125</u>                                 | <u>372</u>                             |
| Profit/Loss on ordinary activities<br>before taxation                                  | 7,166                                      | 5,247                                      | 10,958                                 |
| Tax on return on ordinary activities   | (1,807)                                    | (1,250)                                    | (2,680)                                |
| Profit/Loss on ordinary activities<br>after tax attributable to equity<br>shareholders | <u><u>5,359</u></u>                        | <u><u>3,997</u></u>                        | <u><u>8,278</u></u>                    |

All items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

No separate Statement of Total Recognised Gains and Losses is presented as all gains and losses are included in the Consolidated Profit and Loss Account.

## Consolidated Balance Sheet (unaudited)

As at 31 August 2024

|  | Note | As at<br>31 August 2024<br>£'000 | As at<br>31 August 2023<br>£'000 | As at<br>29 February 2024<br>£'000 |
|--|------|----------------------------------|----------------------------------|------------------------------------|
| <b>Assets</b>  |      |                                  |                                  |                                    |
| Loans due after more than one year                     |      | 59,116                           | 56,409                           | 46,792                             |
| Loans due within one year                              |      | 237,494                          | 152,334                          | 198,085                            |
| Debtors and prepayments                                |      | 50,616                           | 35,361                           | 45,865                             |
| Cash   |      | 3,856                            | 17,639                           | 12,071                             |
|  |      | 351,082                          | 261,743                          | 302,813                            |
| <b>Creditors - amounts falling due within one year</b> |      | (25,310)                         | (12,507)                         | (10,694)                           |
| <b>Net Assets</b>                                      |      | 325,772                          | 249,236                          | 292,119                            |
| <b>Capital and Reserves</b>                            |      |                                  |                                  |                                    |
| Share capital  | 4    | 250                              | 198                              | 228                                |
| Share premium  |      | 290,649                          | 223,717                          | 262,288                            |
| Profit and loss account                                |      | 34,873                           | 25,321                           | 29,603                             |
| <b>Equity Shareholders' Funds</b>                      |      | 325,772                          | 249,236                          | 292,119                            |
| <b>Net Asset Value per Growth Share</b>                | 5    | 130.73p                          | 126.48p                          | 128.50p                            |
| <b>Net Asset Value per Income Share</b>                |      | 99.77p                           | 99.68p                           | 101.29p                            |

## Consolidated Cash Flow Statement (unaudited)

For the six months ended 31 August 2024

|  | Six months<br>ended 31<br>August 2024<br>£'000 | Six months<br>ended 31<br>August 2023<br>£'000 | Year ended 29<br>February 2024<br>£'000 |
|--|--|--|---|
| <b>Reconciliation of profit after tax to net cash flow from operating activities</b> |  |  |   |
| Profit on ordinary activities after taxation   | 5,359  | 3,997  | 8,278                                   |
| Tax charge for the year  | 1,807  | 1,250  | 2,680                                   |
| Interest income  | (95)   | (125)  | (490)                                   |
| Interest payable   | 394  | -  | 118                                     |
| Decrease in debtors  | (4,751)  | (9,794)  | (20,298)                                |
| Increase/(Decrease) in trade creditors   | 699  | (779)  | (1,386)                                 |
| Increase in loan book  | (51,733)                                       | (29,339)                                       | (65,473)                                |
| Corporation tax paid   | (1,740)  | (659)  | (3,295)                                 |
| <b>Net cash inflow/(outflow) from operating activities</b>                           | <b>(50,060)</b>                                | <b>(35,449)</b>                                | <b>(79,866)</b>                         |
| <b>Cash flow from investing activities</b>   |  |  |   |
| Bank interest received   | 95   | 125  | 490                                     |
| <b>Net cash inflow from investing activities</b>                                     | <b>95</b>                                      | <b>125</b>                                     | <b>490</b>                              |
| <b>Cash flow from financing activities</b>   |  |  |   |
| Proceeds received from issue of ordinary share capital                               | 38,632   | 37,992   | 83,988                                  |
| Proceeds from borrowings   | 54,150   | -  | 13,000                                  |
| Repayment of borrowings  | (40,300)                                       | -  | (13,000)                                |
| Interest paid  | (394)  | -  | (118)                                   |
| Redemption and cancellation of ordinary share capital                                | (10,249)                                       | (7,070)  | (14,463)                                |
| Dividends paid   | (89)   | (88)   | (88)                                    |
| <b>Net cash Inflow from financing</b>  | <b>41,750</b>                                  | <b>30,834</b>                                  | <b>69,318</b>                           |
| <b>Increase/(Decrease) in cash in the period</b>                                     | <b>(8,215)</b>                                 | <b>(4,490)</b>                                 | <b>(10,058)</b>                         |
| <b>Reconciliation of net cashflow to movement in net funds</b>                       |  |  |   |
| (Decrease in cash in the period  | (8,215)  | (4,490)  | (10,058)                                |
| Cash and cash equivalents at the beginning of the period                             | 12,071   | 22,129   | 22,129                                  |
| Cash and cash equivalents at the end of the period                                   | 3,856  | 17,639   | 12,071                                  |

**Statement of Changes in Equity (unaudited)**  
**For the six months ended 31 August 2024**

| Group   | Share<br>capital<br>£'000 | Share<br>premium<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
|---|---------------------------|---------------------------|-----------------------------|----------------|
| <b>Balance as at 1 March 2023</b>                         | <b>173</b>                | <b>192,820</b>            | <b>21,412</b>               | <b>214,405</b> |
| Shares issued in the period                               | 30                        | 37,962                    | -                           | 37,992         |
| Shares redeemed in the period                             | (5)                       | (7,065)                   | -                           | (7,070)        |
| Dividends paid  | -                         | -                         | (88)                        | (88)           |
| Return after taxation attributable to equity shareholders | -                         | -                         | 3,997                       | 3,997          |
| <b>Balance as at 31 August 2023</b>                       | <b>198</b>                | <b>223,717</b>            | <b>25,321</b>               | <b>249,236</b> |
| Shares issued in the period                               | 36                        | 45,960                    | -                           | 45,996         |
| Shares redeemed in the period                             | (6)                       | (7,389)                   | -                           | (7,395)        |
| Dividends paid  | -                         | -                         | -                           | -              |
| Return after taxation attributable to equity shareholders | -                         | -                         | 4,281                       | 4,281          |
| <b>Balance as at 29 February 2024</b>                     | <b>228</b>                | <b>262,288</b>            | <b>29,603</b>               | <b>292,119</b> |
| Shares issued in the period                               | 30                        | 38,602                    | -                           | 38,632         |
| Shares redeemed in the period                             | (8)                       | (10,241)                  | -                           | (10,249)       |
| Dividends paid  | -                         | -                         | (89)                        | (89)           |
| Return after taxation attributable to equity shareholders | -                         | -                         | 5,359                       | 5,359          |
| <b>Balance as at 31 August 2024</b>                       | <b>250</b>                | <b>290,649</b>            | <b>34,873</b>               | <b>325,772</b> |



## **Notes to the Consolidated Accounts**

### **For the six months ended 31 August 2024**

#### **1. Financial information**

##### **Basis of preparation**

The annual financial statements of Puma Heritage Limited (the “Group”) are prepared in accordance with UK Generally Accepted Accounting Practice (“UK GAAP”). The condensed set of financial statements included in this interim financial report for the period ended 31 August 2023 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

##### **Going concern**

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement on pages 2 to 3, together with the financial position of the Group. In addition, the principal risks and uncertainties of the Group are discussed in note 2 to this interim financial report.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### **Significant accounting policies**

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as are applied in the Group's latest audited Annual Report and Accounts for the period ended 28 February 2024.

#### **2. Principal risks and uncertainties**

The Group's policies for managing the risks arising from its activities are set out in the last audited Annual Report and Accounts of the Group that were issued on 17 October 2024.

## Notes to the Consolidated Accounts

### For the six months ended 31 August 2024

#### 3. Dividends

A dividend of 3.25p per share (2023: 3.25p) was paid on the Company's Income shares on 3 June 2024.

#### 4. Share Capital and Share Premium

##### As at 31 August 2024

|                 | Number      | £'000<br>Value |
|-----------------|-------------|----------------|
| Ordinary shares | 2           | -              |
| Growth shares   | 247,122,264 | 247            |
| Income shares   | 2,713,107   | 3              |
|                 | <hr/>       | <hr/>          |
|                 | 249,835,373 | 250            |

##### As at 31 August 2023

|                 | Number      | £'000<br>Value |
|-----------------|-------------|----------------|
| Ordinary shares | 2           | -              |
| Growth shares   | 194,922,870 | 195            |
| Income shares   | 2,713,107   | 3              |
|                 | <hr/>       | <hr/>          |
|                 | 197,635,979 | 198            |

##### As at 29 February 2024

|                 | Number      | £'000<br>Value |
|-----------------|-------------|----------------|
| Ordinary shares | 2           | -              |
| Growth shares   | 225,198,535 | 225            |
| Income shares   | 2,713,107   | 3              |
|                 | <hr/>       | <hr/>          |
|                 | 227,911,644 | 228            |

## Notes to the Consolidated Accounts

### For the six months ended 31 August 2024

#### 4. Share Capital and Share Premium (continued)

##### Share movements in period

During the period movements in the Company's redeemable shares were as follows:

|                        | Redeemable Growth Shares |                | Redeemable Income Shares |                |
|------------------------|--------------------------|----------------|--------------------------|----------------|
|                        | Number                   | Value<br>£'000 | Number                   | Value<br>£'000 |
| As at 28 February 2024 | 225,198,535              | 225            | 2,713,107                | 3              |
| Issued in the period   | 29,839,563               | 30             | -                        | -              |
| Redeemed in the period | (7,915,834)              | (8)            | -                        | -              |
| As at 31 August 2024   | 247,122,264              | 247            | 2,713,107                | 3              |

Share issue costs of £nil comprise fees payable to Puma Investment Management Limited, the Trading Adviser, who is entitled to payment of an initial charge on subscriptions.

##### Share Rights

The Redeemable Growth Shares, the Redeemable Income Shares and the Ordinary Shares shall rank pari passu as to rights to attend and vote at any general meeting of the Company.

##### **Ordinary Shares**

The Ordinary Shares have no rights to dividends and are not redeemable.

## **Notes to the Consolidated Accounts**

### **For the six months ended 31 August 2024**

#### **4. Share Capital and Share Premium (continued)**

##### **Redeemable Growth Shares**

The Redeemable Growth Shares carry no right to receive a dividend from the revenue profits of the Company. In respect of any period, the aggregate of the revenue profits of the Company multiplied by the most recently calculated Redeemable Growth Share Capital Ratio (being such percentage of the Company's Net Asset Value as shall be attributable to the Redeemable Growth Shares in accordance with the methodology contained within the Articles, as calculated by the Company as at the applicable calculation date) shall belong to the holders of the Redeemable Growth Shares (as between them pro rata to their respective holding of Redeemable Growth Shares) and shall be aggregated to the net asset value of the Redeemable Growth Shares for the purposes of calculating the Redeemable Growth Share Capital Ratio.

The Redeemable Growth Shares are redeemable by the Company at a sum equivalent to the Redeemable Growth Share Redemption Value (being the Redeemable Growth Share Capital Ratio multiplied by the Net Asset Value of the Company, divided by the number of Redeemable Growth Shares in issue, in each case as at the applicable calculation date) multiplied by the number of Redeemable Growth Shares subject to the relevant election to redeem. Such redemptions may take place as of 28 February or 31 August (or as of such other date as the Directors may determine) in any year subject always to the holder of such Redeemable Growth Shares having given notice before the end of the week prior to the relevant redemption date of their wish to have their Redeemable Growth Shares redeemed, and always subject to the Directors' discretion, applicable law and regulation and there being sufficient liquidity.

Each Redeemable Growth Share which is redeemed, shall, thereafter, be cancelled without further resolution or consent.

##### **Redeemable Income Shares**

In respect of any period, the aggregate of the revenue profits of the Company multiplied by the most recently calculated Redeemable Income Share Capital Ratio (being such percentage of the Company's Net Asset Value as shall be attributable to the Redeemable Income Shares in accordance with the methodology contained within the Articles, as calculated by the Company as at the applicable calculation date) (exclusive of any imputed tax credit available to Shareholders) shall belong to the holders of the Redeemable Income Shares (as between them pro rata to their respective holding of Redeemable Income Shares). Any such share of the revenue profits which are not distributed to the holders of the Redeemable Income Shares in any relevant period shall be aggregated to the net asset value of the Redeemable Income Shares for the purposes of calculating the Redeemable Income Share Capital Ratio.

The Redeemable Income Shares are redeemable by the Company at a sum equivalent to the Redeemable Income Share Redemption Value (being the Redeemable Income Share Capital Ratio multiplied by the Net Asset Value of the Company, divided by the number of Redeemable Income Shares in issue, in each case as at the applicable calculation date) multiplied by the number of Redeemable Income Shares subject to the relevant election to redeem. Such redemptions may take place as of 28 February or 31 August (or as of such other date as the Directors may determine) in any year subject always to the holder of such Redeemable Income Shares having given notice before the end of the week prior to the relevant redemption date of their wish to have their Redeemable Income Shares redeemed and always subject to the Directors' discretion, applicable law and regulation and there being sufficient liquidity.

Each Redeemable Income Share which is redeemed, shall, thereafter, be cancelled without further resolution or consent.

**Notes to the Consolidated Accounts****For the six months ended 31 August 2024****5. Adjusted Net Asset Value per Share**

|   | <b>Total</b>       | <b>Income<br/>shares</b> | <b>Growth<br/>shares</b> | <b>Ordinary<br/>shares</b> |
|---|--------------------|--------------------------|--------------------------|----------------------------|
| <b>Shares in issue as at 31 August 2024</b>     | <b>249,835,373</b> | <b>2,713,107</b>         | <b>247,122,264</b>       | <b>2</b>                   |
| <b>Net assets (£'000)</b>                       | <b>325,772</b>     | <b>2,707</b>             | <b>323,065</b>           | <b>-</b>                   |
| <b>Net asset value per share</b>                | <b>130.39p</b>     | <b>99.77p</b>            | <b>130.73p</b>           | <b>-</b>                   |
| <b>New Subscriber Net Asset Value per share</b> | <b>130.39p</b>     | <b>99.77p</b>            | <b>130.73p</b>           | <b>-</b>                   |

**6. Events after the period**

A further 44,068,612 Growth shares and nil Income shares have been issued up to 31 January 2025. An additional 6,670,911 Growth shares and 14,692 Income shares were redeemed in the period.