



PUMA HERITAGE
Calculated Excellence

ANNUAL REPORT
AND ACCOUNTS 2015

Puma Heritage plc
Annual report and accounts 2015

Officers and Professional Advisers

Directors

Peter Wisher (Chairman)
Michael Posen
Michael van Messel

Auditor

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

Registered Number

08285184

Solicitors

Charles Russell Speechlys LLP
5 Fleet Place
London
EC4M 7RD

Registered Office

42-50 Hersham Road
Walton-on-Thames
Surrey KT12 1RZ

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
Bond Street House
14 Clifford Street
London W1S 4JU

Registrar

SLC Registrars
42-50 Hersham Road
Walton-on-Thames
Surrey KT12 1RZ

Administrator

Puma Investments Administration Services Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Highlights

- £10.6 million of capital invested in the Company up to 28 February 2015.
- Loan book of £11.2 million as at 28 February 2015.
- Average weighted income of loan book at 28 February 2015 is 9.15%.
- Strong pipeline of potential deals.

Chairman's Statement

Introduction

I am pleased to present to you as Chairman the annual report for Puma Heritage plc (the "Company") for the year to 28 February 2015.

The Company was incorporated on 7 November 2012, and commenced trading in July 2013. It was established to operate in a range of sectors predominantly in the United Kingdom, with an initial focus on secured lending. As at 28 February 2015, the Company had attracted investment of approximately £10.6 million and had a loan book of £11.2 million (via its wholly owned subsidiary Heritage Square Limited (the "Subsidiary")), as described below. As at 28 February 2015 the average weighted income of loan book is 9.15%.

Transactions

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

In the financial year to 28 February 2015 we are pleased to report that we have completed a range of loans, all with the benefit of first charge security with a number of counterparties. The company's subsidiary Heritage Square Ltd has participated in loans totalling £33.1 million of which our share was £11.2 million. In summary, the focus of the business has continued to be on loans underpinned by real estate and include participation in the following:

- £7.1 million loan to a counterparty that is an established provider of emergency accommodation in Bristol with a 25 year operating history.
- three loan facilities totalling £15 million to a company that provides residential part-exchange services.
- £8 million loan to fund the development of a Materials Recycling Facility at a 70 hectare operating site in Oxfordshire.
- Five separate loans to a developer of supported living accommodation for people with learning disabilities for an aggregate of £2.6 million.
- £0.4 million loan to an Aberdeenshire based house builder with a positive track record spanning over 25 years.

The board is pleased to report that loans have been made across a number of sectors, with several different borrowers and are geographically diversified.

I am pleased to report that the Board considers there to be a strong pipeline of potential transaction opportunities which the Board expects the Group to proceed with over the coming weeks and months. The Board is cognisant of the need to ensure that, as the Group continues to attract capital, a strong and consistent pipeline of transactions is maintained to ensure that capital is put to work as efficiently as possible. At the same time, the Board will continue to undertake a rigorous review of all potential transactions which are under consideration to ensure that they fit within the Group's business strategy.

Results

The reported profit for the period as shown in the consolidated profit and loss account was £86,000 (2014: £128,000 loss). The adjusted profit for the period was £106,000 (2014: £35,000 loss) including a partial amortisation of the formation and preliminary costs. As detailed in the Prospectus, for the purpose of subscriptions, the formation and preliminary expenses are being amortised over five years in order to ensure that they are fairly attributed to initial and subsequent investors. This is set out more fully in note 10 to the accounts.

Outlook

The Board looks forward to the coming year with confidence. Small and medium size businesses are still finding it difficult to access the funding they require from traditional sources of funding (such as banks) and the Board feels that there is a strong pipeline of transaction opportunities.

Peter Wisher

Chairman

28 May 2015

Directors' Biographies

Peter Wisler (Non-Executive Chairman)

Peter's first role in the financial markets was with Continental Illinois Bank where he developed his skills and interest in credit and risk analysis. This was followed by 10 years at Charterhouse where he was involved in corporate finance, capital markets and private equity both in London and New York. After 15 years in banking, Peter moved from an advisory role to executive management, first as Finance Director of a company requiring a turnaround and then as Chief Operating Officer of a rapidly growing international executive search and training company, both of which were sold successfully. He now divides his time between non-executive roles, banking training (including lecturing on credit risk in relation to which he has particular expertise) and corporate and investment strategy projects.

Michael Posen

Michael is an economist by training. After 6 years in industry Michael joined Chase Manhattan Bank specialising in property finance. He became Managing Director of the merchant banking arm of Continental Illinois Bank and was subsequently Senior Vice President and General Manager of First Interstate Bank in London. He also became a non-executive director of HDG Harbour Development Group from 1979 to 1987 and then founded Earl Estates, a private property company encompassing property development, asset management, project management, property finance and investment. Michael has arranged finance for property in the USA, Germany, France and the UK.

Michael van Messel

Michael joined Hacker Young following his undergraduate degree and qualified as a Chartered Accountant. He then worked as a specialist in their tax department and, subsequently, for Coopers and Lybrand within its financial services group. He joined Shore Capital in 1993 as Group Financial Controller and became Operations Director in 2000. He is the head of Shore Capital's finance team, including its treasury function, and is also responsible for all operations at Shore Capital including all banking facilities. Michael has been involved in assessing, and subsequently monitoring, each company to or in which Shore Capital has lent or invested money.

Strategic Report

The Directors present their Strategic Report of the Company for the year ended 28 February 2015.

Principal Activities and Status

Puma Heritage plc was incorporated and registered in England and Wales on 7 November 2012, and was established to operate in a range of sectors predominantly in the United Kingdom, with an initial focus on secured lending.

The Company, through subsidiaries (together “the Group”) undertakes trading activities, initially focusing on secured lending, with the principal aims of generating stable returns for Shareholders, whilst at the same time seeking to offer downside risk protection and preserving capital. The Company currently has one wholly-owned subsidiary, Heritage Square Limited (the “Subsidiary”), which carries out secured lending.

Trading Activities

The Group was formed to engage in activities such as secured lending where the Board consider that there is strong asset-backing to provide downside risk protection and the Group will focus on capital preservation, whilst seeking to produce regular returns for Shareholders.

The Group will typically look to provide loans of between £0.5 million to £5 million to small and medium sized businesses. Loans of a larger size can be considered on a case-by-case basis. The term of such loans will be typically between 1 to 4 years. The Group may finance new projects, including the development of property or plant, which requires specialist financial knowledge. The Group looks to back counterparties with a proven track record in their chosen sector and will typically lend up to 70% of the cost of the project but may be able to lend more depending on the dynamics of the individual deals. Ideally the value of loans made will be up to 70% of the value of the secured assets. The Group may also provide bespoke loans secured on investment property suited to a range of borrowing scenarios where traditional bridging terms may be too short and where traditional loan criteria used by the major banks may not be suitable.

The Group engages mainly with businesses that are seeking debt finance, that have substantial tangible assets, such as freehold property or contracted/highly predictable revenue streams from financially robust counterparties (over which security will be taken).

Principal Risks and Uncertainties

The principal risks facing the Group relate to its trading activities and how they are managed as follows:

Risks of loan non-performance

There are a variety of factors which could adversely affect the ability of counterparties to fulfil their payment obligations or which may cause other events of default. These include changes in financial and other market conditions, trading performance, interest rates, government regulations or other policies, the worldwide economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances.

Loans made by the Group may, after funding, become non-performing for a wide variety of reasons, including non-payment of principal or interest, as well as covenant violations by the borrower in respect of the underlying loan documents. Such non-performing loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, substantial irrecoverable costs, a substantial reduction in the interest rate, a substantial write-down of the principal of such loan and/or a substantial change in the terms, conditions and covenants with respect to such defaulted loan. However, even if a restructuring were successfully accomplished, there is risk that, upon maturity of such loan, replacement “take-out” financing will not be available.

It is possible that the Group may find it necessary or desirable to foreclose on collateral securing one or more loans made by the Group. The foreclosure process can be lengthy and expensive, which could have a material negative effect on the anticipated return on the foreclosed loan. By way of example, it would not be unusual for any costs of enforcement to be paid out in full before the repayment of interest and principal. This could substantially reduce the anticipated return on the foreclosed loan.

The level of defaults on loans and the losses suffered on such defaults may increase in the event of adverse financial or credit market conditions. The liquidity in defaulted loans may also be limited, and to the extent that defaulted loans are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon, which would adversely affect the value of the loans and, consequently, the Group.

Business Property Relief may not be available

The Directors are committed to manage the Group with a view to ensuring that a subscription for Shares in the Company will offer Shareholders Business Property Relief from Inheritance Tax, but there can be no guarantee that the Group will fulfil the criteria to obtain such relief nor that HMRC will not challenge whether Shareholders are entitled to Business Property Relief, which may give rise to Shareholders incurring costs in engaging professional advisers.

Business Review and Future Developments

The Group's business review and future developments are set out in the Chairman's Statement on pages 2 and 3.

Key performance indicators

At each board meeting, the Directors will consider a number of performance measures to assess the Group's success in meeting its objectives. The Board believes the key performance indicators will be movement in the Group's NAV, percentage of NAV deployed and dividends per share. The Board considers that the Group does not have any non-financial key performance indicators.

Approved by the board and signed on its behalf by

Peter Wisher
Chairman
28 May 2015

Report of the Directors

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 28 February 2015.

Results and Dividends

The results for the financial year are set out on page 10.

The Directors do not propose a final dividend.

Capital Structure

The issued share capital of the Company is detailed in note 9 of these accounts. During the year ended 28 February 2015, the Company issued 431,858 Redeemable Income Shares and 5,822,371 Redeemable Growth Shares.

Gearing

The Company has the authority to borrow up to 50% of the Net Asset Value of the Company but there are currently no plans to take advantage of this capacity.

Directors

The Directors of the Company during the year were as follows:

Peter Wisher (Chairman)
Michael Posen
Michael van Messel

Michael van Messel is a key senior manager of the Shore Capital Group, and a director of the Trading Adviser and the Administrator.

Third Party Indemnity Provision for Directors

Qualifying third party indemnity provision was in place for the benefit of all Directors of the Company.

Annual General Meeting

The Annual General Meeting of the Company will be held at 6 New Street Square, London EC4A 3CX on Friday 24 July 2015 at 11:00am.

Auditor

Baker Tilly UK Audit LLP has expressed its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor

The Directors in office at the date of this report have confirmed that, as far as they are aware, there is no relevant information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that year.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;

- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Electronic publication

The financial statements are published on www.pumaheritage.co.uk. Legislation in the United Kingdom regulating the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Peter Wisher, Chairman
28 May 2015

Independent Auditor's Report to the Members of Puma Heritage plc

We have audited the group and parent company financial statements (the "financial statements") on pages 10 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Statement of Directors' Responsibilities set out on pages 7 to 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 28 February 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RICHARD COATES (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

28 May 2015

Consolidated Profit and Loss Account

For the year ended 28 February 2015

		Year ended 28 February 2015	Period from 7 November 2012 to 28 February 2014
	Note	Total £'000	Total £'000
Trading book income	2	393	5
Administrative expenses	3	(295)	(135)
Operating profit/(loss)		98	(130)
Interest income		10	2
Interest expense		(22)	-
		(12)	2
Profit/(loss) on ordinary activities before taxation		86	(128)
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) on ordinary activities after tax attributable to equity shareholders		86	(128)

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

Company number: 08285184

As at 28 February 2015

	Note	As at 28 February 2015 £'000	As at 28 February 2014 £'000
Current Assets			
Loans due after more than one year		4,132	-
Loans due within one year		7,049	-
Debtors and prepayments	7	211	26
Cash		1,698	4,713
		<hr/> 13,090	<hr/> 4,739
Creditors - amounts falling due within one year	8	(113)	(192)
		<hr/> 12,977	<hr/> 4,547
Assets less Current Liabilities			
Creditors - amounts falling due after more than one year	8	(2,353)	(11)
Net Assets		<hr/> <hr/> 10,624	<hr/> <hr/> 4,536
Capital and Reserves			
Share capital	9	11	5
Share premium		10,655	4,659
Profit and loss reserve		(42)	(128)
Shareholders' Funds		<hr/> <hr/> 10,624	<hr/> <hr/> 4,536
Net Asset Value per Growth Share	10	96.04p	94.36p
Net Asset Value per Income Share	10	96.04p	94.33p
Adjusted Net Asset Value per Growth Share	10	97.06p	96.28p
Adjusted Net Asset Value per Income Share	10	97.06p	96.28p

The financial statements were approved and authorised for issue by the Board of Directors on 28 May 2015 and were signed on their behalf by:

Peter Wisher
Chairman
28 May 2015

Company Balance Sheet
As at 28 February 2015

	Note	As at 28 February 2015 £'000	As at 28 February 2014 £'000
Fixed Assets			
Investments in subsidiary undertakings	6	10	10
Current Assets			
Debtors and prepayments	7	9,517	2,664
Cash		1,262	2,060
		10,779	4,724
Creditors - amounts falling due within one year	8	(63)	(189)
Net Current Assets		10,716	4,535
Total Assets less Current Liabilities		10,726	4,545
Creditors - amounts falling due after more than one year	8	(103)	(11)
Net Assets		10,623	4,534
Capital and Reserves			
Share capital	9	11	5
Share premium		10,655	4,659
Profit and loss account		(43)	(130)
Shareholders' Funds		10,623	4,534

The financial statements were approved and authorised for issue by the Board of Directors on 28 May 2015 and were signed on their behalf by:

Peter Wisher
Chairman
28 May 2015

Consolidated Cash Flow Statement

For the year ended 28 February 2015

	Year ended 28 February 2015 £'000	Period from 7 November 2012 to 28 February 2014 £'000
Operating profit/(loss)	98	(130)
Increase in debtors	(185)	(26)
Increase in creditors	2,263	203
Increase in loan book	(11,181)	-
Net cash (outflow)/inflow from operating activities	<u>(9,005)</u>	<u>47</u>
Returns on investments and servicing of finance		
Interest received	10	2
Interest paid	(22)	-
Net cash inflow from returns on investment and servicing of finance	<u>(12)</u>	<u>2</u>
Net cash (outflow)/inflow before financing	(9,017)	49
Proceeds received from issue of ordinary share capital	6,152	4,868
Expense paid for issue of share capital	(150)	(69)
Proceeds received from issue of redeemable preference shares	-	50
Redemption and cancellation of redeemable preference shares	-	(50)
Repurchase of shares	-	(135)
Net cash inflow from financing	<u>6,002</u>	<u>4,664</u>
(Decrease)/increase in cash in the year	<u>(3,015)</u>	<u>4,713</u>
Reconciliation of net cashflow to movement in net funds		
(Decrease)/increase in cash in the year	(3,015)	4,713
Net funds at start of year	4,713	-
Net funds at end of year	<u>1,698</u>	<u>4,713</u>

Reconciliations in Movement in Shareholders' Funds

For the year ended 28 February 2015

Group	Share capital £'000	Share premium £'000	Profit and loss reserve £'000	Total £'000
Shares issued in the period	5	4,863	-	4,868
Expenses of shares issued	-	(69)	-	(69)
Shares repurchased	-	(135)	-	(135)
Loss after taxation attributable to equity shareholders	-	-	(128)	(128)
Balance as at 28 February 2014	5	4,659	(128)	4,536
Shares issued in the year	6	6,146	-	6,152
Expenses of shares issued	-	(150)	-	(150)
Loss after taxation attributable to equity shareholders	-	-	86	86
Balance as at 28 February 2015	11	10,655	(42)	10,624

Company	Share capital £'000	Share premium £'000	Profit and loss reserve £'000	Total £'000
Shares issues in the year	5	4,863	-	4,868
Expenses of share issues	-	(69)	-	(69)
Shares repurchased	-	(135)	-	(135)
Return after taxation attributable to equity shareholders	-	-	(130)	(130)
Balance as at 28 February 2014	5	4,659	(130)	4,534
Shares issues in the period	6	6,146	-	6,152
Expenses of share issues	-	(150)	-	(150)
Return after taxation attributable to equity shareholders	-	-	87	87
Balance as at 28 February 2015	11	10,655	(43)	10,623

Notes to the Consolidated Accounts

For the year ended 28 February 2015

1. Accounting Policies

Group

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP")

Basis of consolidation

The Group accounts consolidate the financial statements of the company and all its subsidiary undertakings. Intra-group profits are eliminated on consolidation.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account.

Going concern

The directors have considered the Company's current financial position and cash flow requirements for the period to 30 June 2016 and after careful consideration, have concluded that it is appropriate to adopt the going concern for the preparation of these financial statements.

Cash at bank and in hand

Cash at bank and in hand comprises cash in hand and on-demand deposits.

Income

Interest receivable on loans is recognised on an accruals basis.

Expenses

All expenses (inclusive of VAT) are accounted for on an accruals basis.

Taxation

Corporation tax is applied to profits chargeable to corporation tax, if any, at the applicable rate for the year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more, or right to pay less, tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Group's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent years. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Dividends

Final dividends payable are recognised as distributions in the financial statements when the Company's liability to make payment has been established. The liability is established when the dividends proposed by the Board are approved by the Shareholders. Interim dividends are recognised when paid.

Company

Investments

Investments in the company's balance sheet are stated at cost, less any provision for impairments.

Equity instruments

Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at proceeds received net of issue costs.

Notes to the Consolidated Accounts

For the year ended 28 February 2015

2. Revenue

	Year ended 28 February 2015 £'000	Period from 7 November 2012 to 28 February 2014 £'000
Loan stock interest	393	5

3. Administrative Expenses

	Year ended 28 February 2015 £'000	Period from 7 November 2012 to 28 February 2014 £'000
Directors' remuneration	20	14
Auditor's remuneration for statutory audit	21	21
Non-audit fees – tax compliance	3	-

The Company had no employees (other than Directors) during either period. The average number of Directors during the year was 3.

The Auditor's remuneration of £17,500 has been grossed up in the table above to include irrecoverable VAT.

Directors' Remuneration

Peter Wisher and Michael Posen currently each receive a fee of £10,000 per annum. Michael van Messel receives no fee.

In the event that the net assets of the Company, calculated as of the last day of the applicable quarter, reach or exceed £10 million, Peter Wisher and Michael Posen each will receive a fee of £20,000 per annum. Michael van Messel shall continue to receive no fee.

The Directors shall also be paid by the Company all reasonable travelling, hotel and other expenses they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.

These are the total emoluments. There is no pension or share option scheme.

Notes to the Consolidated Accounts

For the year ended 28 February 2015

4. Tax on Ordinary Activities

There is no corporation tax charge for the year due to losses arising in the period.

	Year ended 28 February 2015 £'000	Period from 7 November 2012 to 28 February 2014 £'000
Profit/(loss) on ordinary activities before taxation	86	(128)
Tax charge/(credit) calculated on profit/(loss) on ordinary activities before taxation at the applicable rate of 20% (2014: 20%)	17	(26)
Expenses not deductible for tax purposes	-	9
Tax losses carried forward	-	17
Tax losses brought forward	(17)	-
	<u>-</u>	<u>-</u>

No provision for tax has been made because of losses arising in the prior period. No deferred tax asset has been recognised as the timing of its recovery cannot be foreseen with any certainty.

5. Dividends

The Directors do not propose a final dividend in relation to the year ended 28 February 2015 (2014: nil).

6. Investment in subsidiaries

Company - Cost	£'000
Additions	10
As at 28 February 2014	<u>10</u>
As at 28 February 2015	<u>10</u>

Additional information on subsidiaries

Subsidiary	Country of registration and operation	Activity	Portion of ordinary shares and voting rights held
Trading Companies			
Heritage Square Limited	England and Wales	Secured Loan provider	100%

Notes to the Consolidated Accounts

For the year ended 28 February 2015

7. Debtors

	As at 28 February 2015		As at 28 February 2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Prepayments and accrued income	211	20	26	14
Amounts due from subsidiary undertaking	-	9,497	-	2,650
Prepayments and accrued income	<u>211</u>	<u>9,517</u>	<u>26</u>	<u>2,664</u>

Amounts due from subsidiary undertaking are unsecured, non-interest bearing and repayable on demand, except that the Company is only able to demand repayment of the loan to the extent that the subsidiary undertaking has cash available to pay it.

8. Creditors

	As at 28 February 2015		As at 28 February 2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Amounts falling due within one year:				
Accrued management fees and administration costs	113	63	192	189
	<u>113</u>	<u>63</u>	<u>192</u>	<u>189</u>
Amounts falling due after more than one year:				
Accrued fees to Trading Adviser	103	103	11	11
Long term borrowings	2,250	-	-	-
	<u>2,353</u>	<u>103</u>	<u>11</u>	<u>11</u>

The Company has appointed Puma Investment Management Limited to act as Trading Adviser to the Group. During the period, fees of £92,000 (2014: £11,000) accrued in respect of advisory fees under this agreement. As detailed in the Prospectus, the payment of these fees will be deferred until certain conditions are satisfied.

Notes to the Consolidated Accounts

For the year ended 28 February 2015

9. Share Capital and Share Premium

	As at 28 February 2015		As at 28 February 2014	
	Number	£'000 Value	Number	£'000 Value
Ordinary shares	2	-	2	-
Growth shares	8,857,519	9	3,035,148	3
Income shares	2,204,370	2	1,772,512	2
	<u>11,061,891</u>	<u>11</u>	<u>4,807,662</u>	<u>5</u>

Share movements in the year

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

	Redeemable Growth shares		Redeemable Income shares	
	Number	£'000 Value	Number	£'000 Value
Issued in the period	3,035,148	3	1,912,512	2
Redeemed in the period	-	-	(140,000)	-
As at 28 Feb 2014	<u>3,035,148</u>	<u>3</u>	<u>1,772,512</u>	<u>2</u>
Issued in the year	5,822,371	6	431,858	-
As at 28 Feb 2015	<u>8,857,519</u>	<u>9</u>	<u>2,204,370</u>	<u>2</u>

Notes to the Consolidated Accounts

For the year ended 28 February 2015

9. Share Capital and Share Premium (continued)

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.

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 calendar month 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 calendar month 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 year ended 28 February 2015

10. Net Asset Value per Share

As at
28 February 2015

	Total	Income shares	Growth shares	Ordinary shares
Shares in issue as at 28 February 2015	11,061,891	2,204,370	8,857,519	2
	Total	Attributable to Income shares	Attributable to Growth shares	Ordinary shares
	£'000	£'000	£'000	£'000
Net assets	10,624	2,117	8,507	-
Add back: formation and preliminary costs incurred and expensed since inception	152			
Less: amortisation of formation and preliminary costs since inception	(39)			
Adjusted net assets for new subscribers as at 28 February 2015	10,737	2,140	8,597	
Net asset value per share	96.04p	96.04p	96.04p	-
Adjusted Net asset value per share	97.06p	97.06p	97.06p	-

Notes to the Consolidated Accounts

For the year ended 28 February 2015

10. Net Asset Value per Share (continued)

As at
28 February 2014

	Total	Income shares	Growth shares	Ordinary shares
Shares in issue as at 28 February 2014	4,807,662	1,772,512	3,035,148	2
	Total	Attributable to Income shares	Attributable to Growth shares	Ordinary shares
	£'000	£'000	£'000	£'000
Net assets	4,536	1,672	2,864	-
Add back: formation and preliminary costs incurred and expensed in period	101			
Less: amortisation of formation and preliminary costs in period	(8)			
Adjusted net assets for new subscribers as at 28 February 2014	4,629	1,707	2,922	
Net asset value per share	94.35p	94.33p	94.36p	-
Adjusted Net asset value per share	96.28p	96.28p	96.28p	-

As detailed in the Prospectus, formation and preliminary expenses incurred (including printing and advisory fees) in the establishment of the Company and in connection with the Offer are paid by the Company and expensed in its accounts when incurred as required by accounting rules. However, in relation to calculating the Adjusted Net Asset Value of the Shares for New Subscribers, these expenses will be amortised over 5 years from the Initial Closing Date in order to ensure that they are fairly attributed to initial and subsequent Investors.

Notes to the Consolidated Accounts

For the year ended 28 February 2015

11. Contingencies, Guarantees and Financial Commitments

As at 28 February 2015 the Group has loans committed but undrawn of £616,000 (2014: £1,000,000)

12. Controlling Party and Related Party Transactions

In the opinion of the Directors there is no immediate or ultimate controlling party.

The company has taken advantage of the exemptions within FRS 8 from disclosing transactions with its wholly owned subsidiary.

13. Post Balance Sheet Events

On 3 March 2015 a further 793,056 of growth shares were issued for a consideration of £789,000.

On 1 April 2015 a further 448,657 of growth shares were issued for a consideration of £448,000.

On 1 April 2015 a further 93,668 of income shares were issued for a consideration of £94,000.

On 7 May 2015 a further 99,138 of growth shares were issued for a consideration of £99,000.

PUMA HERITAGE PLC
(the “Company”)
Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at the offices of Charles Russell Speechlys LLP, 6 New Street Square, London EC4A 3LX at 11 am on Friday, 24 July 2015 (the “Meeting”) for the following purposes:

Ordinary Business - Ordinary Resolutions

- 1 To receive and adopt the Company's accounts for the year ended 28 February 2015, together with the reports of the directors and auditors on those accounts.
- 2 To re-appoint Baker Tilly UK Audit LLP as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid and to authorise the directors to determine their remuneration.

BY ORDER OF THE BOARD

David Venus & Company LLP
Company Secretary
Dated: 25 June 2015

Registered Office:
42 – 50 Hersham Road,
Walton-on-Thames,
Surrey,
KT12 1RZ

Notes:

- 1 A member who is entitled to attend and vote at this Meeting may appoint one or more proxies to attend, speak and vote on his/her behalf. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Such a proxy need not be a member of the Company.

- 2 In the case of joint shareholders, a vote tendered by the senior holder shall be accepted to the exclusion of all other joint holders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- 3 To be valid, a Form of Proxy and the original (or certified true copy) of any power of attorney or other authority under which the Form of Proxy is signed must be lodged with the Company's registrars, SLC Registrars, 42 – 50 Hersham Road, Walton-on-Thames, Surrey, KT12 1RZ no later than 48 hours before the Meeting. A Form of Proxy for use by shareholders is enclosed. Completion of the Form of Proxy will not prevent a shareholder from attending the Meeting and voting in person.
- 4 Any corporate shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. In order to appoint a corporate representative a corporate shareholder must provide a letter of representation to their chosen representative, which must be surrendered to the Company upon registration at the Meeting.
- 5 The Register of Directors' Interests together with the Directors' letters of appointment and a copy of the Articles of Association of the Company will be available for inspection during usual business hours on any weekday (Saturdays and Public Holidays excluded) at the registered office of the Company until the date of the Meeting and at the place of the Meeting for 15 minutes prior to and until the termination of the Meeting.

Puma Heritage plc

Form of Proxy

For use at the Annual General Meeting convened for 24 July 2015 at 11 am at the offices of Charles Russell Speechlys LLP, 6 New Street Square, London EC4A 3LX (the "Meeting").

I/We _____

(BLOCK CAPITALS PLEASE)

of _____

being (a) member(s) of the Company hereby appoint the chairman of the Meeting (see Note 1) or

_____ as my/our proxy and to attend and vote for me/us on my/our behalf at the Meeting and at any adjournment thereof. My/our proxy is to vote as indicated below in respect of the Resolutions set out in the Notice of Annual General Meeting (see Note 2). On any other business which may properly come before the Meeting (including any motion to amend a resolution or to adjourn the Meeting) the proxy will act at his/her own discretion.

Please indicate by placing an X in this box if this proxy appointment is one of multiple appointments being made (see Note 3)

Ordinary Business - Ordinary Resolutions

- 1 To receive and adopt the Report and Accounts
- 2 To re-appoint Baker Tilly UK Audit LLP as auditors and to authorise the Directors to determine their remuneration

FOR	AGAINST	WITHHELD

My/our proxy is to vote as indicated in this form (see Note 4). Unless otherwise instructed the proxy may vote as he or she sees fit or abstain in relation to any business of the Meeting.

Dated _____

Signed or sealed (see Note 5)

Notes:

- 1 If a member wishes to appoint as a proxy a person other than the chairman of the Meeting, the name of the other person should be inserted in block capitals in the space provided and the words “the chairman of the Meeting (see Note 1) or” should be deleted. A proxy need not be a member of the Company but must attend the Meeting in person. Any alteration or deletion must be signed or initialled.
- 2 If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder’s name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). Any alteration or deletion must be signed or initialled.
- 3 A member may appoint more than one proxy in relation to a meeting, provided that the proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, please contact the Company’s registrars, SLC Registrars, 42 – 50 Hersham Road, Walton-on-Thames, Surrey, KT12 1RZ for (an) additional form(s) or you may photocopy this form. Please indicate in the box next to the proxy holder’s name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by placing an X in the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned in the same envelope together.
- 4 A member should indicate by marking the box headed either FOR, AGAINST or WITHHELD with an ‘X’ to show how he wishes his vote to be cast in respect of each of the resolutions set out in the Notice of Annual General Meeting. Unless so instructed, the proxy will vote or abstain as he thinks fit. The Vote Withheld option is provided to enable a member to instruct the proxy not to vote on any particular resolution, however it should be noted that a vote withheld in this way is not a “vote” in law and will not be counted in the calculation of the proportion of votes FOR and AGAINST a resolution.
- 5 In the case of a corporate shareholder, this Form of Proxy should be given under its seal or signed on its behalf by an attorney or duly authorised officer. In the case of joint holders the Form of Proxy should be signed by the senior holder and the names of all joint holders should be shown. A vote tendered by the senior holder shall be accepted to the exclusion of all other joint holders. Seniority is determined by the order in which the names of the joint holders appear in the Company’s register of members in respect of the joint holding (the first-named being the most senior).
- 6 Use of this Form of Proxy does not preclude a member from attending the Meeting and voting in person.
- 7 To be valid, this Form of Proxy must be lodged together with the power of attorney or other authority (if any) under which it is signed, or a certified true copy of such power or authority, to the Company’s registrars, SLC Registrars, 42 – 50 Hersham Road, Walton-on-Thames, Surrey, KT12 1RZ, not later than 48 hours before the Meeting or any adjournment thereof or, in the case of a poll, not later than 48 hours before the time appointed for taking the poll.

For further information and copies of the Information Memorandum please contact



PUMA INVESTMENTS

Joint Promoter

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Shareholder Enquiries: 020 7408 4100

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Joint Promoter

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