

Puma Heritage Quarterly Report December 2017



PUMA HERITAGE
Calculated Excellence

Chairman's Update

I AM PLEASED TO PRESENT TO YOU THE QUARTERLY INVESTOR UPDATE FOR PUMA HERITAGE PLC (THE "COMPANY") FOR THE PERIOD UP TO 31 DECEMBER 2017.

The Board is encouraged that the attractiveness of the offering has been evident through the record subscriptions for new shares received in 2017. The Company's net assets have grown to over £47 million and it has participated in loans totalling £212 million to date. As at 31 December 2017 the weighted average gross income of the Company's loan book was 7.4%.

The Company continues to undertake trading activities focused 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. Since inception the Company has made 425 loans and has been repaid in full on 387 of those loans.

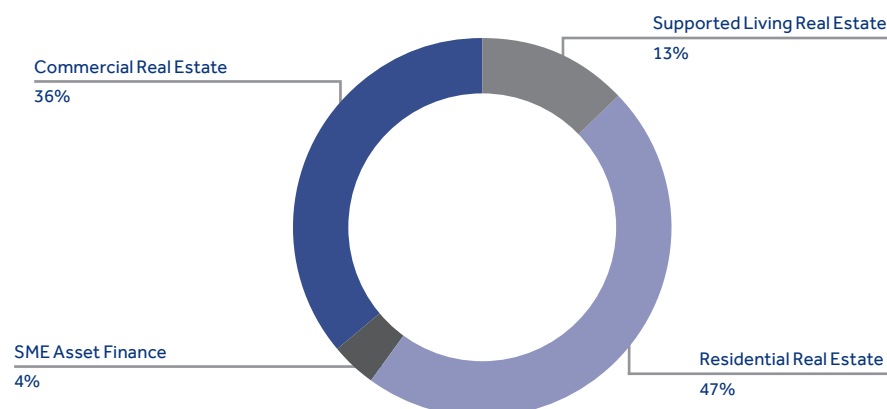
In the six-month period to 31 December 2017, I am pleased to report that we have completed several new loans, all with the benefit of first charge security, to a number of borrowers. The loans have been made across a number of sectors and are geographically diversified. In summary, the focus of the business has continued to be on loans underpinned by real estate. Details on two loans that we have underwritten are included in this report.

I am happy to advise you that the Board considers there to be a strong pipeline of potential transaction opportunities which meet our lending criteria and which the Board expects the Company to proceed with over the coming months.

Michael Posen
Chairman

Sector Breakdown of Loans

(% amount deployed)



Figures correct at 31 December 2017

¹The Total Shareholder Return for Growth Shares was 3.32% in the 12 months to 31 December 2016, and 3% in the 12 months to 31 December 2015. The Total Shareholder Return is calculated using the Net Asset Value of Puma Heritage which includes the amount of deferred Advisory Fee that is accrued for the benefit of investors until the minimum 3% return per annum is met.

TOTAL SHAREHOLDER RETURN
FOR GROWTH SHARES¹

3.11%

IN THE 12 MONTHS
TO 31 DECEMBER 2017

£212m

LOANS PARTICIPATED IN TO DATE

425

LOANS MADE TO DATE

AWARD-WINNING ADVISER:
PUMA INVESTMENTS

INVESTMENT
WEEK
**TAX EFFICIENCY
AWARDS 2017/18**
WINNER
Tax-Efficient Group of the Year

GROWTH INVESTOR
2017 AWARDS
FINALIST
BEST BPR
INVESTMENT
MANAGER

Recent transactions:



Overview of the loan:

- Puma Heritage has participated in a £6.5m loan to facilitate the sale of an 11 unit, new build residential scheme.

Key features

- **Excellent location:** Situated in the highly affluent London suburb of Golders Green
- **Security:** First charge over site
- **Sector:** New build residential



Overview of the loan:

- Puma Heritage has participated in a £5m loan to fund the acquisition of an office building in Worthing to convert into residential units.

Key features

- **Good location:** Affluent suburb near Brighton on the South East coast of England
- **Security:** First charge over site
- **Sector:** Commercial to residential



Puma Heritage operates in a **range of sectors** and focuses on providing property finance **secured by first charges.**

The business:

Puma Heritage plc, through its subsidiaries, undertakes trading activities with the principal aims of preserving capital and generating stable returns, whilst at the same time seeking to offer downside risk protection. The core strategy of Puma Heritage is focused on secured lending to businesses with tangible assets, particularly in the real estate sector.

The board:

The Board of Directors have overall responsibility for Puma Heritage and take all trading decisions on behalf of the Company. They bring with them a multi-disciplinary approach to managing the Company and have substantial experience in lending.



Michael Posen
Chairman

Michael founded a private property development, asset management, project management, property finance and investment company in 1987. Prior to that Michael worked for 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.



Jim Brydie
Director

Jim is a career Banker who spent 30 years with RBS, latterly as Head of Corporate & Property Finance. Thereafter he was involved in the Irish Banking system including the exit by IBRC from the USA and as CEO of the UK business working closely with KMPG in the wind down and sales process.



Michael van Messel
Director

Michael is a Chartered Accountant, 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.

Puma Heritage's core focus is on secured lending. Our primary objectives are to preserve capital and mitigate risk whilst generating stable returns for shareholders.

Please see the key risk factors in the page overleaf and as further set out in the Prospectus.

Capital Preservation and Inflation Protection

The Company's principle focus is on capital preservation, generating stable returns for shareholders while seeking to offer robust downside protection.

Flexibility and Control

The Company offers shareholders the capacity to tailor their shareholders through a choice of Growth Shares or Income Shares, and the ability to switch between the two. Shareholders may also withdraw their capital (subject to the terms set out in this Shareholder Information document and the Prospectus).

Alignment of interests

The interests of the Company's advisers and Shareholders are entirely aligned: the Company's advisers will not receive performance fees and the Trading Adviser's annual advisory fees are only payable if the Company has generated a minimum return of at least 3 per cent per annum for shareholders (net of all fees and operating expenses).

Inheritance Tax Relief

A subscription for shares in this Company is intended to provide Inheritance Tax mitigation after two years through Business Property Relief (BPR), although such relief is dependent on individual circumstances and may be subject to change.

Risk factors

You can only apply to subscribe for shares in Puma Heritage through a Financial Adviser who has assessed that a subscription is suitable for you.

Here are the key risks of your subscription however you should read in full the Puma Heritage Prospectus:

General

Past performance is no indication of future results and share prices and their values can go down as well as up. The forecasts in this document are not a reliable guide to future performance. There can be no guarantee that any returns can or will be achieved.

Capital at Risk

A subscription for shares in Puma Heritage can be viewed as high risk. Shareholders' capital may be at risk and shareholders may get back less than their original subscription.

Tax Reliefs

Tax reliefs depend on individuals' personal circumstances, minimum holding periods and may be subject to change. There can be no guarantee that Puma Heritage will fulfil the criteria to obtain business property relief.

Liquidity

It is unlikely there will be a liquid market in the shares of Puma Heritage and it may prove difficult for shareholders to realise immediately or in full proceeds from the sale of Puma Heritage shares. Access to capital is subject to the discretion of the directors, applicable law/regulation and the availability of sufficient cash reserves.

This is not a Prospectus but an advertisement and prospective shareholders should not subscribe for shares in Puma Heritage referred to in this document except on the basis of information in the Prospectus, a copy of which can be obtained from the Promoter (contact details set out below).

For further information and copies of the Prospectus please contact:



PUMA INVESTMENTS
Calculated Excellence

Promoter

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The information in this document was captured on 31 December 2017 and therefore may not be current.

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