



PUMA HERITAGE
Calculated Excellence

INTERIM REPORT

For the six months ended
31 August 2015

Officers and Professional Advisers

Directors

Peter Wisher (Chairman)
Michael Posen
Michael van Messel

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02 Chairman's Statement

Highlights

- Φ Net asset value of £13.7 million as at 31 August 2015; and £16.4 million as at 31 October 2015.
- Φ Adjusted NAV per share of 97.90p as at 31 August 2015; and 98.31p as at 31 October 2015; the increase reflecting the ongoing profitability of the company each month.
- Φ 80% of assets committed to loans as at 31 August 2015.
- Φ The pipeline of potential deals remains strong.

Introduction

I AM PLEASED TO PRESENT THE INTERIM REPORT FOR PUMA HERITAGE PLC (THE "COMPANY") FOR THE SIX MONTH PERIOD TO 31 AUGUST 2015.

THE COMPANY HAS CONTINUED TO MAKE PROGRESS SINCE THE YEAR-END. AS AT 31 AUGUST 2015, THE COMPANY HAD NET ASSETS OF APPROXIMATELY £13.7 MILLION OF WHICH 80% WAS COMMITTED TO VARIOUS LOANS AS DESCRIBED BELOW.

Transactions

Since the Company's year-end on 28 February 2015 the Company has completed several new loans. During the period, the Company completed a series of transactions totalling £3.5 million with various entities within the Citrus Group. These facilities, together with facilities from other vehicles managed and advised by our Trading Adviser, form part of a series of revolving credit facilities to provide working capital to the Citrus PX business. Citrus PX operates a property part exchange service facilitating the rapid purchase of properties for developers and homeowners. The facility provides a series of loans to Citrus PX, with the benefit of a first charge over a geographically diversified portfolio of residential properties on conservative terms. Since the inception of our relationship with Citrus we have made 256 loans each secured against residential property across the UK.

In June 2015, the Company advanced a loan of £1.25 million to Richmond Global Properties Limited. The loan is being advanced to fund the development of a 112 bed purpose built care home in Hamilton, Scotland. The loan is secured with a first charge over the site and is expected to generate an attractive return. The construction programme has commenced and is progressing well.

The Company advanced a loan of £1.25 million to Toppan Holdings Limited. These funds which, together with loans from other vehicles managed and advised by our

Trading Adviser totalling £5.6 million, are being advanced to fund the development of a 65 bed purpose built care home in Mill Hill, London. These loans are secured with a first charge over the site and are expected to generate an attractive return. The construction programme has also commenced for this project and is currently progressing well.

Towards the end of the period, the Company advanced a loan of £1.28 million to Northern Land Developments Limited, secured with a first charge over two plots of land in Beckenham, Kent. The loan facilitated the acquisition of two large residential houses on one of the plots. The borrower expects to receive planning permission in the coming months to replace these two units with up to eight town houses. Meanwhile, the Company's loan is generating an attractive return.

I am pleased to report that there continues to be an ongoing strong pipeline of potential lending opportunities which the Board expects the Group to proceed with over the coming months as further monies are raised. The Board will continue to work 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 fully and 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.

04 Chairman's Statement continued

Results

The reported profit for the period was £114,000. The reported NAV per share as at 31 August 2015 was 97.14p, and the adjusted NAV was 97.90p. As detailed in the Prospectus, the NAV is adjusted for the purpose of subscriptions and redemptions by amortising over five years the formation and preliminary expenses. This is in order to ensure that they are fairly attributed to initial and subsequent investors (see note 5 to the accounts). However, the accounting rules require the formation and preliminary costs to be expensed in the accounts in the period they were incurred for reporting purposes.

The Company has continued to generate profits in recent months and the adjusted NAV per share has risen to 98.31p as at 31 October 2015.

Outlook

The Board continues to look forward with confidence and is pleased to see that the NAV per share of the Company continues to increase. Small and medium size businesses continue to find it difficult to access the funding they require from traditional sources of funding (such as banks) and this provides ongoing opportunities for the Company.

Peter Wisher
Chairman

18 November 2015

Puma Heritage's core focus is on secured lending. Its primary objectives are to preserve capital and mitigate risk.

Consolidated Profit and Loss Account (unaudited)

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

	Six months ended 31 August 2015 Total £'000	Six months ended 31 August 2014 Total £'000	Year ended 28 February 2015 Total £'000
Note	£'000	£'000	£'000
Trading book income	409	81	393
Admin expenses	(169)	(159)	(295)
Operating profit	240	(78)	98
Interest income	5	7	10
Finance costs	(102)	–	(22)
	(97)	7	(12)
Return/(loss) on ordinary activities before taxation	143	(71)	86
Tax on return on ordinary activities	(29)	–	–
Return/(loss) on ordinary activities after tax attributable to equity shareholders	114	(71)	86

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 2015

	Note	As at 31 August 2015 £'000	As at 31 August 2014 £'000	As at 28 February 2015 £'000
Current Assets				
Loans due after more than one year		750	3,704	4,132
Loans due within one year		6,897	2,183	7,049
Debtors and prepayments		262	70	211
Cash		6,135	1,401	1,698
		14,044	7,358	13,090
Creditors – amounts falling due within one year		(146)	(101)	(113)
Assets less Current Liabilities		13,898	7,257	12,977
Creditors – amounts falling due after more than one year				
		(180)	(48)	(2,353)
Net Assets		13,718	7,209	10,624
Capital and Reserves				
Share capital	4	14	8	11
Share premium		13,632	7,400	10,655
Revenue reserve		72	(199)	(42)
Equity Shareholders' Funds		13,718	7,209	10,624
Net Asset Value per Ordinary Share	5	97.14p	93.90p	93.89p
Adjusted Net Asset Value per Ordinary Share	5	97.90p	95.56p	97.06p

Consolidated Balance Sheet (unaudited) continued

AS AT 31 AUGUST 2015

	As at 31 August 2015	As at 31 August 2014	As at 28 February 2015
Note	£'000	£'000	£'000
Current Assets			
Loans due after more than one year	750	3,704	4,132
Loans due within one year	6,897	2,183	7,049
Debtors and prepayments	273	70	211
Cash	6,135	1,401	1,698
	14,055	7,358	13,090
Creditors – amounts falling due within one year	(146)	(101)	(113)
Assets less Current Liabilities	13,909	7,257	12,977
Creditors – amounts falling due after more than one year	(180)	(48)	(2,353)
Net Assets	13,729	7,209	10,624
Capital and Reserves			
Share capital	4	14	11
Share premium	13,632	7,400	10,655
Revenue reserve	83	(199)	(42)
Equity Shareholders' Funds	13,729	7,209	10,624
Net Asset Value per Ordinary Share	5	97.22p	93.90p
		93.90p	93.89p

Consolidated Cash Flow Statement (unaudited)

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

	Six months ended 31 August 2015 £'000	Six months ended 31 August 2014 £'000	Year ended 28 February 2015 £'000
Operating profit/(loss)	240	(78)	98
Increase in debtors	(51)	(44)	(185)
(Decrease)/increase in creditors	(2,169)	594	2,263
Decrease/(increase) in loan book	3,534	(6,535)	(11,181)
Net cash inflow/(outflow) from operating activities	1,554	(6,063)	(9,005)
Returns on investments and servicing of finance			
Interest received	5	7	10
Interest paid	(102)	–	(22)
	(97)	7	(12)
Net cash inflow/(outflow) before financing	1,457	(6,056)	(9,017)
Proceeds received from issue of ordinary share capital	3,656	2,814	6,152
Expense paid for issue of share capital	(91)	(70)	(150)
Shares redeemed in the period	(585)	–	–
Net cash inflow from financing	2,980	2,744	6,002
Net cash inflow/(outflow) after financing	4,437	(3,312)	(3,015)
Increase/(decrease) in cash in the six months	4,437	(3,312)	(3,015)
Reconciliation of net cashflow to movement in net funds			
Increase/(decrease) in cash in the six months	4,437	(3,312)	(3,015)
Net funds at start of six months	1,698	4,713	4,713
Net funds at end of six months	6,135	1,401	1,698

Reconciliations in Movement in Shareholders' Funds (unaudited)

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

Group	Share capital £'000	Share premium £'000	Revenue reserve £'000	Total £'000
Balance as at 1 March 2014	5	4,659	(128)	4,536
Shares issued in the period	3	2,811	–	2,814
Expenses of share issues	–	(70)	–	(70)
Return after taxation attributable to equity shareholders	–	–	(71)	(71)
Balance as at 31 August 2014	8	7,400	(199)	7,209
Shares issued in the period	3	3,335	–	3,338
Expenses of share issues	–	(80)	–	(80)
Return after taxation attributable to equity shareholders	–	–	157	157
Balance as at 28 February 2015	11	10,655	(42)	10,624
Shares issued in the period	4	3,652	–	3,656
Shares redeemed in the period	(1)	(584)	–	(585)
Expenses of share issues	–	(91)	–	(91)
Return after taxation attributable to equity shareholders	–	–	114	114
Balance as at 31 August 2015	14	13,632	72	13,718

Notes to the Consolidated Accounts

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

1. Financial information

Basis of preparation

The annual financial statements of Puma Heritage plc (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 2015 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 2015.

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 28 May 2015.

3. Dividends

The Directors do not propose a dividend in relation to the period ended 31 August 2015.

Notes to the Consolidated Accounts continued

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

4. Share Capital and Share Premium

	As at 31 August 2015	
	Number	Value £'000
Ordinary shares	2	–
Growth shares	11,782,631	12
Income shares	2,338,788	2
	14,121,421	14
	As at 31 August 2014	
	Number	Value £'000
Ordinary shares	2	–
Growth shares	5,675,208	6
Income shares	2,002,291	2
	7,677,501	8
	As at 28 February 2015	
	Number	Value £'000
Ordinary shares	2	–
Growth shares	8,857,519	9
Income shares	2,204,370	2
	11,061,891	11

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 £'000	Number	Value £'000
As at 28 February 2015	8,857,519	9	2,204,370	2
Issued in the period	3,522,787	4	136,200	–
Redeemed in the period	(597,675)	(1)	(1,826)	–
As at 31 August 2015	11,782,631	12	2,338,788	2

The Company was incorporated with two ordinary shares issued fully paid which are held by Shore Capital Limited.

4. Share Capital and Share Premium continued

Share issue costs of £91,000 comprise fees payable to Puma Investment Management Limited, the Trading Adviser, who are 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.

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.

Notes to the Consolidated Accounts continued

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

4. Share Capital and Share Premium continued

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.

5. Net Asset Value per Share

	Total	Income shares	Growth shares	Ordinary shares
Shares in issue as at 31 August 2015	14,121,421	2,338,788	11,782,631	2
Net assets (£'000)	13,718,000	2,272,000	11,446,000	–
Add back: formation and preliminary costs incurred and expensed over life of Company	164,000			
Less: amortisation of formation and preliminary costs	(57,000)			
Adjusted net assets for new subscribers as at 31 August 2015	13,825,000	2,289,722	11,535,278	
Net asset value per share	97.14p	97.14p	97.14p	–
New Subscriber Net Asset Value per share	97.90p	97.90p	97.90p	–

Notes to the Consolidated Accounts continued

FOR THE SIX MONTHS ENDED 31 AUGUST 2015

5. Net Asset Value per Share continued

As detailed in the Prospectus, formation and preliminary expenses (including initial directors, professional, and advisory fees together with related administrative expenses) incurred in the establishment of the Company and in connection with the Offer will be paid by the Company and expensed in its accounts when incurred as required by accounting rules. However, in relation to calculating the 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.

6. Events after the period

- (i) Shares in issue: a further 2,535,628 shares have been issued up to 31 October 2015.
- (ii) Net Asset Value per Share: as at 31 October 2015 the Adjusted NAV per share was 98.31p.

For further information and copies of the Prospectus
please contact



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Joint Promoter

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