



PUMA INVESTMENTS

AVAILABLE IN ISAs

£20,000 minimum subscription

Award-winning

GROWTH INVESTOR 2018 AWARDS FINALIST BEST BR INVESTMENT MANAGER AIM

GROWTH INVESTOR 2019 AWARDS RUNNER-UP BEST BR INVESTMENT MANAGER - LISTED

GROWTH INVESTOR 2020 AWARDS FINALIST BEST BR INVESTMENT MANAGER (LISTED)

GROWTH INVESTOR 2021 AWARDS FINALIST BEST BR INVESTMENT MANAGER (LISTED)

Overview of the Service

Portfolio Service

An award-winning discretionary portfolio service that seeks to deliver long-term growth focusing on quality companies quoted on AIM.

Inheritance Tax

It is intended that investors will benefit from relief from Inheritance Tax provided investments are held for at least two years prior to and at the point of death.

Subscription Amount

Minimum subscription of £20,000 with no maximum.

Available in ISAs

Investing in a portfolio of qualifying AIM stocks allows holders to mitigate Inheritance Tax while still retaining the benefits of an ISA.

Launch date: 01.07.2014

Risk Factors

An investment in the Service carries risk and may not be suitable for all investors. Investors should refer to the Investment Details and Client Agreement, copies of which are available on pumainvestments.co.uk. Below are the key risks of the Service:

- Past performance is not a guarantee of future performance
- Tax reliefs are not guaranteed
- You may lose money
- Long-term investment
- Potentially illiquid investment



Puma AIM Inheritance Tax Service Q4 2021 Quarterly Report

Investment Director's Quarterly Portfolio Review

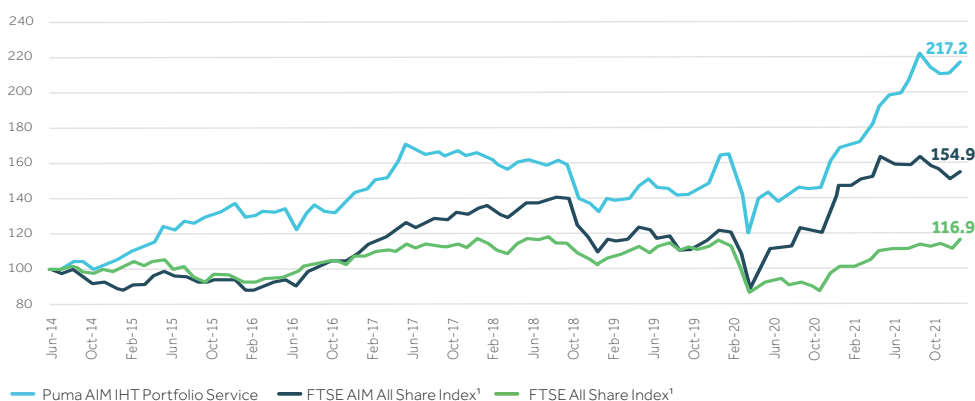
In Q4 2021, the portfolio increased by +1.72%, outperforming the FTSE AIM All Share index which decreased by -2.16% but underperforming the FTSE All Share Index which increased by +3.67%. For the year ending 31 December 2021, the portfolio increased by +28.39%, outperforming both the FTSE AIM All Share Index (+5.17%) and the FTSE All Share Index (+14.55%). Since inception in July 2014, the portfolio has increased by +117.16%, outperforming both the FTSE AIM All Share Index (+54.94%) and the FTSE All Share Index (+16.88%).

This quarter saw the continuation of trends that commenced ahead of the September reporting season. Economic and supply chain concerns were to the fore. Markets fell in the first two months as investors attempted to digest the potential impact of such concerns on company margins and the likely negative impact on forecasts, before posting a gain in December. The emergence of a new COVID variant (Omicron) did not help sentiment. Nevertheless, in mid-November, we added another portfolio company and added to other holdings, utilising cash accumulated from our September profit-taking and rebalancing trade activity.

Company forecasts remain under pressure as inflationary cost pressures are expected to be in the 3% to 6% range at least in the first half of the year. Nevertheless, the sanguine forecast for interest rates is currently in the 1 - 1.5% range by the end of 2022. Further, the Omicron COVID variant has had less severe impact, being highly infectious but less deadly, for a variety of reasons. We remain committed to increasing the number of portfolio holdings with a strong focus on cash generation to provide protection and opportunity for our clients.

Dr Stuart Rollason, Investment Director

Performance Graph of the Puma AIM IHT Portfolio Service



Cumulative Investment Performance %

	3M	1Y	3Y	5Y	Since Inception
PUMA AIM IHT Portfolio Service	+1.72	+28.39	+63.97	+50.96	+117.16
FTSE AIM All Share Index (AXX) ¹	-2.16	+5.17	+41.73	+44.11	+54.94
FTSE All Share Index (ASX) ¹	+3.67	+14.55	-14.50	+8.64	+16.88

Discrete Investment Performance %

	2021	2020	2019	2018	2017	CAGR ²
PUMA AIM IHT Portfolio Service	+28.39	+2.81	+24.23	-20.11	+15.23	+10.88
FTSE AIM All Share Index (AXX) ¹	+5.17	+20.74	+11.61	-18.20	+24.30	+6.01
FTSE All Share Index (ASX) ¹	+14.55	-12.46	+14.19	-12.95	+9.00	+2.10

¹ The indices shown are for illustrative purposes only and are not considered directly comparable to the performance of this Service | Source: Iress

² Compound Annual Growth Rate.

All performance data is quoted net of management and dealing fees and applies to one of the first investor's portfolio that remains invested. Please note that from Q2 2021 the performance data no longer applies to the previous Investment Director's portfolio, but instead applies to the next portfolio that remains in existence that has been invested since inception. Small variations in performance may apply as each individual investor has their own discrete portfolio of assets.

Discrete performance data is calculated as full year periods from 1 January to 31 December of the year displayed. Past performance is no guarantee of future results | Source: Puma Investments, unless otherwise stated.

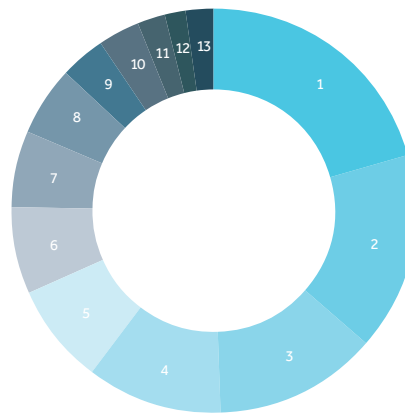
Portfolio's Top 10 Holdings

COMPANY	% holding
Judges Scientific	7.28
Renew Holdings	7.17
Focusrite	6.94
Thorpe FW	6.79
Vertu Motors	5.43
Strix Group	4.78
Breedon Group	4.42
NWF Group	4.39
EMIS Group	4.25
H&T Group Plc	3.81
Total	55.26

Total holdings in the portfolio **32**

As at 31 December 2021

Portfolio Companies by Sector % of portfolio



1	Electronic & Electrical Equipment	20.56%
2	Construction & Materials	15.98%
3	Support Services	13.00%
4	Software & Computer Services	10.80%
5	Financial Services	8.08%
6	Travel & Leisure	6.94%
7	Consumer Services & Retailers	6.27%
8	Beverages	5.37%
9	Property Services	3.67%
10	Medical Equipment & Pharmaceutical	3.38%
11	Telecommunications	2.23%
12	Consumer Services	1.59%
13	Cash	2.13%

As at 31 December 2021. Figures may be subject to rounding errors.

Spotlight on a Portfolio Holding

Strix Group



ESTABLISHED
1991

SECTOR
Electronic and
Electrical
Equipment

**PRICE AT END
OF QUARTER**
303.5p

**MARKET
CAPITALISATION**
£627m

Company background and performance

Strix is a global leader in the design, manufacture and supply of kettle safety controls and other devices involving water heating and temperature control, steam management and water filtration. Strix's business was originally founded by Eric Taylor as a thermostats business. He invented a thermostat for heated flying suits during the Second World War. By 1988 the business had become the world leader in supplying kettle controls, designed to switch your kettle off at boiling point. Today, Strix has a global market share within kettle controls of 54%. An impressive statistic for an AIM company in any market.

Production is primarily in China, where the majority of kettles are made, with locations in the Isle of Man and Italy. Product designs are patent-protected and are robustly defended from lower cost competitors, usually in China. The business has a strong track record of product innovation and is seen as the sector-leader. A new Chinese factory has just been built at a cost of £20m which increases production capacity by 80% with 73% of the assembly lines automated. Since listing on AIM in 2017, the company has diversified its revenue streams away from kettle controls, led by management Mark Barnett and Raudres Wong. It has acquired companies operating in water filtration such as Aqua Optima, a challenger to Britta. The kettle control market is forecast to grow annually at 3%, versus 27% in water filtration. The business has also extended the relevance of its controls business into coffee machines. In addition, Strix owns the Tommee Tippee brand of bottle sterilisers.

This growth strategy into new markets led to ambitious 5-year targets being set in 2020 to double revenues via organic means and to continue to grow their kettle controls market share.

Quality

Kettle controls have historically been a stable market. Even in the financial crisis, sales only slowed slightly, as consumers sought to retain their simple pleasures. In addition, Strix has repeatable revenues through a predictable kettle replacement cycle. Its long-lasting relationships with OEM's, and the business's strong track record of innovation provide strong barriers to entry alongside their patent portfolio. Patents and market leadership have enabled strong profit margins of close to 30%.

Growth

Kettle controls is a low-growth market. However, management have expanded the opportunity for Strix by acquisition, tapping into higher growth markets including in water filtration. This has the potential to change the growth dynamic for Strix, allowing for double-digit revenue growth, as opposed to the mid-single digit growth the business has delivered historically.

Valuation

With a P/E of around 25, Strix's rating is above-average for an industrials business. This is justified given their market leadership position, much increased production capacity as well as their extensive product roadmap across all areas. In addition, with the China factory build complete they can continue to look for acquisitions that could add capabilities or technology to the group. With excellent historical cash flow conversion over many years, Strix is well-positioned to re-invest those cash flows at high returns whilst continuing to pay out a progressive dividend.

Access through Adviser Platforms

AVAILABLE IN ISAs

ascentric

transact
take control

FundsNetwork™

Standard Life



Fees and Expenses

	Direct with Puma	Through a Platform ¹
Initial Fee	1% (of amount subscribed)	No initial fee charged to investors accessing the service through a Platform
Annual Management Fee	1.25% + VAT (of portfolio value)	1.25% + VAT (of portfolio value)
Dealing Fee	1% (applied to purchase or sale of stocks)	Platform and dealing fees may vary across Platforms

1 Other Platform fees may apply.

Investment Director

Dr Stuart Rollason

Dr Stuart Rollason is a highly experienced small and mid-cap fund manager with over 20 years in the industry. He joined Puma from Kestrel Partners LLP, where he led their AIM IHT service for a decade. Previously, he managed a UK smaller company investment trust at Bluehone and £230m of UK smaller company pension assets at ISIS Asset Management.



PUMA INVESTMENTS

Cassini House, 57 St James's Street,
London, SW1A 1LD

Adviser Enquiries: 020 7408 4070
Investor Enquiries: 020 7408 4100

info@pumainvestments.co.uk
www.pumainvestments.co.uk

This communication is a financial promotion issued by Puma Investments and Shore Capital Stockbrokers Limited in accordance with section 21 of the Financial Services and Markets Act 2000 ("FSMA"). This communication has been prepared by Puma Investments for information purposes only and should not be read as advice, it is intended for the recipient only and should not be forwarded on. Puma Investments is a trading name of Puma Investment Management Limited (FCA no. 590919) which is authorised and regulated by the Financial Conduct Authority. Registered office address: Cassini House, 57 St James's Street, London, SW1A 1LD. Registered as a private limited company in England and Wales No. 08210180.

SHORE CAPITAL
GROUP

PI001208-0122