

# Puma Alpha EIS



## KEY INFORMATION DOCUMENT

### Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

### Product

#### Puma Alpha EIS

**Product name:** Puma Alpha EIS (the "Product")

**Product Manufacturer:** Puma Investment Management Limited (the "Investment Manager")

**Competent Authority:** Financial Conduct Authority

**Website:** [www.pumainvestments.co.uk](http://www.pumainvestments.co.uk)

**Telephone:** 020 7408 4050

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**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

**Type:** Puma Alpha EIS (the "Product" or the "Fund") is an Enterprise Investment Scheme ("EIS") structured as an Alternative Investment Fund.

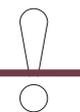
**Objectives:** The investment objective of the Product is to provide funding to unquoted companies with growth potential, with the aim of investors earning attractive returns as well as gaining access to the tax advantages associated with EIS products, including income tax relief and tax-free capital gains.

**Intended retail investor:** A typical investor in the EIS Fund will be a UK tax resident retail investor that is advised by an FCA Authorised Investment Adviser.

An investor should have sufficient income tax liability to reclaim income tax relief at 30% of the amount subscribed and/or be seeking to defer a recently realised capital gain and/or seeking an investment which qualifies for Business Relief. Investors should have the capacity to lose all funds invested.

**Product term:** The Recommended Holding Period ("RHP") is seven years in order to allow for underlying investments to mature and for exits to be achieved. To maintain the tax reliefs available, investors should be prepared to hold the investment for at least three years. If shares are sold within three years, tax reliefs will be lost.

## What are the risks and what could I get in return?



**The risk indicator assumes you keep the product for 7 years. The actual risk can vary significantly if you sell at an early stage, and you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.**

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 6 out of 7, which is the second highest risk class. The principal of this product is not guaranteed. This rates the potential losses from future performance at a high level.

This product does not include any protection from future market performance so you could lose some or all of your investment.

As shares held are unquoted, they are considered to be illiquid meaning that it may be difficult to sell or realise the investments or obtain reliable information about the value of the investee companies.

The Product seeks to mitigate relevant risks through adherence to various policies and procedures, further details regarding all of the risks applicable to the Product can be obtained from the Company's website or should be discussed with a financial advisor.

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## Performance information

### What are the risks and what could I get in return?

The main factors that will affect the performance of the Fund are the ability of the Investment Manager to select unquoted companies; the performance of the unquoted companies held by investors and the ability to realise those companies profitably; and the ability of the Investment Manager to oversee the objectives of the Fund.

Our forward-looking ex-ante moderate performance scenario return is 10.31% per annum over the recommended holding period of seven years. We have used this ex-ante return to model the reduction in yield in our cost calculations below.

EIS-qualifying companies are usually illiquid and must be held for three years to retain the income tax relief available on your initial subscription. The recommended holding period for the Fund is seven years. Since the Fund is young, there is a lack of data that objectively illustrates performance. Please note, there is also no relevant index or benchmark for the Fund. The Fund may achieve greater or lesser returns than compared products due to investment decisions and the performance of underlying assets.

The tax reliefs associated with EIS-qualifying companies are dependent on individual circumstances and anyone that is unsure as to whether they will be able to take advantage of any such reliefs should seek independent financial advice before investing.

### What could affect my return positively?

EIS-qualifying companies are high risk but also come with the potential of high return by way of value growth and income returns, alongside making profitable realisations. Specific factors that may positively impact capital growth and dividends are the number of successful companies held by the investor, and the level of that success. General factors that may affect positive returns would be an extended period of UK economic growth and fiscal stability. Day to day, the Fund's correlations to UK markets is quite low but we would also expect to see improvements in valuations in the UK equity markets to correlate with improvements of the valuations in the underlying holdings, particularly during larger upward equity market movements.

### What could affect my return negatively?

The Fund invests in smaller unquoted companies which are illiquid. Specific factors that may negatively impact capital growth and dividends are that these companies may have limited product lines or resources, be early stage and may be more susceptible to political, exchange rate, taxation, regulatory and macroeconomic changes. Furthermore, the more companies held by the investor which are impacted by such factors, the greater the impact there may be on the financial performance of the investment and therefore the returns to an investor. Another factor that may negatively affect overall returns for an investor would be the market for EIS-qualifying companies. It is unlikely there will be a liquid market in the shares of EIS-qualifying companies, and it may prove difficult for investors to realise their investment immediately or in full. A general factor that may affect returns negatively would be poor performance of the UK equity markets.

### What could happen under severely adverse market conditions?

The Fund may experience a high proportion of realised losses within the portfolio during periods of stress, which could result in you losing all your investment.

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## What happens if the Investment Manager is unable to payout?

The issue of whether the Manager is or is not able to pay out should not arise as the entirety of the client investment is held by Pershing Securities Limited (the "Custodian"). You may be entitled to compensation from the Financial Services Compensation Scheme if the Custodian cannot meet their obligations. The Financial Services Compensation Scheme is only available to certain types of claim. Payments under the protected investment business scheme are limited to a maximum of £85,000 of any claim. Further information about compensation arrangements is available from [www.fscs.org.uk](http://www.fscs.org.uk)

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## What are the costs?

The reduction in yield ("RIY") shows what impact the total costs you pay will have on the investment return that you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the Product itself for three different holding periods in the moderate performance scenario (which includes some performance fees payable to Puma Investments). The figures assume that you invest £10,000. The figures are estimates and may change in the future.

### Costs over time

The person selling you or advising you about this product may charge you other costs that have not been included in the table below. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment scenario: £10,000	If you cash in after 1 year*	If you cash in after 3 years*	If you cash in after 7 years*
<b>Total costs</b>	£817	£998	£4,118
Impact on return (RIY) per year	8.06%	2.92%	3.92%

\*This product may not be easy to realise. This means it is difficult to estimate how much you would get back when you attempt to realise your investment. You will either be unable to realise your investment, or you will have to pay high costs or make a large loss if you do so. You will also lose tax reliefs gained on subscription if you sell within three years.

## Composition of costs

The table below shows the impact each year of the different types of costs on the investment return that you might get at the end of RHP, and the meaning of the different cost categories.

ONE-OFF COSTS		
<b>Entry costs</b>	0.43%	The entry cost is 3% of the investment amount and is the costs associated with making your investment.
<b>Exit costs</b>	0.00%	There are no costs associated with exiting your investment.
RECURRING COSTS		
<b>Portfolio transaction costs</b>	0.00%	The impact of the costs of Puma Investments buying and selling underlying investments for the product.
<b>Other ongoing costs</b>	2.40%	The annual management fee of 2% (plus VAT) of amount subscribed, that is payable to Puma Investments.
INCIDENTAL COSTS		
<b>Performance fee</b>	2.08%	This is an amount equal to 20% of the total gain in your portfolio as a whole (being the difference between the total amount invested in the equity capital of portfolio companies and the total proceeds received inclusive of, among other things, dividends and value received on the sale of equity or other similar exit event), before the annual management fee has been collected on exit. This calculation is based on a moderate scenario being returned over the RHP. Puma Investments will take these from your investment if the product outperforms its benchmark.
<b>Carried interest</b>	0.00%	Not applicable.

## How long should I hold it and can I take money out early?

### RECOMMENDED HOLDING PERIOD - 7 YEARS

This is a long-term investment. If you invest, you should be prepared to hold your shares for a minimum of three years. If you decide to sell your shares before then, you will be required to repay to HMRC all of the 30% upfront income tax relief you have claimed.

The Investor has the right to change his/her mind and cancel the appointment of the Puma Investments under the Investor Agreement within 14 days.

## How can I complain?

Puma Investments has a complaints procedure in place to ensure all complaints are dealt with fairly, consistently and promptly. If you have a complaint about the Fund or this KID, please email [complaints@pumainvestments.co.uk](mailto:complaints@pumainvestments.co.uk), call +44 (0)20 7408 4050, or write to us at: Puma Investment Management Limited, Cassini House, 57 St James's Street, London, SW1A 1LD. We will acknowledge receipt of your complaint and send you a copy of our complaints handling procedure, which can also be found at [www.pumainvestments.co.uk/pages/view/complaints-procedure](http://www.pumainvestments.co.uk/pages/view/complaints-procedure), and follows the rules set out by the FCA. Where the Investor is categorised as a Retail Client, he/ she may be eligible to refer a complaint about the Manager's performance under this Agreement to the Financial Ombudsman Service. Information and rules relating to the FOS can be found on [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk).

## Other relevant information

This document is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities, or related financial instruments. It does not constitute an investment recommendation as such term is defined in Regulation (EU) No.596/2014 of the European Parliament of the Council of 16 April 2014 on market abuse which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 nor a personal recommendation as such term is defined in the Handbook of the Financial Conduct Authority ("FCA") nor does it take into account the particular investment objectives, financial situations or needs of individual investors. This document is not a prospectus and any decision to engage in an investment activity as such term is defined in the FCA's Handbook should be based solely on the Investment Details and Investor Agreement of the Product. The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU legislation.

Further information on the Product and other relevant documents are available on Puma Investments' website at [www.pumainvestments.co.uk/investors-puma-alpha-eis](http://www.pumainvestments.co.uk/investors-puma-alpha-eis). If you have any questions, or require any further information, please send an email to [investorsupport@pumainvestments.co.uk](mailto:investorsupport@pumainvestments.co.uk). The distributor will provide you with additional documents where necessary.

Puma Investment Management Limited (FCA no. 590919) is authorised and regulated by the Financial Conduct Authority. Registered office address: Cassini House, 57 St James's Street, London SW1A 1LD