PUMA INVESTMENTS

CELEBRATING 10 YEARS PUMA AIM IHT SERVICE

QUARTERLY REPORT: Q2 2025

Puma AIM Inheritance Tax Service

Puma's AIM IHT Service seeks to offer investors the potential growth opportunities of a carefully selected portfolio of AIM stocks, combined with the benefits of IHT mitigation.

+5.95%	£234.4m	88.6%
Compound Annual Growth Rate	Portfolio AUM	Companies in the portfolio with a market cap above £100m

Figures correct at 30 June 2025.

GROWTH INVESTOR 2022 AWARDS WINNER BEST BR INVESTMENT MANAGER (LISTED)
GROWTH INVESTOR 2024 AWARDS WINNER BEST BR INVESTMENT MANAGER (LISTED)

defaqto AIM BR Service 2025 EXPERT RATED

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PRI Principles for Responsible Investment

Investment Director's quarterly portfolio review

The investment team

Pictured left to right: Daniel Cane - Investment Director, Dr Stuart Rollason - Investment Director, Joseph Cornwall, CFA - Investment Manager

In Q2 2025, the Puma AIM IHT model portfolio increased by +13.78%, outperforming both the FTSE AIM All-Share Index, which increased by +13.00%, and the FTSE All-Share Index, which increased by +3.23%. Since inception in July 2014, the cumulative performance of the model portfolio has increased by 88.92%, outperforming both the FTSE AIM All-Share Index (-1.88%) and the FTSE All-Share Index (+32.57%).[1]

The busy results season extended into Q2, with portfolio companies detailing mitigation strategies to the National Insurance contributions and other Autumn Budget cost increases. Companies would hope to mitigate through higher prices and higher productivity, but, in reality, lower margins are first seen, while the Bank of England ('Bank') is also seeing evidence of lower pay increases and a fall in employment.[2] In Q2, the Puma AIM IHT portfolio delivered three profit warnings, one company reported progress below expectations, 26 reported in line and one company reported news ahead of expectations. Model cash, from the sale of Gamma Communications on moving to the Main List, as well as trimming two other positions, was invested in one new portfolio company and six current model companies. In May, H&T Group recommended a cash offer at a 44% premium to the previous close share price and at an all-time high.

In this period, the Bank reduced interest rates by 0.25% points to 4.25%, providing some relief on borrowing costs. There are still uncertainties about the overall balance in the UK economy between supply and demand, and pay growth is still too high and slow to normalise. However, with moderate growth and a softer labour market, a wider margin of slack has opened in the UK economy. This will support continued disinflation in the domestic economy and gradual return of headline CPI inflation to 2% under the current regime of keeping interest rates relatively higher, but gradually reducing them over time.[2] The market still expects two further cuts in interest rates this year.

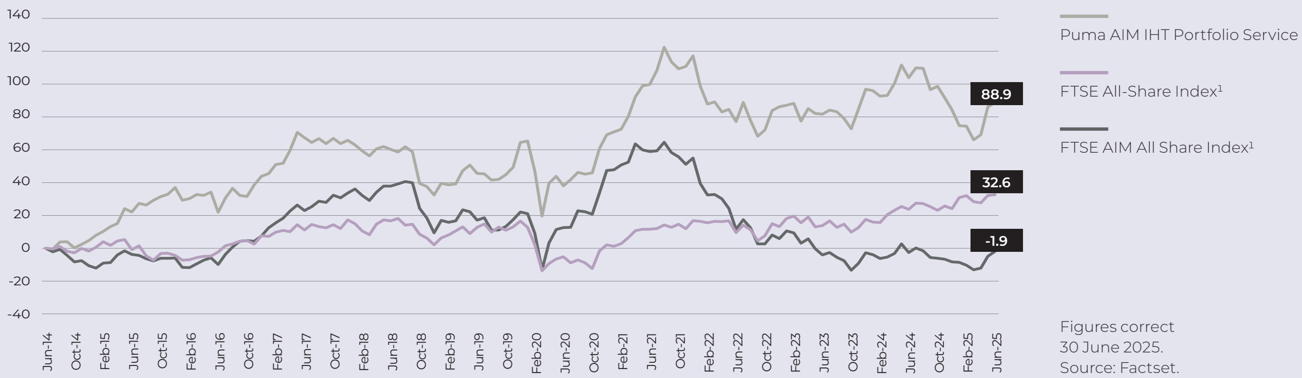
The imposition by the US of tariffs caused uncertainty globally and significant market volatility.[3] When it became clear in early to mid-April that US intentions on tariffs were not as negative as feared, with some tariffs paused and others scaled back, global markets rallied hard. The smallest companies in any economy are typically impacted to a greater degree, compared to larger companies in any given shock. This can be due to business impact as well as, in the case of quoted companies, a shareholder flight to the perceived safety of large-cap companies. We have had a few significant shocks, including Covid, the energy shock triggered by the Russian invasion of Ukraine, the US imposition of tariffs and, in the UK, the Autumn Budget. The effect has been to significantly depress smaller company valuations on the expectation and reality of such impacts. Further, the Budget increases in National Insurance contributions and the living wage impacted lower-margin, high-employer, smaller companies to a greater degree, while the changes to Business Relief had a specific effect on those AIM companies favoured to mitigate inheritance tax. When shocks dissipate, smaller company share prices often have the stronger bounce as investors take on risk again and seek oversold positions. In addition, it should be noted that every shock has a finite life, some longer than others. It has been estimated in various reports from members of the Bank's Monetary Policy Committee, that both the Autumn Budget changes[4] and the effects of US tariffs[5] will fade over 2026, which markets should begin to discount in 2025. In this context, it is less of a surprise that the AIM market rallied more strongly than larger-cap indices after a negative performance over the eight months to March.

Nevertheless, there could be another period of market uncertainty leading into the forthcoming Autumn Budget, as further tax rises are anticipated. The Government's fiscal headroom remains tight due to increased borrowing costs and the inability to push through spending cuts. Further, the Office for Budget Responsibility forecasts for an improving economy are in part dependent on an increase in productivity growth back to trend at 1%. This is highly unlikely.[6] Despite the recent impressive sharp bounceback in AIM share prices, valuations remain at the lower end of the historical valuation range. This should be supportive in the medium term, notwithstanding Budget uncertainty.

Dr Stuart Rollason, Investment Director

[1] The indices shown are for illustrative purposes only and are not considered directly comparable to the performance of this Service. Source: Iress. Past performance is no indication of future results.
[2] Andrew Bailey, Governor of the Bank of England, 26 June 2024.
[3] Bank of England Monetary Policy Committee, 20 March 2025.
[4] Bank of England Monetary Policy Committee member: Unexpected curves – remarks by Alan Taylor, 2 July 2025.
[5] Bank of England Monetary Policy Committee member: Not such an island after all – speech by Megan Greene, 12 February 2025.
[6] Bank of England Monetary Policy Committee member: A feature not a bug – speech by Megan Greene, 24 June 2025.

Performance %



Figures correct
30 June 2025.
Source: Factset.

Cumulative investment performance %

	3M	ROLLING 1Y	ROLLING 3Y	ROLLING 5Y	SINCE INCEPTION
Puma AIM IHT Portfolio Service	+13.78	-7.36	+6.67	+36.91	+88.92
FTSE AIM All-Share Index (AXX)[1]	+13.00	+0.82	-12.05	-12.80	-1.88
FTSE All-Share Index (ASX)[1]	+3.23	+7.21	+21.11	+39.93	+32.57

Discrete investment performance %

	2024	2023	2022	2021	2020	CAGR[2]
Puma AIM IHT Portfolio Service	-6.37	+5.72	-14.24	+28.39	+2.81	+5.95
FTSE AIM All-Share Index (AXX)[1]	-5.72	-8.18	-31.69	+5.17	+20.74	-0.17
FTSE All-Share Index (ASX)[1]	+5.57	+3.85	-3.16	+14.55	-12.46	+2.59

[1] The indices shown are for illustrative purposes only and are not considered directly comparable to the performance of this Service. Source: Iress. Data correct as at 30 June 2025..

[2] Compound Annual Growth Rate.

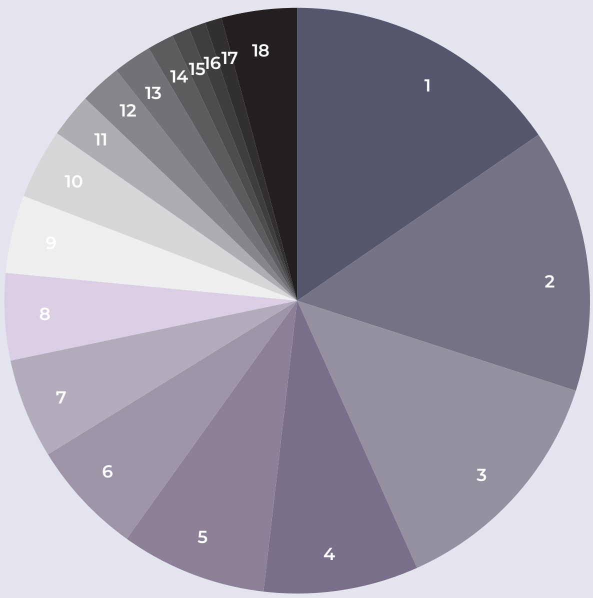
All performance data is quoted net of management and dealing fees and applies to actual initial investors' portfolios that remain invested.

Please note that performance data applies to the longest held, live portfolio which has been invested since inception, based on a portfolio managed directly by the Manager on its main trading platform. Performance data may vary for portfolios managed by the Manager on platform due to differing deal fees and other platform fees. Furthermore, 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.

Date of inception: 1 July 2014.

Portfolio companies by sector % of portfolio



1	Software and computer services	15.41%
2	Construction and materials	14.56%
3	Industrial support services	13.32%
4	Electronic and electrical equipment	8.55%
5	Property services	8.05%
6	Finance and credit services	6.32%
7	Technology hardware and equipment	5.51%
8	Healthcare providers	4.79%
9	Retailers	4.31%
10	Beverages	3.87%
11	Industrial engineering	2.43%
12	Consumer services	2.29%
13	Medical equipment and pharmaceutical	2.13%
14	Investment banking and brokerage services	1.46%
15	Media	0.99%
16	Oil, gas and coal	0.93%
17	Leisure goods	0.92%
18	Cash	4.16%

As at 30 June 2025. Figures may be subject to rounding errors.

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Portfolio's top ten holdings

Company	% holding
Property Franchise	8.05%
Judges Scientific	6.87%
Cerillion	6.63%
H&T Group	6.32%
Renew Holdings	6.27%
Thorpe (FW)	4.49%
Vertu Motors	4.31%
Craneware	3.53%
SigmaRoc	3.46%
Fintel	3.38%
Total	**53.30%**

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Total holdings in the portfolio

£396.7m

Portfolio weighted market cap

£234.4m

Portfolio AUM

As at 30 June 2025.

Spotlight on a portfolio holding

Sigma Roc

SigmaRoc manages long-established quarries that have been purchased following SigmaRoc's foundation in 2016. The group employs over 3,000 people.

The experienced management team, previously at industry giants including LafargeHolcim, has grown assets rapidly through acquisition including the UK lime operations from CRH plc. These assets typically require operational improvement, having lacked focus as small parts of much larger competitors. The strategy has enabled a strong market position in the mining of lime and limestone, and it holds No1 or No 2 market positions in the supply of these materials across ten countries in Europe.

Quality

With a shift of its business model away from general quarrying towards lime and limestone, allied with operational improvements across the acquired assets, SigmaRoc has displayed margin improvement for the acquired businesses. Lime and limestone are minerals that are required for our everyday lives, and SigmaRoc's leading market share in these core markets means it is now a scale player. The management team is entrepreneurial, both at sourcing assets, and at improving the financial performance of the sites it acquires.

Growth

Having grown at a swift pace through acquisition, combined with organic growth as operations have been improved, we expect the group to continue to grow across lime and limestone markets, while there is potential for non-limestone asset disposals that could help fund growth across its core mineral markets. A recovery in construction activity across Europe could be an accelerator of growth.

Valuation

The substantial share price discount that the company was trading at compared to its industry peers has deservedly closed, as the shares have performed well in recent months. However the rating is still modest at an EV/EBITDA of c 7x. Further, a clear strategy on lime has helped the investment case.

£1.2bn	£1.08	2016
Market capitalisation	Price at end of quarter	Year established
Source: London Stock Exchange	Source: London Stock Exchange	Source: Companies House

Six features of the Service

1

EXPERIENCED INVESTMENT TEAM

The investment team at Puma Investments is led by Dr Stuart Rollason, and supported by Daniel Cane and Joseph Cornwall. Together they have a track record of over 50 years of investing in small and medium-sized enterprises.

2

ESTABLISHED TRACK RECORD OVER TEN YEARS

Since inception in July 2014, the cumulative performance of the model portfolio has increased by +88.92%, outperforming both the FTSE AIM All Share Index (-1.88%) and the FTSE All Share Index (+32.57%).[1]

3

A DIVERSIFIED PORTFOLIO OF LARGER AIM COMPANIES

Targeting companies with good revenue visibility and generating positive cashflows. The portfolio does not typically invest in early-stage companies or smaller companies with a market capitalisation of less than £50 million. The portfolio is invested across 17 different sectors with no more than 20% in any one sector at present.

4

IHT SAVING INSIDE AND OUTSIDE ISAS

Seeks to mitigate IHT by selecting companies that qualify for Business Relief. Can be held inside and outside ISAs, enabling investors to combine IHT relief with the other tax benefits of ISAs (provided investments are held for at least two years and on death).[2]

5

LONG HISTORY ON AIM

Puma Investments is part of the Shore Capital Group, the third largest market maker on AIM. Shore Capital has been analysing AIM companies since the market opened in 1995.

6

PLATFORM ACCESS

Available for advisers to access on leading platforms: M&G Wealth, Transact, Aberdeen, Fidelity FundsNetwork, Platform One, Nucleus, 7IM and Succession.

7IM M&G wealth aberdeen Fidelity INTERNATIONAL transact take control Platform One nucleus

Past performance is no indication of future results and share prices and their values can go down as well as up.
Source: London Stock Exchange, taken at 30 June 2025. unless otherwise stated.

[1] The indices shown are for illustrative purposes only and are not considered directly comparable to the performance of this Service. Source: Factset, June 2025.

[2] Tax reliefs depend on the individual investor's circumstances and may be subject to change.

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	1.5% (of portfolio value)	1.5% (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.
All fees are inclusive of VAT where applicable.

Risk factors

An investment in the Puma AIM Inheritance Tax Service may not be suitable for all investors.

An investment in the Service carries risk and you should seek your own independent advice. You should only invest in the Service on the basis of the Investment Overview and Investor Agreement, which details the risks of the investment. Below are the key risks of the Service.

Tax reliefs are not guaranteed

Tax rules may change, which could affect the reliefs available for IHT purposes. Tax reliefs are subject to an individual's personal circumstances and independent tax advice should be taken. While the Tax Adviser will also carry out an annual review of the portfolio, we can't guarantee that all portfolio investments will qualify for BR. If a company should be non-qualifying at the time of being selected for the portfolio or become non-qualifying thereafter, then any applicable BR could be reduced accordingly.

Long-term investment

An investment in the Puma AIM Inheritance Tax Service should be considered a long-term investment.

Capital at risk

The value of investments can go down as well as up, so investors may not receive their full amount invested. An investment in smaller companies is likely to be higher risk than many other investments. Companies quoted on AIM are likely to be more risky and have less rigorous listing requirements than companies quoted on the main list of the London Stock Exchange. Dealing costs may be significant, particularly in respect of a relatively small investment in the Service.

Past performance

The past performance of the Puma AIM Inheritance Tax Service, Puma Investments, the funds Puma Investments manages and the companies it advises, is not a reliable indicator of future performance. Future performance may be materially different from past results. There is no guarantee that can be given as to the overall performance or level of return that can be achieved from investments made, or that the objectives of the Service will be achieved.

Potentially illiquid investment

AIM stocks are largely small and illiquid. They are characterised by significant spreads and low trading volumes. A sale of such shares may be difficult, slow and only achievable at lower than indicated market price.

Get in touch

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