



QUARTERLY REPORT: Q4 2023

# Puma Heritage Estate Planning Service

Puma Heritage Estate Planning Service (EPS) is an investment solution that aims to provide individual investors with 100% relief from inheritance tax after two years. It invests in private trading companies, including Puma Heritage Ltd, that have a conservative trading strategy focused on secured lending.

0%

capital losses  
to date

£1.25bn<sup>+</sup>

loans participated  
in to date

17.2%

total shareholder return for  
growth shares in the 5 years  
to 31 December 2023<sup>1</sup>

Past performance is no indication of future results, and share prices and their values can go down as well as up.

See quarter 4 trading update section, where the return calculation is explained in more detail.

<sup>1</sup>Figures correct at 31 December 2023 and may be subject to rounding errors. Source: Puma Heritage Ltd.

# Six features of the Service

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# 1

## ESTABLISHED TRACK RECORD DELIVERING CONSISTENT RETURNS

Consistently delivering in excess of our target return of 3% pa, with 0% capital losses to date. Tested through the 2008 financial crisis and the pandemic, when we continued to deliver consistent returns.

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# 2

## SIMPLE ACCESS TO YOUR INVESTMENT

By investing in companies focused on short-term secured property loans, the Service regularly generates cash, creating natural liquidity. This makes it easier for you to access your investment, should you choose to.

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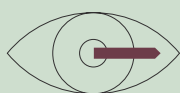


# 3

## INSTITUTIONAL-GRADE LENDING

We have an established institutional-grade in-house lending team that has secured £500 million in funding lines from institutional investors. This provides reassurance that our processes, systems and controls have been thoroughly tested to institutional standards.

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# 4

## INDEPENDENT EXPERT OVERSIGHT

Puma Heritage Ltd benefits from an independent Board of experienced senior directors with substantial lending expertise. Every loan requires the approval of the Board.

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# 5

## DIVERSIFICATION

Highly diversified across different geographies and sectors throughout the UK, and different loan terms. This helps us maintain a conservative risk profile.

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# 6

## A POSITIVE IMPACT ON SOCIETY

An investment strategy that makes a positive impact on communities across the UK, lending to developments that help improve social infrastructure.

# Quarter 4 trading update

To 31 December 2023

## Puma Heritage Ltd five-year discrete annual performance

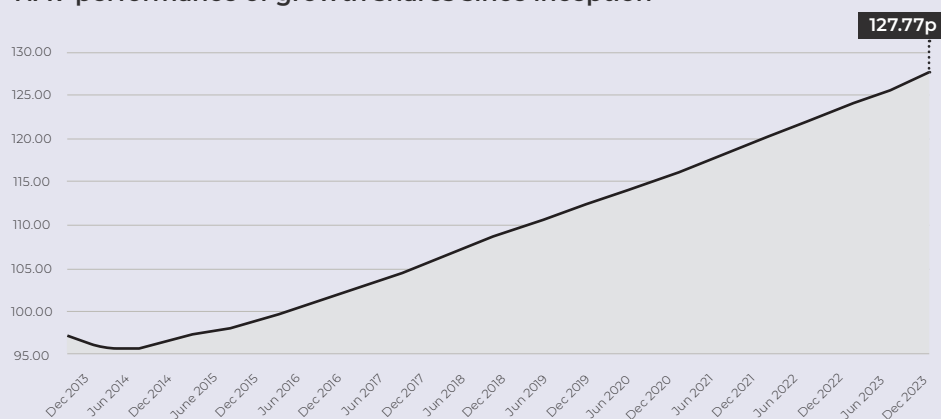
YEAR	2019	2020	2021	2022	2023
RETURN	3.4%	3.1%	3.3%	3.2%	3.3%

For the 12 months to 31 December of the year shown.

## Puma Heritage Ltd cumulative return

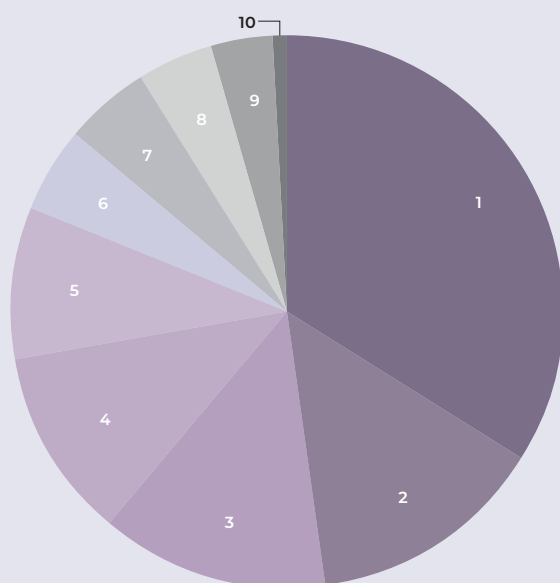
1 YEAR	1 JANUARY 2023 - 31 DECEMBER 2023	3.3%
3 YEARS	1 JANUARY 2021 - 31 DECEMBER 2023	10.0%
5 YEARS	1 JANUARY 2019 - 31 DECEMBER 2023	17.2%
SINCE INCEPTION	29 NOVEMBER 2013 - 31 DECEMBER 2023	31.5%

## NAV performance of growth shares since inception



The performance data in the tables and graph shows Puma Heritage Ltd's shareholder return net of ongoing annual fees payable to Puma Investments. It does not take account of initial or dealing fees associated with investing in the Puma Heritage Estate Planning Service. The graph shows the net asset value performance of the growth shares in Puma Heritage Ltd on the same basis. Please refer to the fees on the last page.

## Sector breakdown of loans % of amount deployed



1	Care homes	34.0%
2	Student accommodation	13.9%
3	Retirement living	13.2%
4	Residential	11.3%
5	Serviced apartments	8.9%
6	Co-living	5.0%
7	Commercial	4.8%
8	Mixed use	4.4%
9	Build-to-rent	3.8%
10	Hotel	0.6%

Figures correct at 31 December 2023 and may be subject to rounding errors. Source: Puma Heritage Ltd.  
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# Trading commentary

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## Conservative underwriting and consistent returns

We are delighted that for the 30th consecutive quarter, stretching back to 2016, Puma Heritage has delivered investor returns in excess of our 3% per annum target, net of all ongoing fees. Puma Heritage is maintaining its prudent underwriting style and has a number of potential loans in its pipeline with experienced borrower-counterparties and in strong sectors.

## A cautiously managed loan book

Puma Heritage continues to maintain a defensive approach to lending. The loan book's weighted average loan-to-value (LTV) remains at a conservative 62.4%. All loans benefit from first-charge security over UK real estate, typically together with further credit support in the form of third-party guarantees. This should provide significant protection in the event of further economic turbulence.

## Optimistic outlook

Puma Heritage passed a number of significant milestones in 2023 – we celebrated our tenth anniversary and surpassed £1.25 billion of lending, with no capital losses.

Heading into 2024, with construction inflation under control and interest rates stabilising, we are excited about the opportunities to continue to deploy our capital into loans that generate an attractive risk-adjusted return for our shareholders as well as making a positive impact across the UK.

# Quarter 4 trading highlights

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£109.3m

new loans made  
in the quarter

3.3%

total shareholder return for  
growth shares in the 12 months  
to 31 December 2023<sup>1</sup>

62.4%

weighted  
average LTV

<sup>1</sup> The total shareholder return is calculated using the net asset value of Puma Heritage Ltd, and is net of ongoing annual fees payable to Puma Investments. It does not take account of initial and dealing fees associated with investing in the Puma Heritage Estate Planning Service. Please refer to the fees on the last page. Past performance is no indication of future results, and share prices and their values can go down as well as up.



# Recent loan transactions



## Care home and day nursery

### LOCATION

South Manchester

### OVERVIEW OF THE LOAN

A development loan of approximately £13 million to develop a 51-bed care home and adjoining children's day nursery, in the residential area of Bowdon in South Manchester.

The development, Puma's ninth with the McGoff Group, is designed to offer children and the older generation a chance to spend regular time in each other's company, which has many proven mental and physical health-related benefits.

## Care home

### LOCATION

Lichfield, Staffordshire

### OVERVIEW OF THE LOAN

A development loan of £11 million to facilitate the development of a 66-bed care home in Lichfield, an affluent city just north of Birmingham. With the city having a significant shortfall of good-quality, purpose-built care homes, this development will help address that gap.

The home is the latest ESG-forward design from LNT Care Developments, one of the UK's largest care home developers, and incorporates a full solar array, battery storage technology and ground-source heat pumps, enabling it to operate at near carbon zero.



## Fees and expenses

Initial charge	<b>1.5%</b> of the application amount
Dealing fee	<b>1%</b> applied to purchase and sale of shares
Annual advisory fees	<b>1%</b> plus VAT. Deferred and paid in full only if the Company achieves a minimum return of 3% pa.

**Note:** The private trading portfolio companies of the Service are responsible for their operating costs including audit, directors' and administration fees. Puma Investments may receive transaction, monitoring and business support fees from portfolio companies of the Service.



## Get in touch

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## Risk factors

An investor should apply to subscribe for shares in Puma Heritage Estate Planning Service (EPS) only through a Financial Adviser who has assessed that a subscription is suitable for them.

Here are the key risks of subscription; however, you should read the Investment Overview and Investor Agreement in full prior to investing.

### 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. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. There can be no guarantee that any returns can or will be achieved.

### Capital at risk

As per the Investment Overview and Investor Agreement, subscription for shares in private trading companies, including Puma Heritage Ltd, 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 EPS will fulfil the criteria to obtain Business Relief.

### Liquidity

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

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