



PUMA INVESTMENTS

AVAILABLE IN ISAs

£20,000 minimum subscription

# Puma AIM Inheritance Tax Service

## Q1 2021 Quarterly Report



### Award-winning

- GROWTH INVESTOR 2017** | AWARDS | **WINNER** BEST AIM INVESTMENT MANAGER
- GROWTH INVESTOR 2018** | AWARDS | **FINALIST** BEST BR INVESTMENT MANAGER AIM
- GROWTH INVESTOR 2019** | AWARDS | **RUNNER-UP** 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](http://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

### Investment Director's Quarterly Portfolio Review

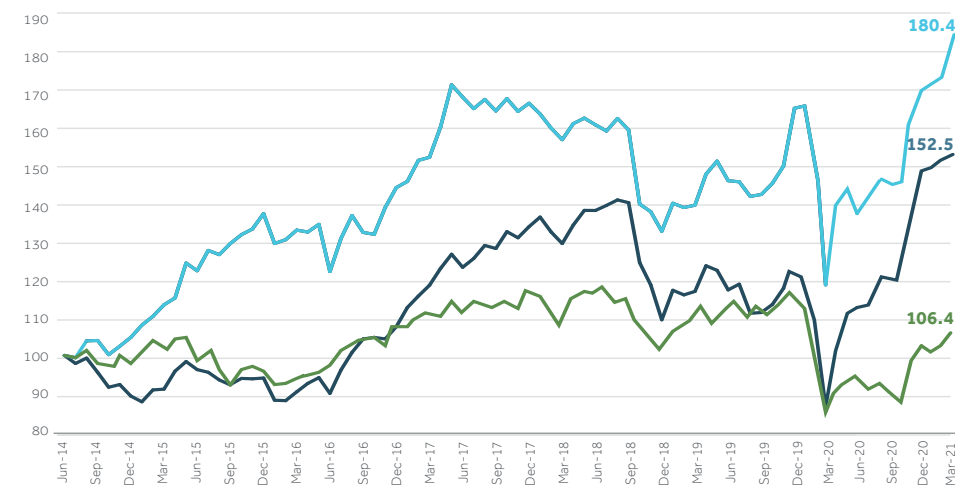
In Q1 2021 the portfolio increased by +6.64%, outperforming both the FTSE AIM All Share index which increased by +3.53% and the FTSE All Share Index which increased by +4.29%. Since inception in July 2014 the portfolio has increased by +80.37% outperforming both the FTSE AIM All Share Index and the FTSE All Share Index over the same period.

The portfolio delivered another strong quarter outperforming both the AIM and the broader UK market during the first quarter. There was a notable shift over the period from growth stocks, which have recently driven markets, towards the more value orientated stocks that the Service invests in as worries about rising inflation and interest rates started to surface. It remains to be seen if this will be part of a change in the longer term trend. If so this should favour our investing style and the UK market more broadly. Our holding in Scapa received a takeover during the period reflecting the continued willingness of trade buyers to purchase under-priced UK companies. We expect to receive the proceeds from this takeover in late April and will reinvest it in new and existing holdings through the balance of the second quarter.

We remain confident in the outlook for the Service.

**Justin Waine, Investment Director**

### Performance Graph of the Puma AIM IHT Portfolio Service



● Puma AIM IHT Portfolio Service ● FTSE AIM All Share Index ● FTSE All Share Index

Past performance is no guarantee of future results | Source: Puma Investments, FTSE International

### Cumulative Performance %

	3M	1Y	3Y	5Y	Since Inception
PUMA AIM IHT Portfolio Service	+6.64	+50.76	+15.38	+35.89	<b>+80.37</b>
FTSE AIM All Share Index (AXX)	+3.53	+75.57	+18.09	+68.53	<b>+52.52</b>
FTSE All Share Index (ASX)	+4.29	+23.29	-1.62	+12.84	<b>+6.41</b>

### Discrete Investment Performance %

	2021	2020	2019	2018	2017	CAGR <sup>1</sup>
PUMA AIM IHT Portfolio Service	+6.64	+2.81	+24.23	-20.11	+15.23	<b>+9.13</b>
FTSE AIM All Share Index (AXX)	+3.53	+20.74	+11.61	-18.20	+24.30	<b>+6.45</b>
FTSE All Share Index (ASX)	+4.29	-12.46	+14.19	-12.95	+9.00	<b>+0.92</b>

<sup>1</sup> Compound Annual Growth Rate

All performance data is quoted net of management and dealing fees, and applies to the Investment Director's portfolio. Small variations in performance may apply as each individual investor has their own discrete portfolio of assets.

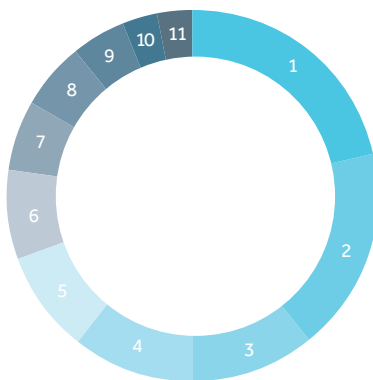
## Portfolio's Top 10 Holdings

COMPANY	% holding
Focusrite	8.27
Judges Scientific	8.03
Renew Holdings	7.21
NWF Group	6.52
Thorpe F W	6.23
Scapa Group	6.06
Breedon Group	5.72
Strix	5.10
H&T	4.67
EMIS	4.17
<b>Total</b>	<b>61.99</b>

**Total holdings in the portfolio 24**

As at 31 March 2021.

## Portfolio Companies by Sector % of portfolio



1	Electronic & Electrical Equipment	20.81%
2	Support Services	18.32%
3	Financial Services	12.39%
4	Construction & Materials	10.52%
5	Travel & Leisure	8.27%
6	Software & Services	8.00%
7	Beverages	5.41%
8	Chemicals	6.06%
9	Retailers	5.31%
10	Cash	2.51%
11	Healthcare Equipment & Services	2.40%

As at 31 March 2021.

## Spotlight on a Portfolio Holding

### Renew Holdings

Renew Holdings is an engineering services business focused on UK infrastructure



**ESTABLISHED**  
1786

**SECTOR**  
Support Services

**PRICE AT END OF QUARTER**  
**567p**

**MARKET CAPITALISATION**  
**£450m**

### Company Background and Performance

Renew Holdings provides essential engineering services to maintain and renew critical infrastructure networks.

This includes Rail where the company provides a series of non-discretionary asset maintenance services including asset maintenance, fencing, revegetation and drainage. In Infrastructure the company supports the wireless network and the highways network. In Energy, Renew provides support in nuclear facilities including waste treatment, reprocessing, decommissioning and decontamination operations. It also provides long term maintenance and asset renewal for thermal power generation plants. In Environmental the company delivers asset maintenance and renewals across the water infrastructure networks including flood alleviation and river and coastal defence schemes. Finally, in Specialist Building, Renew undertakes residential refurbishments and the development of research and laboratory schemes.

### ESG

Normally in this factsheet we discuss the positives of the business through the prism of the three factors: Quality, Growth and Valuation. However, these are not the only factors we take into consideration. Investors and regulators are increasingly concerned that Investment Managers take into account Environmental, Social and Governance factors when making their investment decisions.

In terms of the Environmental factors, a significant portion of Renew's revenues are derived from activities that are positive in driving the global green economy. As such it has received the Green Economy Mark, which is granted to companies listed on either the London Stock Exchange or AIM which generate 50% or more of their total annual revenues from green activities. The company supports the UK's target to deliver net zero carbon by 2050 of which supporting rail infrastructure is a major part. Supporting water and wastewater infrastructure is also key in meeting UN sustainable development goal number six.

With regard to Social factors the company is accredited with various health and safety schemes. It also places a high importance on employee communication, training and wellbeing. On the negative side female representation remains low in a male dominated industry with only 13% of employees being female. Governance factors are positive with a single class of shares and compliance with corporate governance codes.

### Recent Acquisition

At the end of March the company bought J Browne Group for £29.5m. J Browne is a water focused engineering services business. It fits well with Renew's existing water business and brings in new water clients. The water sector is currently experiencing a £51bn investment programme which runs until 2025. The acquisition supports Renew's sustainability and environmental credentials. It is also expected to be value accretive to shareholders.

## Access through Adviser Platforms

AVAILABLE IN ISAs



## Fees and Expenses

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

<sup>1</sup> Other Platform fees may apply.



## Investment Director

Justin Waine

Justin Waine joined Puma Investments in June 2014 and has run the Puma AIM Inheritance Tax Service since inception. Prior to that, he worked as a fund manager at Polar Capital and an analyst at Cazenove. He has 21 years' experience of analysing small and mid-sized companies.



PUMA INVESTMENTS

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

Advisor Enquiries: 020 7408 4070

Investor Enquiries: 020 7408 4100

investorsupport@pumainvestments.co.uk

advisersupport@pumainvestments.co.uk

www.pumainvestments.co.uk



SHORE CAPITAL  
GROUP

This quarterly factsheet 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") which are both authorised and regulated by the Financial Conduct Authority. Puma Investments is a trading name of Puma Investment Management Limited.

PI000847-0121