



PUMA INVESTMENTS

AVAILABLE IN ISAs

£15,000 minimum subscription

Award Winning

GROWTH INVESTOR 2017 AWARDS WINNER BEST AIM INVESTMENT MANAGER

GROWTH INVESTOR 2016 AWARDS WINNER BEST AIM INVESTMENT MANAGER

INVESTMENT WEEK TAX EFFICIENCY AWARDS 2017/18 WINNER Tax-Efficient Group of the Year

Overview of the Service

Portfolio Service

An award-winning discretionary portfolio service that seeks to deliver long-term growth focusing on quality companies listed 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 £15,000 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 Q3 2018 Quarterly Report

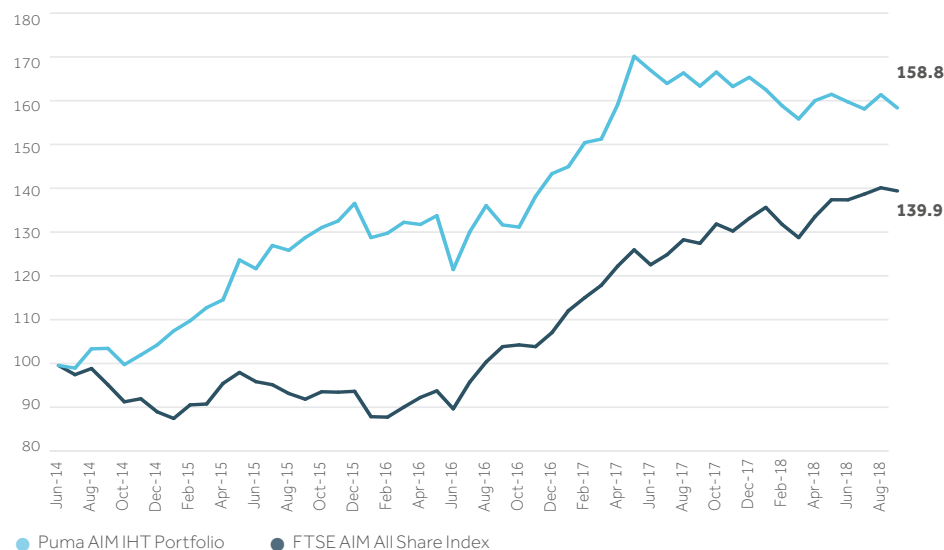
Investment Director's Quarterly Portfolio Review

In Q3 2018 the portfolio decreased by -0.85%, a -2.33% underperformance of the FTSE AIM All Share Index. Since inception in July 2014 the portfolio has increased by +58.82% net of management and dealing fees. This is a +18.95% outperformance of the FTSE AIM All Share Index in the same period.

During the quarter, 19 out of our 21 holdings reported results or provided a trading update. These reports were overwhelmingly good with particularly positive updates from Judges Scientific and Scapa Group. There was one negative report from Impellam which offset some of the good news. We are disappointed that this good news is not being better reflected in individual stock or overall portfolio performance. During the quarter we further reduced client holdings in Advanced Medical Solutions, though we have not exited completely, and we initiated a new position in windows component manufacturer Epwin. This trade reflects that we are finding more value in predominantly UK-focused companies with market capitalisations at the lower end of our targeted range. We remain confident in the outlook for the Service.

Justin Waive, Investment Director

Performance Graph of the Puma AIM IHT Portfolio



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

Cumulative Performance %

	3M	1Y	2Y	3Y	Since Inception
PUMA AIM IHT Portfolio Service	-0.85	-3.02	+20.18	+22.92	+58.82
FTSE AIM All Share Index (AXX)	+1.48	+9.38	+34.11	+51.46	+39.87
Relative Outperformance	-2.33	-12.40	-13.93	-28.54	+18.95

Discrete Investment Performance %

	2018	2017	2016	2015	2014 ¹	CAGR ²
PUMA AIM IHT Portfolio Service	-4.19	+15.23	+4.98	+30.90	+4.72	+11.51
FTSE AIM All Share Index (AXX)	+4.66	+24.30	+14.29	+5.23	-10.60	+8.22
Relative Outperformance	-8.85	-9.07	-9.31	+25.67	+15.32	+3.29

1 Since 1st July 2014

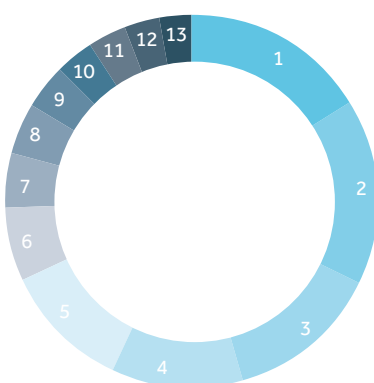
2 Compound Annual Growth Rate

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 discreet portfolio of assets.

Portfolio's Top 10 Holdings

COMPANY	% holding
H&T	6.71
NWF Group	6.40
Scapa Group	6.39
Judges Scientific	6.27
Renew Holdings	6.24
Focusrite	6.11
Thorpe FW	6.02
Patisserie Holdings	5.47
Cello Health	4.81
EMIS	4.34
Total % of the portfolio	58.76%
Total Holdings in portfolio	21

Portfolio Companies by Sector % of portfolio



1	Support Services	16.35%
2	Electronic & Electrical Equipment	15.91%
3	Financial Services	13.33%
4	Travel & Leisure	11.58%
5	Construction & Materials	11.02%
6	Chemicals	6.39%
7	Media	4.81%
8	Software & Services	4.34%
9	Beverages	3.81%
10	Cash	3.50%
11	Household Goods & Home Construction	3.35%
12	Retailers	3.06%
13	Healthcare Equipment & Services	2.55%

Spotlight on a Portfolio Holding

Nichols — Nichols is a leading, UK-based soft drink and catering company



ESTABLISHED
1908

SECTOR
Beverages

PRICE AT END OF QUARTER
1,467.5p

MARKET CAPITALISATION
£544m

Company background and performance

In Manchester in 1908, chemist John Nichols created the drink Vimto short for "Vim Tonic". The company expanded rapidly until the Second World War when it was forced to suspend production due to sugar rationing. It relaunched its production post-war. The company joined the London Stock Exchange in 1961, transferring to the AIM in 2004. Nichols has a long track record of growing by acquisition; its most recent acquisitions were Noisy Drinks and Feel Good in 2015. Nichols supplies soft drinks to the retail, wholesale, catering, licensed and leisure industries, selling its products in over 70 countries. Drinks include still and carbonated products, both with sugar and sugar-free. Its iconic brand is Vimto, which is particularly popular in the UK, Middle East and Africa. Other brands include Feel Good, Panda, Starslush, Levi Roots and Sunkist.

Our conclusions

As stated in the Investment Policy, we look at companies through the prism of three factors; quality, growth and valuation. While we aim to buy high-quality, high-growth businesses on a low valuation this is not always achievable and most investment decisions involve a trade-off between these three factors.

1 Quality: Nichols has a strong collection of brands which inspires customer loyalty, creating a material barrier to entry. Despite a number of competitors in the drinks market, the strength of Nichols' brands makes it hard for new entrants.

This allows market participants to earn high margins and high returns on capital. Combined with the asset-light nature of Nichols' business model, this should create economic value and excellent cash generation. It also has a strong net cash balance sheet. The company remains a family business with members of the Nichols family and management owning a significant stake in the business.

2 Growth: We expect the company to continue to grow its business going forward. Since our last update, the acquisitions the company made in 2015 bedded-in well. Growth has been slowed by disruption in the Middle East where it has a strong export presence, but as this fades we expect the company's growth to accelerate.

3 Valuation: Based on our own estimates Nichols is trading on an Enterprise Value to Net Operating Profit for 2018 of 19x, falling to an Enterprise Value to Net Operating Profit for 2019 of 17x. Free-cash generation for the business is very strong and it trades on a free-cash yield of 4% for 2018 which we expect to rise in subsequent years.

Access through Adviser Platforms

AVAILABLE IN ISAs



Fees and Expenses

	Direct with Puma	Through a Platform ²
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) ¹
Dealing Fee	1% (applied to purchase or sale of stocks)	Platform and dealing fees may vary across Platforms

¹ Fees may be adjustable to the closest value to reflect the relevant Platform's rounding up policy.

² 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 19 years' experience of analysing small and mid-sized companies.



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