



PUMA ALPHA VCT

BROCHURE

# Key risks

**An investment in Puma Alpha VCT carries significant risk and you should seek independent financial advice. You should only invest in Puma Alpha VCT on the basis of the Prospectus which details the risks of the investment. Below is a short summary of the key risks:**

**Tax reliefs:** Tax reliefs are not guaranteed, depend on individuals' personal circumstances and require holding the investment for a minimum of five years. Tax reliefs may also be subject to change.

**Liquidity:** It is highly unlikely there will be a liquid market in the ordinary shares of Puma Alpha VCT and it may prove difficult for investors to realise their investment immediately, in full or at all.

**Capital at risk:** An investment in Puma Alpha VCT involves a high degree of risk. Investors' capital may be at risk. There is a possibility you may lose all of your capital invested.

**General:** Past performance of Puma Investments in relation to its other VCTs is no indication of future results, either in relation to these VCTs or in relation to Puma Alpha VCT. The payment of dividends is not guaranteed. Investors have no direct right of action against Puma Investments. The Financial Ombudsman Service/the Financial Services Compensation Scheme are not available.

**For more details, please see the Prospectus.**

This document is an advertisement and not a prospectus. Any decision to invest should only be made on the basis of the information contained in the Prospectus and the Key Information Document (KID) available at [www.pumainvestments.co.uk](http://www.pumainvestments.co.uk). Please read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest.

This communication is a financial promotion issued by Puma Investments in accordance with section 21 of the Financial Services and Markets Act 2000. Puma Investments is a trading name of Puma Investment Management Limited (Financial Conduct Authorisation number 590919) which is authorised and regulated by the Financial Conduct Authority. References to Puma Investments incorporate references to its affiliate and predecessor, Shore Capital, Investment Manager to Puma VCTs 1-8.

The approval of the Prospectus should not be understood as an endorsement of the securities offered or admitted to trading on a regulated market.

If investing in Puma Alpha VCT, please be aware that this offering is not simple and may be difficult to understand.

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# About Puma Investments

**When we were first established, our mission was to provide the best investment opportunities for our customers.**

Over a decade later, we have helped thousands of clients access investments that deliver attractive tax reliefs whilst also supporting the UK economy. As a business, our origins lie in the management of Venture Capital Trusts (VCTs). Puma Investments is part of an organisation that raised its first private equity fund in 1996 and has a 23-year track record of investing in small and medium-sized enterprises (SMEs) in the UK. Today, VCTs remain core to what we do: we now have 14 under our belt having launched our latest – Puma Alpha VCT – in 2019.

Over the years, we've also branched out into other investments, such as:

- Puma Alpha EIS – our Enterprise Investment Scheme offer
- Puma AIM Inheritance Tax Service – which invests in the Alternative Investment Market
- Puma Heritage Estate Planning Service – which finances professional property developments.

Our team has also grown significantly, but our values remain the same.

These values underpin our business and they inform every aspect of our behaviour — from how we manage your money to the types of companies we support.

We are always mindful of our responsibility to you, our investors, which is why we only provide funding to established, 'scale-up' companies that have proven themselves in their market.

Small and medium-sized enterprises (SMEs) play a key role in strengthening the UK economy (which you can read more about on page 8), and Puma Alpha VCT reflects our commitment to support this. You can read the stories of some of the companies we've funded from page 15. If you have any questions about our business or Puma Alpha VCT, please get in touch with our Investor Services team on 020 7408 4100 who will be happy to help you.

## Our values

### **We're aspirational:**

we constantly innovate so we remain at the forefront of the latest developments and can respond to your changing needs.

### **We're respectful:**

we treat one another, our customers and the businesses we serve with due consideration.

### **We're collaborative:**

we constantly strive for excellence — and recognise this can only be achieved in partnership with our stakeholders.

### **We create value:**

we want to grow your investment, boost the economy through funding growth businesses, and strengthen the UK as a hub of innovation.

## Puma Investments at a glance:



**over £490m  
funds raised  
to date**



**14 VCTs  
launched**



**65 SMEs  
invested in**



# Our track record

**Puma Investments was originally created to manage VCTs and they remain at the core of our business. Puma Alpha VCT is the culmination of more than two decades investing in the private equity space and is both our 14th VCT and the 26th Puma fund.**

Across the Puma business, our funds have a relatively narrow breadth — investing either in private equity, real estate or listed securities — which means we've developed deep expertise in these areas. Our private equity division manages both Puma Alpha VCT and Puma Alpha EIS, which was launched in 2017 and has the same investment mandate. With Puma Alpha VCT, we're able to merge our Alpha EIS experience of investing in higher-growth companies with our expertise in managing VCTs.

To date, the Puma VCTs and EISs have invested more than £235 million into 65 companies. Currently, the investment team manages a portfolio of 20 companies across eight sectors, accounting for £92.5 million of invested capital.

Below is a snapshot of some of the current and exited portfolio companies that have received investment from Puma VCT and EIS funds.

 <p><b>Cadbury House Hotel</b>            £8.2m            December 2005            Leisure  <b>Exited</b></p>	 <p><b>Stocklight</b>            £3m            December 2006            Retail  <b>Exited</b></p>	 <p><b>Traffic Broker</b>            £5m            December 2009            Technology  <b>Exited</b></p>
 <p><b>SIP Communications</b>            £1.4m            March 2012            Telecoms  <b>Exited</b></p>	 <p><b>Brewhouse &amp; Kitchen Brand</b>            £20.2m            December 2012            Food and beverage  <b>Live</b></p>	 <p><b>Gold Line</b>            £2.2m            November 2013            Healthcare  <b>Exited</b></p>



### Chinook Urban Mining

£5m

July 2014  
Renewable energy tech

**Exited**



### Opes Industries

£8.1m

August 2014  
Recycling tech

**Exited**



### Mini Rainbows

£5m

November 2015  
Early years education

**Live**



### Welcome Health

£5m

November 2015  
Pharmacies

**Exited**



### Rosebourne

£8.2m September 2016

Garden centres

**Live**



### Pure Cremation

£7.4m

November 2017  
End of life services

**Live**



### Applebarn

£2.3m

October 2017  
Early years education

**Live**



### Sunlight Education Nucleus

£4.7m

November 2017  
Special needs education

**Live**



### NRG

£5m

March 2018  
Health and fitness

**Live**



### Le Col

£4.85m

October 2018  
Sports apparel

**Live**



### Dymag Group

£4.8m

December 2018  
Automotive

**Live**



### Open House

£5m

February 2019  
Pubs & Restaurants

**Live**



### Influencer

£3m

August 2019  
Influencer marketing

**Live**

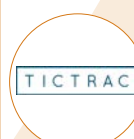


### MyKindaFuture

£2.7m

August 2019  
Human Resources Technology

**Live**



### Tictrac

£5m

March 2020  
Health engagement platform

**Live**



# Introducing Puma Alpha VCT

**Puma Alpha VCT is our 14th VCT and was launched in the summer of 2019. It aims to deliver compelling returns through investments in companies that have graduated from 'start-up' to 'scale-up', while delivering the full range of tax reliefs that come with VCT investing.**

Avoiding the volatility that comes with the riskier start-up space, our aim is to provide you with attractive but stable returns from more established companies — that are still small enough and young enough to grow and create meaningful investment exits.



# Introducing Puma Alpha VCT

## The key details

### Minimum investment:

£5,000

### Maximum investment:

there is no maximum, but income tax relief is only available on investments of up to £200,000 each tax year

### Length of investment:

it may be possible to exit a VCT earlier, but tax reliefs only apply if shares are held for at least five years

## Why choose Puma Alpha VCT

Since we started investing, we've honed our approach to protect clients' money and achieve impactful investments. Our objective is to deliver the best-possible risk-adjusted returns which we hope means you experience less volatility and more consistent yields.

As a new VCT, you'll be joining Alpha VCT from the early years of its growth journey. What's more, as it can co-invest alongside other Puma Investments funds in future deals, this means funds should be deployed more quickly while also providing investors with a more diversified portfolio.

Please read the Prospectus in full before making any investment decision. Your capital will be at risk.

## The VCT market opportunity

The Federation of Small Businesses<sup>1</sup> estimated there were 5.8 million small businesses at the start of 2019, which accounts for 99.9% of the UK's private sector business population. As a generalist VCT that invests across all sectors, Puma Alpha VCT is well-placed to source the best of these opportunities available — selecting proven businesses with a clear path to profitability, strong management teams and supportive sector dynamics.

Staying true to the purpose of VCTs, it also seeks to create value for the UK economy by investing in growing companies that support the communities and sectors in which they operate (you can read about some of the companies we currently support from page 15).

## Additional tax benefits

VCT investors may receive a number of benefits to compensate for the risk involved in investing in smaller, private companies. The primary benefit is the range of tax reliefs available. Provided you hold the VCT shares for a minimum of five years, and that the VCT invests in qualifying companies, depending on your individual circumstances you should be eligible to receive:

- 30% upfront income tax relief on an investment of up to £200,000 per tax year
- 100% tax-free dividends from the VCT (which you don't need to declare on your tax return)
- 100% tax-free capital gains, if you sell your VCT shares at a profit

What's more, VCTs can also diversify an investment portfolio, as they tend to be uncorrelated to main market investments. And if you've used up your pension or ISA allowance, VCTs provide an alternative way to access tax reliefs.

It is important to note that the tax treatment will depend on your individual circumstances, is not granted and may also be subject to change in the future.

<sup>1</sup>Source: <https://www.fsb.org.uk/media-centre/small-business-statistics>

## **Who Puma Alpha VCT is designed for**

Puma Alpha VCT is designed to target retail and professional clients who have a high level of investment knowledge and experience of VCT investing, or have been suitably advised in the case of advised retail clients with low knowledge and experience of VCT investing. It is a high risk investment and targeted at investors who have no need to access their capital for at least five years, and who can tolerate a loss of their entire investment.

An investment needs to be held for at least five years to be eligible for tax relief and you should be willing to hold the investment with limited or no ability to exit before the five years. The investment objective is appreciation and portfolio diversification. You can invest through a financial adviser or as an execution only client.



# VCTs explained

First launched in 1995, VCTs were established to provide a vital source of funding to small and medium-sized businesses in the UK. Since then, they have helped to create jobs, fuel innovation and stimulate the growth of some of the country's most promising smaller companies.

Some of the potential benefits of investing in a VCT are outlined here:

## Growth potential

VCTs invest in smaller VCT-qualifying companies that are not listed on the main market of the London Stock Exchange. By their very nature, smaller companies have the potential to grow much faster than their larger, listed counterparts.

## Diversification

VCTs can provide an important source of portfolio diversification for investors.

1. **Alternative investments:** (in this case private equity) have a low correlation with portfolios of traditional investments as whole, i.e. liquid equity and fixed income exposures etc.

2. **Company Diversification:** VCT investing gives you exposure to more than one underlying investment (because it's a pooled investment) rather than if you bought shares in another single name stock.

3. **Sector Diversification:** diversification across a range of industry sectors (as the VCT is sector agnostic).

## Tax benefits

Due to the smaller size, typically unlisted status and relatively early-stage nature of the companies within the VCT, investors are exposed to a higher level of risk than other types of investment, including that the underlying investment companies may struggle and even fail. The UK government therefore offers tax incentives to investors as a way of compensating them for this risk.

## Tax reliefs include:

**Income tax relief:** Up to 30% upfront income tax relief on investments of up to £200,000 in any one tax year, provided you keep your shares for at least five years. Any income tax relief claimed must not exceed the total amount due.

**Tax-free dividends:** If your VCT pays out dividends you won't need to pay tax on them or declare them on your tax return.

**Tax-free capital gains:** If you sell your shares to realise any gain from growth in the underlying investee companies in your VCT, this will be exempt from capital gains tax.

Your decision to invest in a VCT, however, should not be made solely on the basis of the tax incentives. Please note that the tax treatment will depend on your individual circumstances, is not guaranteed and may also be subject to change in the future.

## How do VCTs work?

A VCT is a pooled investment which means that it accumulates money from multiple investors and uses this money primarily to buy shares in VCT-qualifying, typically privately-owned companies. It is a listed company in its own right and it is important to note that your investment in a VCT grants you shares in the VCT itself rather than shares in the individual underlying investment companies.

As outlined in the Prospectus (which should be read in conjunction with this brochure), VCTs must therefore uphold strict governance rules designed to protect you as an investor. These rules, coupled with stringent criteria around the types of companies that qualify for VCT investment, means that your money will be directed towards those companies most in need of finance to grow.

**VCTs are a high-risk investment. It is possible the capital invested could be lost in full.**

## What type of companies qualify for VCT investment?

**Company age:** Companies must be less than seven years old from the date of their first commercial sale. Exceptions to this rule include Knowledge Intensive Companies, ie those that are carrying out research, development or innovation at the time of issuing shares, and follow-on investing — where an established company may be looking to raise a more significant amount to enter new markets or launch new products.

**Permissible business activities:** In order to be eligible for VCT funding, investee companies must be permanently based in the UK and conduct what HMRC refers to as a 'qualifying trade'. While most trades are allowed, notable exceptions include financial activities, forestry, farming, hotels and energy generation.

**Company size:** A company can qualify for VCT investment if it has no more than £15 million of gross assets immediately prior to the investment (and £16 million immediately after the investment). It must also have fewer than 250 employees (or 500 employees in the case of a Knowledge Intensive Company) and generally cannot have been trading for more than seven years (or 10 years in the case of a Knowledge Intensive Company) at the time of investment.

**Investment amount:** A VCT can invest up to 15% of its money in any one investee company. Each company is eligible to receive up to £5 million of VCT or other tax-efficient funding (such as via the Enterprise Investment Scheme) annually with no more than £12 million in funding over its lifetime.

**Risk level:** The Finance Act 2018 introduced a new "risk to capital" condition for qualifying investments. This is designed to direct investments towards earlier stage, growing businesses and away from investments which could be regarded as lower risk, in order to provide a capital supply to those companies that need it most. Investments are typically delivered as a combination of ordinary shares and unsecured loan notes.

**Your decision to invest in a VCT puts your capital at risk and should be made solely on the basis of the information contained within the Prospectus. Although we've summarised some of those risks on pages 34-36 of this document, it's important to read the Prospectus in full before making a decision to invest.**

# What we look for when investing

**The Puma Private Equity team manages our Puma Alpha VCT and Puma Alpha EIS funds, which have the same investment strategy and invest into attractive, growing companies across a range of sectors in the UK.**

To be eligible for investment, these businesses must have an established product or service, demonstrate that they operate within a compelling market niche, be run by a strong and experienced management team and have a comprehensive growth plan.

Our Alpha investment policy is sector agnostic, which helps us find attractive companies across the UK and achieve greater portfolio diversification for investors. Over the last two decades, we've built up an extensive network of advisors, other intermediaries and entrepreneurs who help us source companies that match our investment policy. In 2019 alone the private equity team analysed nearly 400 potential deals worth more than £1 billion, from which they chose those that were considered the best fit.

Before making an investment, the team works closely with the investee company's management to understand in detail how the business operates and ensure compatibility with the company's management team. Once an investment opportunity is identified, we first complete our own due diligence and then use independent, external due diligence providers. Once a deal has been assessed by the private equity team and investment terms negotiated, it is then approved by our Investment Committee, which includes independent members external to the team. The VCT also has its own independent board of high calibre professionals from varied backgrounds.

## Our four pillar approach



- 1 Our extensive network and expertise in this sector mean that we have a wide pool of investments to choose from – each year we expect to see more than 400 opportunities
- 2 Our investment process has been refined over time to mitigate downside risk to investors and includes consultation with tax, legal and corporate governance experts as part of our due diligence process
- 3 We adopt a monthly monitoring cycle to provide a consistent and thorough level of oversight to our investee companies
- 4 Our relationships are key to our success – we work closely with management teams to help them realise their business growth ambitions and provide mentorship, guidance and support as well as capital

## What happens after investment?

Once an investment is made, the team continues to work closely with each company — monitoring performance, recommending measures to encourage growth and, finally, deciding when best to exit the investment. To aid the company's development, a member of our private equity team will normally join the board.

Throughout the course of the investment, the company will be assessed by our Monitoring Committee. The Committee reviews the company's performance against agreed key performance indicators and monitors its adherence to any financial covenants. The company will provide monthly management accounts which are reviewed and scrutinised. Despite these measures, it's important to remember that VCTs are considered high-risk investments, and some companies may not perform as expected. When this happens, we work closely with management and strive to remedy any issues and protect our investors' money. It is possible that a company could fail and the investment in that company could be lost. We may also make follow-on investments. And we have the option to co-invest with other Puma funds to enable quicker investment and more diversification.

## How we exit an investment

Before investing in a company, we assess the exit strategy and continue to monitor it throughout the life of the investment. This determines how management will position the company for an exit, and could take the form of a trade sale, public listing or a buyout in order to create the best return for our investors.

## How we value our investments

Our investee companies will be valued at fair value in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guidelines. Investments in AIM and NEX market traded companies will be valued at the prevailing bid price.

This means that our Finance and Monitoring team will look at trading performance and any market compatibles (mergers, acquisitions or other investments) to estimate the fair value of portfolio holdings from time to time. Where comparable market activity is limited, they may use metrics established at the point of investment, adjusted for trading performance.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. These estimates must then be approved by the VCT's auditors before they are included in the annual and interim report and accounts. For more information on how we determine net asset values of our investee companies, please refer to the Prospectus.



# A selection of our investments

**Our experienced Puma Private Equity team manages our Puma Alpha VCT and Puma Alpha EIS funds, which share an investment mandate.**

Our proven investment approach targets those businesses that have an established product or service, that can demonstrate that they operate within a compelling market niche, that are run by a strong and experienced management team and that have a comprehensive growth plan. To date, the Puma VCT and EIS funds have invested £235 million into 65 companies. Currently, the investment team manages a portfolio of 20 companies across eight sectors, accounting for £92.5 million of invested capital.





**INVESTMENT**  
£4.8 million (of which  
Puma Alpha VCT  
invested £475,000)



**SECTOR**  
Automotive



**LOCATION**  
Wiltshire, UK



**ESTABLISHED**  
1974



**EXPANSION**  
UK, North America and  
Japan

## Investment overview

In 2018, several of the Puma VCTs and Puma Alpha EIS invested £3 million of equity into Dymag Group, the British designer and manufacturer of carbon hybrid automotive wheels. In 2020 a second investment of £1.8 million was made, including funds from Puma Alpha VCT, to enable further growth.

Established in 1974, Dymag is a pioneer in carbon wheel technology: it launched the first commercial carbon motorcycle wheel in 1996 and the first carbon hybrid car wheel in 2004. Having successfully expanded from motorcycle to car wheels, the company continues to grow its presence in the aftermarket and original equipment manufacturer (OEM) channels, working with strategic regional aftermarket partners and several of the world's leading performance OEMs.

Dymag's objective is to become the foremost producer in its market and to position Dymag as the technology of choice, available worldwide. Through our initial funding, the company was able to expand and relocate its operations — increasing its design and production capabilities and positioning the business for further growth. Our latest investment will help it to accelerate development of its product pipelines and continue to innovate its manufacturing processes to meet demand.

## Investment rationale

- With more than 30 years' experience in carbon wheel technology, Dymag is strongly positioned to become a market leader.
- The company has a highly-experienced management team with longstanding sector expertise and knowledge of international automotive markets.
- Having successfully diversified into the premium sports car market, Dymag is building international traction through partnerships in North America, with plans for further expansion into Japan.
- Dymag's growth plans are underpinned by the automotive sector's desire to utilise carbon wheel technology to improve efficiencies



## Our investment view

"Dymag is positively disrupting the automotive wheel market with its new carbon wheel products.

Significant investment in its products and processes has strengthened the business and allowed the team to build on the brand's longstanding motorcycle racing heritage. The company is now well-placed to accelerate growth and establish itself as the global leader in this market."

### Jonathan Wyles

Investment Manager  
Puma Private Equity

## Dymag's view

"Following a comprehensive search for the right investor to help us, we chose to work with Puma Investments given the team's understanding of technology and manufacturing, plus their longstanding commitment to supporting British businesses."

### Chris Shelly

CEO  
Dymag

# LE COL



**INVESTMENT**  
£4.85 million (of which  
Puma Alpha VCT  
invested £720,000)



**SECTOR**  
Sports apparel



**LOCATION**  
London, UK



**ESTABLISHED**  
2011



**EXPANSION**  
Continued global growth



## Investment overview

In 2018, several of the Puma VCTs and Puma Alpha EIS invested £2.35 million of equity into Le Col, a leading British cycling brand founded by ex-professional cyclist Yanto Barker. Le Col uses the latest technology to bring high-performance kit to consumers with a quality formerly reserved for professionals. Following the company's continued strong performance, a second investment of £2.5 million was made, which included funds from Puma Alpha VCT, in 2020.

Le Col's growth has been significant. In 2018, its revenues more than doubled and online sales grew sixfold, while its exports increased to 50 countries worldwide. In 2019, revenue grew by 70%.

Among Le Col's numerous high-profile sponsorships, the brand has gained further recognition through its partnership with Sir Bradley Wiggins, who developed a signature range, Le Col by Wiggins, which has gone from strength to strength. Since then, Le Col has also secured partnerships with Eurosport, Colnago, Sigma Sports and Wiggle.

In addition to its unique market proposition, the company operates in a desirable, growing sector and our investment will help Le Col's experienced management team accelerate through the company's next stage of growth.

## Investment rationale

- Le Col has a compelling combination of in-demand products, professional insight and management experience.
- Since our initial investment, Le Col has achieved continued strong growth through a focus on product, marketing and e-commerce.
- Le Col's robust growth plan is complemented by a supportive sector. Cycling products contribute £700 million annually to the UK economy and this figure will likely rise as the Government strives to double cycling volumes by 2025.
- Based in the UK and exporting to 50 countries, Le Col owns its own factory, increasing its manufacturing and supply chain control.



## Our investment view

"Guided by Yanto's performance insight, design expertise and drive for perfection, Le Col is becoming the go-to brand for cyclists looking for the best kit. Our investment will support the team to leverage the explosive growth it's achieved over the last two years, ensuring Le Col continues on its exciting journey."

### Harriet Rosethorn

Investment Manager  
Puma Private Equity

## Le Col's view

"We are delighted to partner with Puma Investments; their support will be key in facilitating the next phase of Le Col's growth. The gains we've made in the past two years have been exceptional and this latest investment will be instrumental in taking our market-leading products to a global cycling audience."

### Yanto Barker

Founder  
Le Col

# TICTRAC



**INVESTMENT**  
£5million (of which Puma  
Alpha VCT invested  
£600,000)



**SECTOR**  
Health Engagement  
Platform



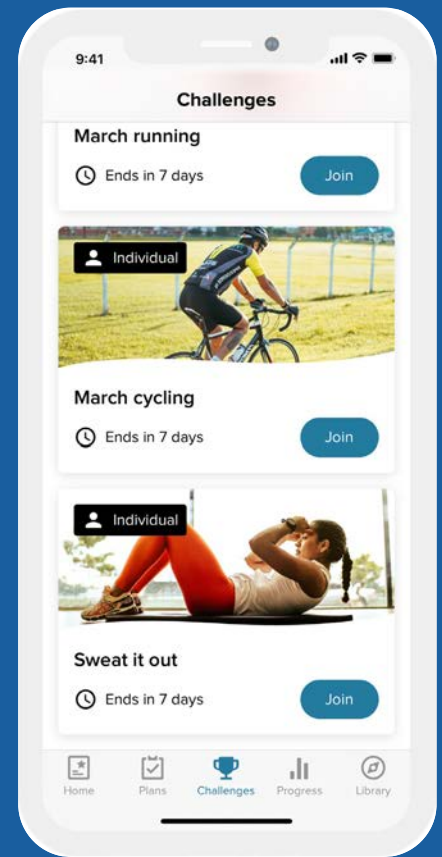
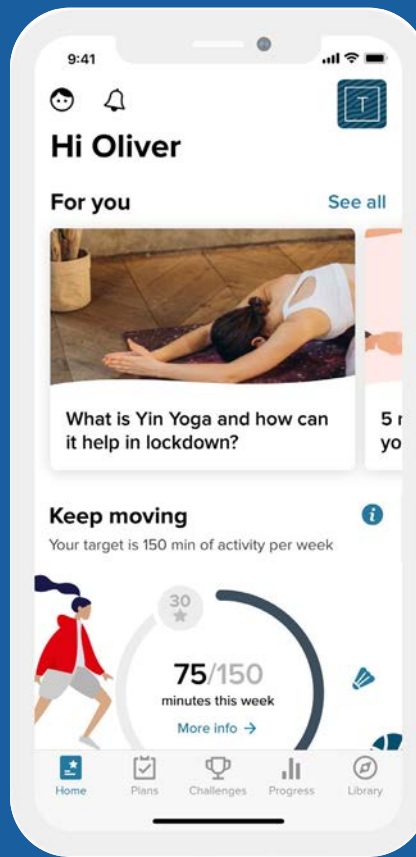
**LOCATION**  
London, UK



**ESTABLISHED**  
2010



**EXPANSION**  
Roll out of SaaS model



## Investment overview

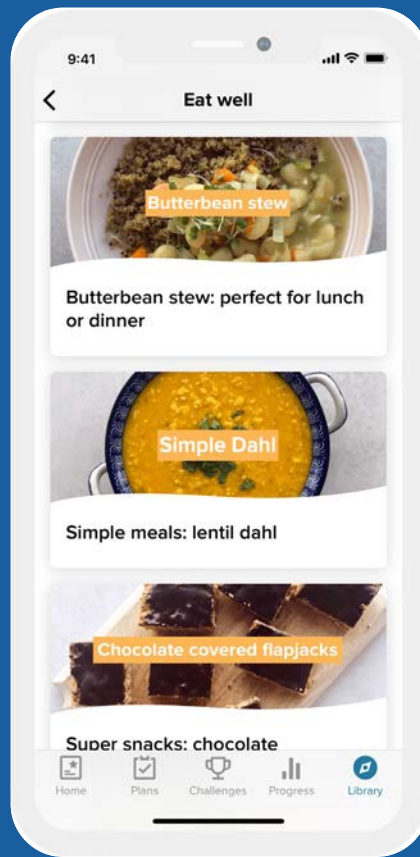
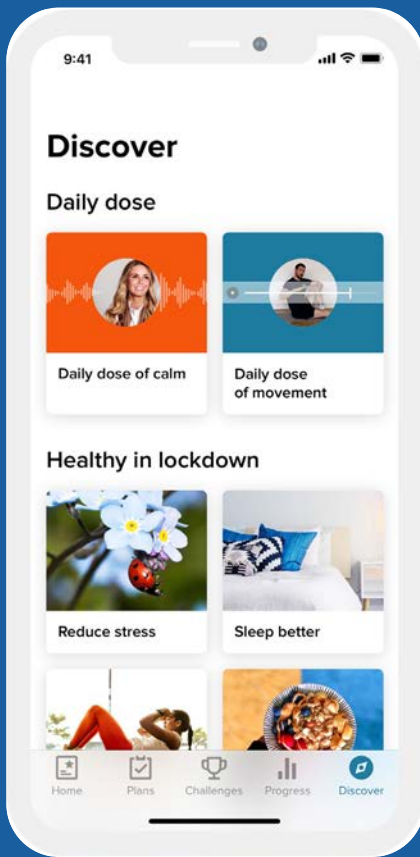
In 2018, several of the Puma VCTs and Puma Alpha EIS invested £5 million of equity into Tictrac through a combination of Puma Alpha VCT and other Puma funds. Tictrac is an insurance technology provider that has produced an advanced health and wellness app for corporate clients to provide to their user base. The app integrates data from wearable technology, delivering it to end users in a digestible format to drive up levels of engagement and increase customer loyalty.

Tictrac has an impressive client base that ranges from globally recognised insurance providers to government health bodies. In addition to its market-leading technology and innovative user content, the company has achieved significant growth through establishing strong relationships across the industry. Created in 2010, its founding members have assembled a high-quality management team to propel the business's future growth.

Tictrac sits at the juncture between two powerful trends – the use of technology to reshape insurance operations, and growing consumer engagement in health and wellness (driven by the rise in wearable technology). Having already gained a strong foothold in the industry, the company is in a good position to capitalise on these trends and establish itself as a leading provider of insurance technology. Our investment will help it to achieve further growth and expand its client base globally.

## Investment rationale

- Tictrac has an experienced management team that has spent years developing its health and wellness app to a standard of excellence.
- The team has established long-term relationships with insurers and government health bodies.
- The company has a strong pipeline of new clients – which includes rolling out its offering to corporates as a health and wellness initiative for employees.
- Health and wellness is a key global trend with Tictrac providing an engaging tool for people to learn more about their health, drive new wellness habits and access relevant content.



## Our investment view

"Health and wellness is a central topic in today's climate, for consumers as well as insurers, government health bodies and corporates, who are increasingly focused on the wellness of their employee base. Tictrac's solution is uniquely positioned to take hold of this market by providing end users with engaging content on their own health and the latest wellness trends. We were impressed by the vision of Martin and his team and the business's strong growth to date. We are delighted to be supporting them and look forward to working with them over the coming years."

**Rupert West**  
 Managing Director  
 Puma Private Equity

## Tictrac's view

"Now more than ever, companies have a greater role and responsibility in supporting the health of their workforce. This drove our motivation to launch our Employee Wellbeing platform; it's playing such a critical role in supporting businesses in unifying their teams to create a happy, healthy and engaged workforce."

The funding has allowed us to bring this product to market and move to the next phase of our business. The aim at Tictrac is to inspire people to become more accountable for their own health and change the way people look after themselves, for good. We're confident our Employee Wellbeing platform will help achieve that."

**Martin Blinder**  
 CEO and Founder  
 TicTrac

# Influencer



**INVESTMENT**  
£3 million (Puma Alpha VCT is not currently invested)



**SECTOR**  
Influencer Marketing



**LOCATION**  
London, UK



**ESTABLISHED**  
2015



**EXPANSION**  
US and Europe



## Investment overview

In 2018, several of the Puma VCTs and Puma Alpha EIS invested £3 million into Influencer, the leading influencer marketing platform run by renowned entrepreneurs Ben Jeffries, Caspar Lee and Adam Ludwin.

Launched in 2017, Influencer's proprietary technology simplifies the influencer marketing process for both brands and creators. Its data-driven, end-to-end platform provides brands around the world with access to a network of premium social media influencers who are vetted for authenticity, quality and creativity. The platform empowers these businesses to make smarter decisions on their influencer activities by combining the discovery and relationship management of creators, along with campaign management, campaign reporting and rich actionable insights.

Building on the company's impressive growth, management expertise and niche understanding of this fast-growing sector, this funding will help drive new innovations within the platform and expand Influencer's global presence. The business intends to double headcount and open its first US office in New York, with further plans to expand to the West Coast.

## Investment rationale

- Influencer has achieved strong revenue growth of 420% year-on-year and operates in a lucrative environment, with influencer marketing projected to become a \$15 billion industry by 2022.
- The company has a robust pipeline and already works with many of the world's leading brands, including Pepsi, Starbucks, Uber Eats, Alibaba and Apple Music.
- Its experienced management team incorporates scale-up expertise, business management experience and in-depth market knowledge — setting the business apart from competitors.



### Our investment view

- Influencer’s proprietary technology is market leading. Compatible with multiple social media platforms, its easy-to-use tools provide advanced campaign management, actionable insights and performance analysis.

"With its disruptive approach, strength of technology and creator credentials, Influencer is ideally placed to continue its explosive growth. We are delighted to be working with the company and look forward to helping them achieve their aggressive goals for the business over the coming years."

**Harriet Rosethorn**  
Investment Manager  
Puma Private Equity

### Influencer’s view

"Puma Investments shares our vision and I’m thrilled to be working with them. Their backing validates our proposition and will enable us to significantly scale our offering globally and continue to solve the problems currently facing brands and creators."

**Ben Jeffries**  
Co-Founder and CEO  
Influencer

# MY KINDA FUTURE



**INVESTMENT**  
£2.75 million (Puma  
Alpha VCT is not  
currently invested)



**SECTOR**  
Human Resources  
Technology



**LOCATION**  
London, UK



**ESTABLISHED**  
2011



**EXPANSION**  
Nationwide



## Investment overview

In 2019, some of the Puma VCTs and Puma Alpha EIS invested £2.75 million into MyKindaFuture (MKF), the UK's largest emerging talent specialist whose clients include BT, Deloitte, Cisco and Burberry.

Focusing its recruitment on young people, MKF aims to help students from a range of backgrounds develop employability skills and succeed in the workplace, whilst also supporting employers with their recruitment needs — from work experience and apprenticeships through to graduate programmes.

Founded in 2011, the company has established a strong track record and network, engaging with more than 25,000 young people in 2019.

MKF's expert management team has achieved a high client retention rate with some of the largest graduate employers in the country and its renewal rates in 2019 exceeded 75%. Our investment will support the company's continued growth and enable MKF to further scale its offering across different recruitment specialisms.

## Investment rationale

- MKF has an extensive client base which has been bolstered by the Government's Apprenticeship Levy, which incentivises corporates to invest in their own apprenticeships.
- The company has robust plans to expand its offering, supported by the scalability of its solutions when addressing a range of retention issues.
- MKF has an award-winning digital delivery platform, Connectr, making it well-placed to capitalise on both the shift towards digital media when engaging young people and growing demand for integrated automation in recruitment.
- The company has an expert management team with an established reputation in the market as thought leaders, as well as significant technical and commercial experience.



## Our investment view

"MKF creates a positive social impact for young people across the UK whilst operating a successful, scalable business. Our investment will allow the team to continue setting the standard for this sector, build out its tech platform to solve more customers' problems and help address the frustration of the skills gap currently holding back corporates, educators and young people."

### Ben Leslie

Investment Executive  
Puma Private Equity

## MyKindaFuture's view

"This new funding from Puma Investments will enable us to continue building on our success within the emerging talent space, supporting diversity and inclusion in the workplace and achieving our goal — to reduce youth unemployment."

### Will Akerman

Founder  
MyKindaFuture

# The investment team

**The Puma Alpha VCT fund is managed by Puma Private Equity, the dedicated private equity team of Puma Investments. Made up of six experienced specialists with a wide range of financial backgrounds, the team focuses solely on managing our growth capital investments in small and medium-sized businesses across the UK.**

With specialisms spanning private and public company investing through to investment banking and accounting due diligence, the team is able to draw on their varied experience to source and support companies through their investment lifecycle.

The team is supported by the wider Puma Investments business which includes experienced finance, legal and compliance teams.



**Rupert West**  
Managing Director of Puma  
Private Equity

Rupert has worked at Puma for over ten years. He heads Puma Private Equity and sits on the Puma Investments Leadership Committee.

Rupert has overall responsibility for investment and portfolio management and sits on the boards of several of Puma's portfolio companies. His focus is on strategy setting at portfolio company level and key transactional developments.

Rupert has broad experience within financial markets having worked at emerging market specialist Standard Bank and then at Barclays Capital. From there he moved into Asset Management in 2008.

Rupert read Philosophy and Economics at the University of Bristol then a Masters in International Policy Analysis



**Kelvin Reader**  
Investment Manager

Kelvin joined Puma in 2019. He is responsible for origination in the Midlands and the East of England, investment analysis and execution, and value creation within the Puma portfolio.

Kelvin brings both investment and operating experience to Puma from his past ventures – highlights include Parade Media Group and InSport. During his time at Puma, Kelvin worked closely with portfolio companies NRG Gym, Brewhouse & Kitchen and SEN.

Kelvin is a member of the South African Institute of Chartered Accountants.



**Harriet Rosethorn**  
Investment Manager

Harriet joined Puma in 2017. She is responsible for origination in the South West, investment analysis and execution, and value creation within the Puma portfolio.

Harriet supports a number of the businesses within Puma's portfolio having worked on the original investments into these companies, including Le Col, Pure Cremation, Influencer and TicTrac.

Harriet has an interest in tech-enabled business models and has worked in this sector throughout her career, including roles at GP Bullhound and Results International. She is particularly interested in helping management teams build a robust platform for scale.

Harriet read Chemistry at the University of Southampton



**Jonathan Wyles, CFA**  
CFA – Investment Manager

Jonathan joined Puma in January 2018. He is responsible for origination in the North, investment analysis and execution, and value creation within the Puma portfolio.

During his time at Puma, Jonathan has worked on a number of new and existing investments including Dymag and the Rosebourne Garden Centre group.

Jonathan's previous career as a debt portfolio manager at Wells Fargo Asset Management has provided extensive experience of analysing investments and the strategy decisions of corporations. Understanding how management teams in fast-growing companies make decisions effectively is a real source of interest and fascination to him.

Jonathan read Earth Science at the University of Bristol and has an MBA with distinction from Cass Business School, University of London.

## Puma Alpha VCT board



**Egmont Kock**  
Director



**Richard Oirschot**  
Director



**Michael van Messel**  
Director

The team is backed by an experienced VCT board of directors providing independent governance and oversight, as well as members of the Puma Investments senior management team.



**Ben Leslie**  
Investment Executive

Ben joined Puma in 2018. He is responsible for investment analysis and execution, value creation within the Puma portfolio and leads Puma's origination in Scotland.

During his time at Puma, Ben has worked on a number of new investments including Influencer and MyKindFuture. Ben also works across the company's early years learning positions.

Ben has an interest in consumer facing and social education business models and started his career in the transaction services team at Deloitte.

Ben read Economics at the University of Edinburgh.



**Henri Songeur**  
Investment Executive

Henri joined Puma in 2017. He is responsible for managing the origination strategy, alongside investment analysis and execution.

During his time at Puma, Henri has worked on a number of new investments including Open House, MyKindFuture and Dymag.

Henri holds an MA in Maths & Economics from the University of Edinburgh and an LL.M in Law & Economics at the Universiteit Rotterdam.

## Senior Management team



**David Kaye**  
Chief Executive



**Sam McArthur**  
Chief Operating Officer



**John Nicholson**  
Chairman – Investment Committee

Further information on the senior management team, board directors and their relevant experience can be found in the Prospectus.

# Your investment process

**You can invest in Puma Alpha VCT through a Financial Adviser (who may charge a one-off or ongoing fee) or through an execution-only financial intermediary.**

If you have a Financial Adviser, they'll help you complete your application form and submit it to us for processing on your behalf. Any questions about this can be answered by our Business Development team on **020 7408 4070**.

You can download all offer literature including the Prospectus, Key Information Document (KID) and application form on our website: [www.pumainvestments.co.uk/investors-puma-alpha-vct](http://www.pumainvestments.co.uk/investors-puma-alpha-vct).

In the Prospectus, you'll find more detail about the application process, and more extensive FAQs. You must read the Prospectus in full and pay particular attention to the risk factors before making any decision to invest.

## 1. Completing your investment

Before completing your application, it's important to read the Prospectus, which is also supplemented by the KID. Once you've done this and submitted your application, we'll let you know as soon as it's been processed.

## 2. Allotting your shares

Once your funds have been received by our receiving agent, and our initial fundraising target met, your shares will be allotted in the next allotment and then issued to you. You can find out the date of the next allotment and also request an update on the value of your shares by calling our Investor Services team on 020 7408 4100 or emailing them at [info@pumainvestments.co.uk](mailto:info@pumainvestments.co.uk).

## 3. Receiving your certificates

Around two weeks after the allotment, you will receive your share and income tax certificates. Please be aware that if you lose them there will usually be a cost to replace them.

## 4. Communicating with you

As above, if you want to check the value of your shares you can do this at any time. And we'll also send you the VCT's annual and half-year reports.

## 5. Receiving your dividends

If they are declared by the VCT, dividends will be paid into your nominated bank account unless you tell us otherwise.

## DocuSign

Alternatively if you've got signed application forms printed and ready to go, simply scan or clearly photograph them on your smartphone and email them to us at: [info@pumainvestments.co.uk](mailto:info@pumainvestments.co.uk) With reduced delivery services as well as the restrictions imposed by social distancing due to the Covid-19 pandemic, we recognise that physical post is now a challenge. To ensure our application process continues without interruption during this time, we have expanded our use of DocuSign across our entire product range. DocuSign allows all applications to be completed digitally without the need to print, scan and post. To find out more about DocuSign, please get in touch with your financial adviser or ask them to contact their local business development manager on **0207 408 4070**.

## Selling your shares

If you wish to sell your shares you have two options. You can sell them on the secondary market, or back to the VCT. However, please note that it may not always be easy or possible to sell your shares when you want to, or for the price that you want to receive.

## Selling your shares on the London Stock Exchange

As VCT share prices are quoted on the London Stock Exchange, you can attempt to sell your shares at any time. However, there is usually a limited market for VCT shares because the 30% upfront income tax relief isn't available to secondary buyers, which means the market price is typically lower than the shares' underlying net asset value.

## Share Buyback Policy

The offer shares are intended to be traded on the London Stock Exchange's main market for listed securities although it is likely that there will be an illiquid market for such shares. In such circumstances, shareholders may find it difficult to sell their shares in the market, therefore the company intends to pursue an active buy back policy to improve the liquidity in the shares where the company may repurchase shares which shareholders wish to sell at a discount of 5% to the latest published Net Asset Value. The Board believes this creates an attractive proposition for both current and future shareholders.

Buybacks are subject to applicable regulations, market conditions at the time and the Company having both the necessary funds and distributable cash resources available for the purpose. The making and timing of any share buybacks will remain at the absolute discretion of the Board.

As with all VCTs, the Directors expect that there will be limited demand for share buybacks from shareholders within the first five years because the only sellers are likely to be deceased shareholders' estates and those shareholders whose circumstances have changed (to such extent that they are willing to repay the 30% income tax relief in order to gain access to the net proceeds of the sale).

## Dividend policy

The VCT intends but cannot guarantee to pay a regular annual dividend commencing in 2023. From then on, the VCT expects to achieve an average dividend payment equivalent to 5p per share per annum (including the 2023 dividend) over the rest of the life of the company. The VCT expects to be in a position to make such annual payments from income received from its investments. The income received from the VCT's investment portfolio should increase during the life of the VCT as the number of investments made rises. Accordingly, the 2023 dividend may be lower than 5p per share but each of the remaining annual dividends may be correspondingly higher than that figure so that the target of an annual dividend payment equivalent to 5p per share per annum from 2023 is achieved. The VCT's ability to pay dividends is subject to the existence of realised profits, legislative requirements and the available cash reserves of the VCT.

Although the VCT intends to pay a regular annual dividend from 2023, there is also the potential to pay special dividends if portfolio companies are sold at a profit before this date. Over any five-year period, the VCT is aiming to deliver 50p in positive returns for investors in the form of dividends or growth.

# Charges

<b>Initial</b>	<b>Initial Fee</b>	3%	of amount subscribed
<b>Ongoing</b>	<b>Annual Management Fee</b>	2% (VAT not applicable)	of net asset value p.a.
	<b>Administrative Fee</b>	0.35% (VAT not applicable)	of net asset value p.a.
	<b>Performance Fee</b>	20%	of amounts in excess of 120p per Ordinary Share as set out below
	<b>Other expenses</b>	Puma Alpha VCT is responsible for its normal operating costs. Puma Investments may be paid arrangement, structuring and/or monitoring fees for transactions, but these fees are not paid by the VCT.	

## Fee details

### If you are receiving financial advice

If you are advised by a Financial Adviser and have agreed for the Adviser Charge to be paid on your behalf, this will be subtracted from your investment prior to the allotment of your shares. You'll then be charged the standard Initial Fee of 3% of the amount you have invested.

There's also an Annual Management Fee. This is 2% of the net asset value of your shares, and paid quarterly in arrears. There's also an Administrative Fee of 0.35% of the net asset value of your shares. If shares achieve a performance value above 120p at the end of an accounting period, Puma Investments is entitled to a Performance Fee, which is 20% of anything above 120p or the highest value the shares have previously reached (if above 120p).

### If you're not receiving financial advice

If you aren't advised by a Financial Adviser or you've asked to settle your Adviser Charge yourself, you'll only be charged an Initial Fee, which is 3% of the amount you have invested.

There's also an Annual Management Fee. This is 2% of the net asset value of your shares, and paid quarterly in arrears. There's also an Administrative Fee of 0.35% of the net asset value of your shares.

If shares achieve a performance value above 120p at the end of an accounting period, Puma Investments is entitled to a Performance Fee, which is 20% of anything above 120p or the highest value the shares have previously reached (if above 120p).

## Costs and commissions

Puma Investments will use some of the Initial Fee to pay certain costs of the VCT, as well as initial and follow-on commissions to execution-only brokers.

Where no advice or personal recommendation has been given, authorised financial intermediaries for execution-only clients will usually be entitled to an initial commission of 1% of the amount payable for the allocated shares for each application (i.e. after fees have been taken). If the intermediary provides ongoing services and the client continues to be the beneficial owner of the shares, the intermediary usually receives an annual trail commission from Puma Investments of 0.35% of the net asset value for each share for five years.

Puma Investments may also charge arrangement, structuring and for monitoring fees to the companies it invests in. You can read about this and see a more detailed explanation of our charges in the Prospectus.

### To summarise, this is how we calculate the number of shares issued to you (rounded down to the nearest whole share):

**Number of shares = amount remitted, less**  
**(i) the Initial Fee**  
**(ii) any Adviser Charges**  
**divided by latest published NAV per ordinary share.**



# Frequently asked questions

## Who can apply to subscribe?

Investors must be 18 years old or over.

## What are the minimum and maximum investments?

The minimum investment is £5,000 per application and thereafter in multiples of £1,000. Although there is no maximum investment, tax relief is only available on investments of up to £200,000 per individual.

## How long do shares need to be held to retain tax relief?

You need to hold shares for a minimum of five years to retain the tax relief.

## Which tax reliefs are available?

The availability of tax reliefs depends on your personal circumstances and may be subject to change in the future. However, if you are a UK taxpayer who has held shares for a minimum of five years, you should be able to claim:

- Up to 30% upfront income tax relief on an investment of up to £200,000 per tax year
- 100% tax-free dividends from the VCT
- 100% tax-free capital gains if selling the shares

## When is the first dividend expected?

Puma Alpha VCT intends but cannot guarantee to pay a regular annual dividend starting in 2023.

## Can I reinvest my dividends?

There will be no dividend re-investment scheme.

## Can I sell my shares?

The offer shares are intended to be traded on the London Stock Exchange's main market for listed securities although it is likely that there will be an illiquid market for such shares. In such circumstances, shareholders may find it difficult to sell their shares in the market, therefore the company intends to pursue an active buy back policy to improve the liquidity in the shares where the company may repurchase shares which shareholders wish to sell at a discount of 5% to the latest published Net Asset Value. The Board believes this creates an attractive proposition for both current and future shareholders.

Buybacks are subject to applicable regulations, market conditions at the time and the Company having both the necessary funds and distributable cash resources available for the purpose. The making and timing of any share buybacks will remain at the absolute discretion of the Board.

As with all VCTs, the Directors expect that there will be limited demand for share buybacks from shareholders within the first five years because the only sellers are likely to be deceased shareholders' estates and those shareholders whose circumstances have changed (to such extent that they are willing to repay the 30% income tax relief in order to gain access to the net proceeds of the sale).

## Co-Investment Policy

Puma Alpha VCT has the ability to co-invest alongside other Puma Funds, including Puma Alpha EIS which has an identical investment mandate, in future investments that comply with its investment policy. This enables the VCT to participate in a broader range of transactions of a larger scale than it might otherwise be able to access on its own.

This facilitates the swifter deployment of funds and gives investors access to a wider pool of investments.

In the event of any conflicts between the funds, the issues will be resolved at the discretion of the Independent Directors. The Investment Manager in turn operates robust conflict of interest procedures to manage potential conflicts. A copy of the applicable conflicts of interest policy is available at <http://www.pumainvestments.co.uk>

## What if I change my mind?

If you change your mind before your shares are allotted please contact our Investor Services team and we will instruct the receiving agent to return the funds to you. Once the shares have been allotted, you may be able to sell your shares on the London Stock Exchange or re-sell them to Puma Alpha VCT if it is operating a buy-back policy.

## How has your business adapted to Covid-19 pandemic?

As a result of Covid-19, our teams are working from home – a contingency measure we had already set up prior to the pandemic which allowed us to continue without any interruption in our service to you.

Our Investor Services team is operating as normal to process new applications and respond to any enquiries, while our Business Development team is also working regular office hours (9am-6pm) and available to speak with you whenever you need them. We have also rolled out electronic application forms across all our offers to make it easier for you and your clients to invest during this time.

We continue to undertake daily review of the government guidance to implement effective measures as the situation evolves.

All our investments, including Puma Alpha VCT, are designed as long-term strategies primarily to mitigate any short term economic disruption.

Our dedicated **Covid-19 Update webpage – [www.pumainvestments.co.uk/covid-19](http://www.pumainvestments.co.uk/covid-19)**, offers the latest information from across our business. We hope you find it useful.

**For more detailed information, please see the Prospectus which is available on our website or as a printed copy from our Investor Services team. You can also call us on 020 7408 4100 if you have any further questions.**

## 34 Risks concerning VCTs and tax relief

**Your decision to invest should be based on a full understanding of the Prospectus in full, including the risk section in its entirety, as well as the risks contained within this brochure.**

The outlook for the VCT could be adversely affected if any of these risks materialise and you could lose all or part of your investment.

You should be aware that the value of Ordinary Shares can fluctuate and you may not get back the full amount you invest. Furthermore, there is no certainty that the market price of Ordinary Shares will fully reflect the underlying net asset value, that Shareholders will be able to realise their shareholding or that any dividends will be paid. An investment in the Company should therefore be viewed as a higher risk, longer-term investment.

These risks are not exhaustive and there may be additional uncertainties (such as changes in legal, regulatory or tax requirements) which may have a material adverse impact on the VCT's financial prospects or Ordinary Share value.

### **Risks relating to the VCT and its underlying investments**

The market price of the Ordinary Shares will not usually reflect their underlying net asset value.

The value of an investment in the VCT depends on the performance of its underlying assets (i.e. the companies into which it invests) and that value and the income derived from the investment may go down as well as up which could mean you lose some or all of your investment.

Although it is intended that the Ordinary Shares will be listed on the Official List and admitted to trading on the London Stock Exchange, shares in VCTs are inherently illiquid and there may be a limited market in the shares. This is primarily because the initial tax relief is only available to those subscribing for newly issued shares and therefore not available to investors who acquire them on the secondary market. In such circumstances you may struggle to realise your investment.

If you decide to sell your shares within five years of allotment, you will have to repay some or all of your initial income tax relief. You should also be aware that there may be constraints imposed on the realisation of the underlying investments in order to maintain the VCT's tax status.

While the VCT intends to pay a regular annual dividend from 2023 onwards, this cannot be guaranteed and may be constrained by, amongst other things, the existence of realised profits, legislative requirements and its available cash reserves.

Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in listed companies. In particular, small companies often have limited product lines, markets or financial resources and may have greater dependency on a small number of key individuals within the business than larger companies. They may also be more susceptible to political, exchange rate, taxation and other regulatory changes.

It is currently unknown what terms will emerge from the UK's intended withdrawal from the European Union, and whether there will be increased regulatory control related to trade between the UK and EU. Brexit could adversely affect the VCT's business model, business operations, or financial results or have an impact on sales demand, material and labour costs and availability and cost of finance for an underlying investee company.

### **Risks related to the VCT's qualifying status**

Levels, basis of, and relief from, taxation are subject to change. Such changes could be retrospective. Those shown in this document are based upon legislation, practice and interpretation current at the date of this document and are dependent upon your circumstances.

While the VCT's board of directors is committed to maintaining its VCT qualifying status, there can be no guarantee that it will fulfil the criteria to obtain, or to enable it to maintain full VCT status thereafter. If the VCT loses its VCT status before you have held your shares for five years, your 30% income tax relief will have to be repaid. You will also be taxed on any dividends you have received in addition to being liable for capital gains tax which may arise on any subsequent disposal of shares.

If at any time VCT status is lost, dealings in the shares will normally be suspended until such time as the Company has published proposals to continue as a VCT or be wound up. Further information concerning the loss of VCT status is set out in Part 2 of the Prospectus.

You are advised to seek independent financial and tax advice to avoid losing tax reliefs, which may otherwise be available to you, due to a failure to understand how the rules surrounding your VCT investment relate to your personal circumstances.

Under recent legislative changes brought into force by the Finance (No.2) Act 2015 and the Finance Act 2018, more restrictive requirements have been imposed as to what constitutes a Qualifying Investment and, as a result, it may not be possible for all of the Company's assets to be held in Qualifying Investments. While our interpretation and application of the new rules is based on advice received from our advisers, there is a risk that HMRC's interpretation of what constitutes a permitted Non-Qualifying Investment may be more restrictive.

The Finance Act 2018 also introduced a new "risk-to-capital" condition for Qualifying Investments, designed to focus investments towards earlier stage, growing businesses and away from investments which could be regarded as lower risk. Any breach of this condition could result in loss of VCT status with a resultant clawback of VCT tax reliefs from investors.

## Risks relating to the underlying investments

The following risk factors relate to the type of investments Puma Alpha VCT may make in line with its investment policy:

Puma Alpha VCT may invest in companies whose shares are not publicly traded or readily marketable, which means they may be difficult to realise. If a share is traded on AIM or NEX, this doesn't guarantee its liquidity. To maintain the tax status of the VCT, there may be restrictions on when investments can be realised.

Puma Alpha VCT's portfolio of investments may be highly volatile and exposed to losses if they need to be realised at a time when their value has fallen. As some of these investments may not be regularly traded on an exchange, this may impact how accurately their net asset value can be determined. These investments may also be illiquid and difficult to realise. As a result, this may cause Puma Alpha VCT substantial losses.

It can take years for the underlying value of smaller investee companies to be fully reflected in their market values, which could adversely affect the VCT's performance.

The VCT's portfolio of investments may experience market fluctuations, such as changes in inflation and interest rates. There is no guarantee the portfolio will grow in value, or that there won't be losses. Illiquid underlying assets may impact whether the VCT can return funds to shareholders. It may be difficult to deal in investments that don't have a recognisable market or to get reliable information about their value or the risks they're exposed to.

Securities held by the VCT may have redemption or lock-in periods that affect liquidity and may delay or hasten the realisation of investments.

Corporate or UK Government bonds (in which the VCT may invest) are loans to a company or Government. If they can't repay the loan, the VCT may lose some or all of that investment. Changes in bond yields are a risk, particularly for medium and longer-dated securities, and capital values may fall.

Investments in private companies require specific deal structuring and detailed due diligence, which may later be shown to be incorrect. Standards of corporate governance in private companies tend to be lower than in quoted

investments. While investments in private companies can offer opportunities for above average capital appreciation, these investments involve a higher degree of risk than investments in larger or longer established businesses and can result in substantial losses.

Puma Alpha VCT will invest into companies in line with current VCT legislation. Currently, this dictates companies have gross assets of no more than £15 million immediately before investment (and £16 million immediately after the investment) and with less than 250 employees (or 500 employees for Knowledge Intensive Companies) at investment. These companies generally have a higher risk profile than larger "blue chip" companies.

Investment funds in which the VCT may invest might use investment techniques such as option transactions, concentrated portfolios, margin transactions, short sales and futures and forward contracts and other leveraged or derivative transactions. In some circumstances, these can significantly increase any losses and cause a reduction in the VCT's assets.

If the VCT invests in underlying investment funds and the custodian for those accounts fails to segregate the fund's assets, the investment fund (and therefore the VCT) is at risk of loss if the custodian goes bankrupt. Even if the funds are segregated, the investment fund might only be able to recover a pro rata share of what's available for distribution to customers.

Higher income yielding investments don't always return the initial capital intact. Companies which offer higher yields usually carry higher risk than lower yielding companies and may only offer higher yields to compensate for these greater risks.

Businesses in which the VCT invests may incur unplanned costs and delays because of statutory and regulatory requirements or if operations don't go as planned. This may stop them fulfilling their business plans and reduce the returns to the VCT.

There is no guarantee that Puma Investments will source sufficient deal flow that meets the investment policy.

The returns from investments may be reduced if there are delays in the investment programme, meaning some of the net proceeds of the Offer are held in cash or cash-based similarly liquid investments for longer than anticipated, or if the investments can't be realised at the expected time and values.

## Risks related to Puma Investments

The past performance of Puma Investments or other funds it manages or advises is no indication of future performance.

Puma Investments will provide discretionary and advisory investment management services to the VCT for its portfolio of investments. If Puma Investments doesn't perform its obligations as agreed, this may negatively affect the VCT's performance and ability to achieve or maintain VCT status. Shareholders have no direct right of action against Puma Investments as the Investment Manager.

Puma Investments, or any of its officers, employees, agents and affiliates and any person or company with whom they are affiliated or by whom they are employed (each an 'Interested Party') may be involved in other financial, investment or other professional activities which may cause conflicts of interest. An Interested Party may not be liable to account for any profit made in connection with these activities. For example, an Interested Party may:

- a. deal or invest in any investment, whether or not for their own account, even if similar investments are held by the VCT;
- b. enter into any financial or other transaction with any entity, whose securities are held by or for the account of the VCT;
- c. allocate investment opportunities among the funds and accounts it manages in accordance with its internal policies;
- d. arrange for the VCT to acquire investments from or dispose of investments to any Interested Party or any investment fund or account advised or managed by any such person.

If there is a conflict of interest, where it's within the Directors power to do so, they will try to ensure it is resolved fairly and in line with the VCT's conflicts policy. If the VCT intends to invest in a company in which another Puma Fund has invested or intends to invest, the investment must be approved by the Board.

The information contained in this brochure is correct as at July 2020. Source information: Puma Investments, unless otherwise stated.





PUMA INVESTMENTS

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Shareholder Enquiries: 020 7408 4100

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Puma Investments is a trading name of Puma Investment Management Limited which is authorised and regulated by the Financial Conduct Authority. FCA Number 590919.