

Puma VCT 9 plc

Interim Report

For the period ended 30 June 2014

Chairman's Statement

Highlights

- **NAV per share up 0.69p in the half year at 94.40p**
- **Currently over 80% of the assets invested in portfolio of investments generating an attractive return**

Introduction

During the six months to 30 June 2014 and following the period end, the Company has been actively deploying its cash resources in both qualifying and non-qualifying investments. In doing so, it has focused on its mandate to exploit the opportunities which are arising as a result of continuing tight credit markets.

Net Asset Value ('NAV')

The NAV per share was 94.40p at 30 June 2014, an increase of 0.69p following a £194,000 profit for the period.

Investments

I am pleased to report that the Company completed five investments during the period and a further four since the period end, deploying just over £11 million. Over 80% of the Company's assets are now invested in a diverse portfolio of qualifying and non-qualifying investments, generating an attractive return.

Qualifying Investments

The Company is required to have at least 70% of its assets in VCT qualifying investments by the end of its third accounting period. With approximately 38% of the Company's assets in VCT qualifying investments at the date of this interim report, the Company is well on course to meet its HMRC qualifying targets.

In June, the Company invested £1.6 million (as part of a £2.4 million investment alongside other Puma VCTs) into Alyth Trading Limited, a nationwide provider of contracting services, to provide working capital for its ongoing business. We are pleased to report that Alyth Trading has entered into a contract with Saggart Silverstream Limited to provide project management and contracting services in connection with the construction of a new 65 bed high-end nursing home in Saggart Village, County Dublin. The team behind the project have successfully developed, operated and sold previous nursing homes in the Republic of Ireland, and it is expected that this home will open in early 2015.

As reported in the Company's previous annual report, Kinloss Trading Limited and Jephcote Trading Limited (in which the Company had invested £3.5 million and £880,000 respectively) were, as members of SKPB Services LLP, engaged in a contract with Ansgate (Barnes) Limited to provide project management and contracting services in connection with the construction of nine new houses and 12 new flats at a construction known as The Albany, in Barnes, south west London. We understand that the project is progressing well with a view to completion by the third quarter of next year.

As previously reported, in July 2013 the Company invested £400,000 (alongside other Puma VCTs) into Saville Services Limited, a company providing contracting services over a series of projects including the construction of up to 20 apartments for supported living for psychiatric and learning disabled service users in Grimsby, North East Lincolnshire. I am pleased to report that Saville Services recently completed this project and its directors are actively pursuing opportunities to continue to deploy the capital and profits arising from the Grimsby project in similar projects in the near future.

Since the period end, the Company has made two further VCT qualifying investments.

Before the passing of the Finance Act 2014, the Company completed a £1.875 million qualifying investment (as part of a £5 million investment alongside other Puma VCTs) in Urban Mining Limited, a member of the Chinook Urban Mining group of companies. Chinook Urban Mining is a well-funded energy-from-waste business which is developing a flagship plant in East London to generate electricity through the gasification of municipal solid waste and will benefit from Renewable Obligations Certificates. The management team have a track record of delivering similar projects in other jurisdictions and are a preferred partner of Chinook Sciences, the Nottingham based leading technology company which has developed the award-winning "non-incineration ultra clean synthetic gas technology" which will be used in the East London plant. Chinook Sciences also holds a minority stake in the business. The investment is secured with a first charge over the Chinook Urban Mining business and the eight acre site of the East London plant and is expected to produce an attractive return to the Company over three years.

Earlier this month, the Company made a £2 million qualifying investment (as part of a £8 million investment alongside other entities managed and advised by your Investment Manager) in Opes Industries Limited. Opes is developing a materials recycling facility at an

established landfill and aggregates business on a 76 hectare site in Oxfordshire. The investment is secured with a first charge over the site and the Opes business and is expected to produce an attractive return to the Company over four years.

Non-Qualifying Investments

In April, the Company subscribed £500,000 in the initial public offering of Nextenergy Solar Fund, an investment company focusing on operational solar photovoltaic assets located in the United Kingdom. The Company's investment expects to yield a sustainable and attractive dividend that increases in line with RPI over the long term.

As previously reported, the Company advanced a £700,000 non-qualifying loan (through an affiliate of itself and other VCTs) to Churchill Homes (Aberdeen) Limited, a longstanding Aberdeenshire developer, towards the funding of the construction of a private detached housing construction in the countryside outside Aberdeen. During the period, the Company invested a further £350,000 to facilitate further construction opportunities for Churchill Homes which itself has a strong pipeline of potential sites for which the Company may be able to provide financing in due course.

Shortly after the period end, various entities managed and advised by your Investment Manager provided several tranches of a £7.1 million bridging facility to companies within the Connolly and Callaghan group. The Company participated in this through an initial £1.95 million non-qualifying loan (advanced through a subsidiary, Buckhorn Lending Limited) and, subsequently, through a £600,000 non-qualifying loan (advanced through another subsidiary, Latimer Lending Limited). The Connolly and Callaghan group is a provider of emergency overnight accommodation in Bristol with over 20 years' experience in the sector. The overall facility is secured on a portfolio of over 20 properties, was extended on a sub-50% loan-to-value basis and is earning an attractive rate of interest.

The Company's £1.54 million non-qualifying loan to Ennovor Trading 1 Limited (formerly known as Organic Waste Management Trading Limited) continues to perform well. The loan (through an affiliate of the Company and other Puma VCTs) extended an innovative £4 million revolving credit facility to Ennovor Trading which provides working capital for the purchase of used cooking oil for conversion into bio-diesel for sale to obligated off-take parties. The facility is structured to mitigate risks by being capable of draw only once approved back-to-back purchase and sale contracts have been entered into with approved counterparties.

As previously reported, the Company invested £1.41 million (as part of a total investment by Puma VCTs of £2.16 million) in Gold Line Property Limited, a care and dementia treatment business which is currently developing new premises in Surrey. The management team have a long track record in operating similar treatment centres across the UK. The project is progressing well and the team expect the new facility to open in early 2015.

Together with other vehicles managed and advised by your Investment Manager the Company made a £3.5 million non-qualifying loan, as part of £5 million revolving credit facility to Citrus PX Two Limited, part of the Citrus Group, through an affiliate, Valencia Lending Limited. Citrus PX Two operates a property part exchange service facilitating the rapid purchase of properties for developers and homeowners. The Company's facility is providing a series of loans to Citrus PX Two, with the benefit of a first charge over a geographically diversified portfolio of residential properties on conservative terms.

During the period, the Company realised its non-qualifying loan of £190,610, made through Latimer Lending Limited in July 2013, to provide a loan facility to HB Community Solutions 2 Limited, a nationwide provider of supported living accommodation, for its general working capital. It also realised its £210,000 investment in a Tesco Bank 5% 8 year bond at a premium to the issue price.

Shortly after the period end, the Company extended a £1.3 million non-qualifying loan which (through a subsidiary, Lothian Lending Limited) provides a facility, together with another Puma VCT, of £2.6 million to RPE FL1 Limited, a member of the Renewable Power Exchange group. The facility provides funding towards the construction of a 1.5MW wind farm in East Lothian, Scotland, with the electricity once generated, used to supply those on low incomes in the local community. The project has planning consent, a grid connection offer and an EPC contract with Enercon GmbH, one of the largest manufacturers of wind turbines in the world. The loan was made on a 65% loan-to-cost basis, is secured on the site in East Lothian, and is earning an attractive rate of interest.

The Company has made available £1 million of a £5 million revolving credit facility, together with other vehicles managed and advised by your Investment Manager, to Citrus PX LLP, another member of the Citrus Group. The facility operates on similar terms to that advanced by Valencia Lending Limited to Citrus PX Two Limited referred to above.

VCT Qualifying Status

PricewaterhouseCoopers LLP ('PwC') provides the board and the Investment Manager with advice on the ongoing compliance with Her Majesty's Revenue & Customs ('HMRC') rules and regulations concerning VCTs. PwC assists the Investment Manager in establishing the status of investments as qualifying holdings and has reported that the Company has met all HMRC's criteria to date.

Principal risks and uncertainties

Although the economy in the UK continues to improve, it remains fragile. The consequences of this for the Company's investment portfolio constitute the principal risk and uncertainty for the Company in the second half of 2014.

Outlook

We are pleased that a significant proportion of the Company's available cash is now invested in a diverse portfolio of qualifying and non-qualifying investments, generating an attractive return. The Investment Manager is in legal process with a number of further qualifying investment opportunities and expects to make such investments in the second half of the year. The restrictions on availability of bank credit continue to affect the terms on which target companies can raise finance. This should both increase the demand for our offering and improve the terms we can secure. There are many suitable companies which are well-managed, in good market positions, which need our finance and can offer good security. We therefore believe the Company is strongly positioned to assemble a portfolio to deliver attractive returns to shareholders in the medium to long term.

Egmont Kock
Chairman
29 August 2014

Income Statement (unaudited)

For the period ended 30 June 2014

Note	Six months ended 30 June 2014			Period ended 30 June 2013			Period ended 31 December 2013			
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	
(Loss)/gain on investments	-	18	18	-	-	-	-	(4)	(4)	
Income	591	-	591	31	-	31	256	-	256	
	591	18	609	31	-	31	256	(4)	252	
Investment management fees	(67)	(201)	(268)	(40)	(120)	(160)	(108)	(324)	(432)	
Performance fees	-	-	-	-	-	-	-	-	-	
Other expenses	(147)	-	(147)	(116)	-	(116)	(270)	-	(270)	
	(214)	(201)	(415)	(156)	(120)	(276)	(378)	(324)	(702)	
Return/(loss) on ordinary activities before taxation	377	(183)	194	(125)	(120)	(245)	(122)	(328)	(450)	
Tax on return on ordinary activities	-	-	-	-	-	-	-	-	-	
Return/(loss) on ordinary activities after tax attributable to equity shareholders	377	(183)	194	(125)	(120)	(245)	(122)	(328)	(450)	
Basic and diluted Return/(loss) per Ordinary Share (pence) *	2	1.33p	(0.64p)	0.69p	(0.44p)	(0.43p)	(0.87p)	(0.43p)	(1.16p)	(1.59p)

*comparative figures restated based on weighted average number of shares in issue as at 30 June 2014

The revenue column of this statement is the profit and loss of the Company. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

Balance Sheet (unaudited)

As at 30 June 2014

	Note	As at 30 June 2014 £'000	As at 30 June 2013 £'000	As at 31 December 2013 £'000
Fixed Assets				
Investments	7	17,136	700	12,332
Current Assets				
Debtors		551	30	85
Cash		9,430	26,104	14,370
Creditors - amounts falling due within one year		9,981	26,134	14,455
		(450)	(62)	(220)
Net Current Assets		9,531	26,072	14,235
Total Assets less Current Liabilities		26,667	26,772	26,567
Creditors - amounts falling due after more than one year (including convertible debt)		(1)	(1)	(1)
Net Assets		26,666	26,771	26,566
Capital and Reserves				
Called up share capital		282	283	283
Share premium account		-	26,733	-
Capital reserve – realised		(525)	(120)	(324)
Capital reserve – unrealised		14		(4)
Other reserve		-		
Revenue reserve		26,895	(125)	26,611
Equity Shareholders' Funds		26,666	26,771	26,566
Net Asset Value per Ordinary Share	3	94.40p	94.43p	93.71p
Diluted Net Asset Value per Ordinary Share	3	94.40p	94.43p	93.71p

Cash Flow Statement (unaudited)

For the period ended 30 June 2014

	Six months ended 30 June 2014 £'000	Period ended 30 June 2013 £'000	Period ended 31 December 2013 £'000
Operating activities			
Return/(loss) on ordinary activities before tax	194	(245)	(450)
(Gains)/losses on investments	(20)	-	4
Decrease/(increase) in debtors	(466)	(30)	(85)
Increase/(decrease) in creditors	230	62	220
Net cash inflow/(outflow) from operating activities	(62)	(213)	(311)
Corporation tax paid	-	-	-
Capital expenditure and financial investment			
Purchase of investments	(5,000)	(700)	(12,336)
Proceeds from sale of investments	216	-	-
Net cash outflow from capital expenditure and financial investment	(4,784)	(700)	(12,336)
Equity dividend paid	-	-	-
Financing			
Proceeds received from issue of ordinary share capital	-	28,349	28,349
Expenses paid for issue of share capital	-	(1,333)	(1,333)
Proceeds received from issue of redeemable preference shares	-	13	13
Redemption of redeemable preference shares	-	(13)	(13)
Redemption of redeemable ordinary shares	(94)	-	-
Proceeds received from convertible loan notes	-	1	1
Net cash outflow from financing	(94)	27,017	27,017
Decrease in cash	(4,940)	26,104	14,370
Net cash at start of the period	14,370	-	-
Net funds at the period end	9,430	26,104	14,370

Reconciliation of Movements in Shareholders' Funds (unaudited)

For the period ended 30 June 2014

	Called up share capital £'000	Share premium account £'000	Capital reserve - realised £'000	Capital reserve - unrealised £'000	Revenue reserve £'000	Total £'000
Balance as at 3 October 2012						-
Shares issued in the period	283	28,066	-	-	-	28,349
Expense of share issue	-	(1,333)	-	-	-	(1,333)
Total recognised (losses)/gains for the period	-	-	(120)	-	(125)	(245)
Balance as at 30 June 2013	283	26,733	(120)	-	(125)	26,771
Total recognised (losses)/gains for the period	-	-	(204)	(4)	3	(205)
Capital reconstruction	-	(26,733)	-	-	26,733	-
Balance as at 31 December 2013	283	-	(324)	(4)	26,611	26,566
Total recognised (losses)/gains for the period			(201)	18	377	194
Shares repurchased	(1)	-	-	-	(93)	(94)
Balance as at 30 June 2014	282	-	(525)	14	26,895	26,666

Notes to the Interim Report

For the period ended 30 June 2014

1. Accounting Policies

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of fixed asset investments, and in accordance with applicable Accounting Standards and with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP").

2. Return per Ordinary Share

The total return per share of 0.69p is based on the profit for the period of £194,000 and the weighted average number of shares in issue as at 30 June 2014 of 28,248,821.

3. Net asset value per share

	As at 30 June 2014	As at 30 June 2013	As at 31 December 2013
Net assets	26,666,000	26,771,000	26,566,000
Shares in issue	28,248,821	28,348,821	28,348,821
Net asset value per share			
Basic	94.40p	94.43p	93.71p
Diluted	94.40p	94.43p	93.71p

4. Management fees

The Company pays the Investment Manager an annual management fee of 2% of the Company's net assets. The fee is payable quarterly in arrears. The annual management fee is allocated 75% to capital and 25% to revenue.

5. Related Party Transactions

Related party transactions are described in the 2013 Annual Report and Accounts on page 34. There were no other related party transactions during the six months ended 30 June 2014.

6. The financial information for the period ended 30 June 2014 has not been audited and does not comprise full financial statements within the meaning of Section 423 of the Companies Act 2006. The interim financial statements have been prepared on the same basis as will be used to prepare the annual financial statements.

Notes to the Interim Report continued

For the period ended 30 June 2014

7. Investment portfolio summary

	Valuation £'000	Cost £'000	Gain/(loss) £'000	Valuation as a % of Net Assets
As at 30 June 2014				
Qualifying Investment - Unquoted				
Jephcote Trading Limited	880	880	-	3%
Saville Services Limited	400	400	-	2%
Kinloss Trading Limited	3,500	3,500	-	13%
Alyth Trading Limited	1,600	1,600	-	6%
Total Qualifying Investments	6,380	6,380	-	24%
Non-Qualifying Investments				
Valencia Lending Limited	3,500	3,500	-	13%
Gold Line Property Limited	1,410	1,410	-	5%
Buckhorn Lending Limited	3,491	3,491	-	13%
Latimer Lending Limited	1,841	1,841	-	7%
Nextenergy Solar	514	500	14	2%
Total Non-Qualifying investments	10,756	10,742	14	40%
Total Investments	17,136	17,122		64%
Balance of Portfolio	9,530	9,530		36%
Net Assets	26,666	26,652	-	100%

Copies of this Interim Statement will be posted to shareholders in due course and made available on the website:
<http://www.shorecap.gg/alternative-asset-management/puma-vcts/information>