CRYSTAL AMBER

Crystal Amber Fund Limited

Interim Report and Unaudited Condensed Financial Statements
For the six months ended 31 December 2020

Company No. 47213

Contents

Key Points

- Net Asset Value ("NAV") per share grew by 21.7% over the period to 129 pence per share.
- The Fund's NAV per share growth compares to a 24.3% increase in the Numis Small Cap Index.
- Successful completion of the turnaround plan at De La Rue plc.
- Share price discount to NAV averaged 25.5% throughout the period falling to 21.3% at 31 December 2020 as the Fund accelerated its buy-back programme.
- During the period, £6.2 million was allocated to share buy-backs, acquiring 7.6 million shares at an average of 82.2 pence per share.
- An interim dividend of 2.5 pence per share was declared on 23 December 2020, which was paid on 5 February 2021 to shareholders on the register on 8 January 2021.

[1] **All capitalised terms are defined in the Glossary of Capitalised Defined Terms on pages 29 and 31 unless separately defined.**

Chairman's Statement

During the period from 30 June 2020 to 31 December 2020, net asset value grew from £97.4 million (106 pence per share) to an unaudited NAV of £108.9 million (129 pence per share). The Fund's NAV per share performance over the six months to 31 December 2020 of 21.7%, compares to a 24.3% increase in the Numis Small Cap Index in the same period.

The period under review saw ongoing uncertainty from the COVID-19 pandemic, as well as final Brexit negotiations. The latter adversely affected the appetite of global investors for UK stocks, specifically small and medium sized companies, as well as the appetite of corporate acquirers for attractively priced targets. However, this has left many UK companies significantly undervalued by international standards and if the UK's rapid vaccination programme does translate into earlier economic recovery, we would expect a re-rating of UK equities and fresh corporate activity.

As previously stated, the Board remains mindful that activist investing requires a focussed portfolio, which inevitably increases the concentration risk. During the period, there were no significant changes in the composition of the Fund's core holdings. The Fund's strategy and activist approach of patient engagement remained consistent over the period. As described in the Investment Manager's Report, there were important developments in several of the Fund's core positions. Recent operational improvements are now starting to be reflected in recovering share prices. This should augur well for performance of the Fund as a whole.

The Fund continued its discount management policy through share buy-backs. In October 2020, Invesco Perpetual sold its 20% shareholding in the Fund, removing a longstanding stock overhang. During the six months to 31 December 2020, 7,566,567 shares were acquired by the Fund at an average price of 82.20 pence per share. The share price discount to NAV averaged 25.5% throughout the period and closed the period at a discount of 21.3%. During the period, £6.2 million was allocated to share buy-backs. In December, the Fund declared an interim dividend of 2.5 pence per share, equivalent to £2.1 million.

The Fund's concentrated portfolio is well placed to benefit from the anticipated economic recovery. Its past actions, most notably the essential management changes at De La Rue plc propagated by the Fund, have begun to bear fruit. Combined with other important changes that the Fund has implemented within the portfolio, including driving investee companies to take advantage of structural shifts in the digital economy, including blockchain technologies, the Board is confident of continued growth in NAV.

Christopher Waldron
Chairman

3 March 2021

Investment Manager's Report

Strategy and performance

During the period, the Fund achieved a considerable number of positive changes in its major holdings. At 31 December 2020, equity investments in 12 companies represented 99% of NAV. Three of those are unlisted. The Fund also held a loan note in one of those companies, GI Dynamics Inc. The Fund's net debt and accruals position was £3.8 million, funded by a loan facility. The Fund's top four holdings represented 82.9% of NAV.

During the period, the Fund exited STV Group and Redde Northgate plc, realising a £9.4 million loss on the latter. The proceeds from the sale of Redde Northgate plc were allocated to the share buy-back programme. The Fund sold part of its investment in Board Intelligence Ltd, realising a gain of £1.8 million. The Fund also participated in De La Rue's fundraising at 110 pence per share and continued to support GI Dynamics Inc., investing $5 million during the period. The position in Allied Minds plc was reduced following a near doubling of the share price after a period of share price weakness in the spring of 2020, during which the Fund had increased its holding.

The table below lists the top ten holdings as at 31 December 2020:

Ten largest shareholdings	*Pence per share*	*Percentage of investee equity held*
De La Rue plc**	58.6	15.1%
Allied Minds plc**	19.1	20.5%
Equals Group plc	15.2	25.7%
GI Dynamics Inc. *	14.0	*
Hurricane Energy plc	6.6	11.2%
Board Intelligence Ltd*	4.6	*
Sutton Harbour Group plc	3.0	10.8%
Camellia plc**	2.5	1.1%
Kenmare Resources plc**	2.0	0.5%
Leaf Clean Energy Co*	1.6	*
Total of ten largest shareholdings	127.2	
Other investments	5.4	
Loan facility	(3.8)	
Cash and accruals	0.2	
Total NAV	**129.0**	

* Board Intelligence Ltd, GI Dynamics Inc. and Leaf Clean Energy Co are private companies and their shares are not listed on a stock exchange. Therefore, the percentage held is not disclosed.

** Within the percentage of investee company held in Allied Minds plc and De La Rue plc, contracts for difference were held amounting to 3.0% and 2.1%, respectively, of such holdings. The holdings in Camellia plc and Kenmare Resources plc are also held on contracts for difference.

Investment Manager's Report (continued)

Investee companies
Our comments on some of our principal investments are as follows:

De La Rue plc ("De La Rue")
In July 2020, De La Rue completed its £100 million equity fundraise, which was priced at 110 pence per share. The Fund participated in the firm placing and open offer elements of the raise. The company now has an almost debt-free balance sheet, a vastly improved pension funding schedule, bank facilities extended until December 2023 and, most significantly, a fully funded turnaround plan.

The company's interim results in November 2020 and trading update in January 2021 confirm that the company's turnaround plan is proceeding well. The Fund continues to believe that De La Rue enjoys a combination of strong competitive positions in high return businesses and attractive growth opportunities. It holds a 30% market share of global commercial banknote printing, which enables the Currency division to accelerate and fully capitalise on the structural shift towards polymer notes. The higher margin Authentication division is forecasted to generate revenues for the year to March 2022 of £100 million as against £68.5 million for the year to March 2020.

Aside from its market positioning as the global market share leader in banknote printing, De La Rue is well placed to deliver significant earnings growth from its proprietary technology in both security and authentication. Whilst COVID-19 immunity certification is a fast-evolving situation, De La Rue is in discussions with governments to provide solutions. Separately, De La Rue is exploring the potential to use blockchain technology.

The Fund believes that De La Rue's current equity valuation is significantly mispriced. At ten times calendar 2021 forecast earnings, the Fund believes that the valuation fails to reflect either its growth prospects or its operational upside. The Fund strongly believes that its strategic value is far in excess of its current market capitalisation.

Allied Minds plc ("Allied Minds")
Following its initial investment in the fourth quarter of 2018, the Fund focused on securing a major reduction in excessive parent company costs: ongoing HQ expenses were running at an estimated US$17-20 million per annum at that time. These have now been reduced to approximately $5.75 million per annum. In response to concerted pressure exerted by the Fund, Allied Minds ended its extraordinary practice of paying management 10% of gains arising from any successful individual investment, without taking account of the losses incurred on other investments in the portfolio.

Investment Manager's Report (continued)

Investee companies (continued)

Allied Minds plc ("Allied Minds") (continued)

In October 2020, Allied Minds released its interim results and referred to the "underlying strength of the portfolio". Spin Memory was described as "the preeminent MRAM IP provider […] transforming the semiconductor industry". Reassuringly, it was stated that "Spin Memory has made significant progress against its key operational objectives since its last funding round". Allied Minds' 43% shareholding in Spin Memory was valued at $77 million based on that last funding round. This compares with its $44 million cash cost since 2006. In July 2020, Allied Minds invested a further $4 million in Spin Memory bringing the carrying value to around 35% of the company's net asset value. Despite this, Spin Memory still remains a "pre-revenue" business after 15 years.

Following this update, the Fund held detailed discussions with the board of Allied Minds and expressed its concerns.

On 4 January 2021, Allied Minds announced that due to COVID-19, the required testing of Spin Memory's chip had been delayed for nearly nine months and this delay had affected Spin Memory's ability to secure new customers. As a result, and coupled with an unexpected loss of a government bid in late Q4 2020, Spin Memory is now facing liquidity issues. The Fund expects the contemplated funding round to be carried out at a far lower valuation than its carrying value.

On 15 January 2021, Allied Minds announced that its Chief Executive had "decided to step down from the board with immediate effect". Going forward, the portfolio will be managed by the three non-executive directors. The Fund welcomes the streamlined management of the portfolio, in which three companies comprise more than 90% of the latest reported carrying value.

The Fund notes that the current 28 pence per share price compares with an estimated 26 pence per share carrying value of the 36.6% holding in Federated Wireless together with parent company cash of 6 pence per share. Holdings in BridgeComm, Orbital Sidekicks, TableUp and Spark Insights are together valued at 12 pence per share. Whilst there is uncertainty as to the current value of the Spin Memory holding, the Fund estimates that at least 5 pence per share could be achievable. Overall, therefore, the share price would have to increase by 75% to reach the Fund's estimated net asset value of Allied Minds.

The Fund expects the Allied Minds' board to proactively seek to realise the inherent value of the portfolio in a timely manner and return proceeds to shareholders. It should be open to any structure that could achieve this objective including, if considered appropriate, reversing Federated Wireless into a Special Purpose Acquisition Company (SPAC).

Investment Manager's Report (continued)

Investee companies (continued)

Equals Group ("Equals")

As an e-banking and international payment services provider serving both retail and business customers mainly in the United Kingdom under an e-money licence, Equals is well placed to benefit from the structural shift in digital payments. Whilst Equals provides faster, cheaper and more convenient money management than traditional banking services, its payments platforms should be capable of being repositioned to enable its one million customers to access the latest evolving blockchain technologies and/or products. The Fund regards last week's announcement as the first step in Equals' journey to incorporate decentralised finance ("DeFi") accessibility.

Equals ended the period under review in a far better position than at the start. Revenues for the year to December 2020 were £29 million, just 6% lower than the prior year. Given Equals' original focus on travel money, this was a creditable outcome. The business also achieved cash breakeven and an improved net cash position of £8 million.

The Fund believes that with a market capitalisation of £61 million and with the shares trading on a current year enterprise value to revenue of just 1.5, the valuation fails to reflect both its customer relationships and its digital and DeFi prospects.

GI Dynamics Inc ("GI Dynamics")

COVID-19 has placed the need to tackle Type 2 diabetes and obesity at the top of the public health agenda. These two conditions are key contributors to mortality outcomes in COVID-19 patients. GI Dynamics, with its EndoBarrier, brings a proven treatment that can meet a large unmet clinical need.

During the period under review, the Fund was instrumental in the recruitment of a new Chief Executive and the appointment of a new board of directors with strong, relevant experience gained from working formerly at Medtronic and Boston Scientific.

GI Dynamics is concentrating its focus in three areas. Firstly, CE Mark certification, which will enable the company to quickly deliver meaningful revenues. Secondly, enrolment for its FDA approved clinical trial. Thirdly, to initiate enrolment in its agreed pivotal trial in India, with its joint venture partner, Sanofi backed, Apollo Sugar.

The pandemic has inevitably affected the pace of the regulatory process and patient enrolment, but the CE Mark regulatory review is due to complete in May 2021. As soon as COVID-19 restrictions are eased, GI Dynamics intends to restart enrolment for its US clinical trial. GI Dynamics' application for a joint trial with Apollo Sugar has now been submitted for regulatory approval.

Investment Manager's Report (continued)

Investee companies (continued)

GI Dynamics Inc ("GI Dynamics") (continued)
The Fund is encouraged that in recent weeks, it has received two unsolicited approaches from third parties interested in partnering and/or investing in GI Dynamics. Whilst these discussions are at an early stage, they demonstrate the recent progress that has been made.

In July 2020, GI Dynamics delisted from the Australian Stock Exchange. Later this year, the Fund intends to assess the relative merits for GI Dynamics to list either on the London Stock Exchange, via a US listed SPAC or via a NASDAQ listing.

Hurricane Energy plc ("Hurricane")
The Fund has been a shareholder in Hurricane since March 2013. In April 2016, Hurricane asked the Fund to invest £7 million to enable it to commence its workstream. Six months later, when Hurricane raised additional capital, the Fund invested £12.6 million at 34 pence per share. In the mishandled fundraise of June 2017, the Fund invested a further $10 million.

Aside from Kerogen Capital, which until recently was represented on Hurricane's board, the Fund is Hurricane's largest shareholder and the only disclosable institutional shareholder. Following last year's oil price collapse, the Fund added to its shareholding and currently owns more than 11% of its share capital.

The Fund regards itself as a long-term part owner of Hurricane. In 2015, the Fund introduced Hurricane to its highly regarded technical consultants who have engaged constructively with the company on several occasions. The Fund believes that since 2013, it has done everything possible to support the business.

Over the last six months, the Fund has experienced a dramatic deterioration in the way that Hurricane is engaging with the Fund. This is consistent with what the Fund considers to be inadequate, confusing and poor messaging to market participants.

Within its regulatory news service announcement of 11 September 2020, Hurricane stated that it would be "engaging with all our key stakeholders regarding our formal work programme and financial arrangements and updating the market". On 8 October 2020, Hurricane stated that: "as disclosed in the interim results announcement, the Company intends to engage with all key stakeholders regarding its forward work programme, capital allocation and financing arrangements". During September and October 2020, the Fund suggested, following discussions with other Hurricane shareholders, that it should allocate a portion of its cash to buy in some of the Hurricane loan notes at below 50% of par value. The Chairman of Hurricane had previously told the Fund that he regarded such a purchase as "a commercial no brainer". No update on bond purchases or capital allocation has been provided to the Fund or the market.

Investment Manager's Report (continued)

Investee companies (continued)

Hurricane Energy plc ("Hurricane") (continued)

On 18 December 2020, the Chief Executive of Hurricane told the Fund that he would ask Hurricane's lawyers if, given that there had been no covenant breaches and repayment was more than 18 months away, bond holder consent would be required before the company could enter into financial commitments on its forward workstream and capital allocation. He said that he would revert back to the Fund. The Fund followed up in writing on this point on 8, 13, 26, 27 and 30 January 2021. On 31 January 2021, the Chief Executive responded to say that they had been advised to "be engaging with the bond holders". There was no answer to the question as to whether consent would be required.

On 8 January 2021, the Fund shared its updated technical report with Hurricane. This stated why the Fund and its consultants believe that the board of Hurricane does not seem to be focusing on the upside potential of the fractured basement play within Hurricane's licences. The Fund sought an explanation as to why Hurricane was not keen to tie back the existing Lincoln Crestal well which was reported to have tested at a sustained commercial rate. Production from Lincoln could significantly increase overall output with minimal pressure drawdown at Lancaster. The Fund believes that the Lancaster basement play may contain resources greatly in excess of the pool currently being developed by the Lancaster EPS.

At the date of this report, the Fund has not been provided with any explanation. On 14 February 2021, the Fund wrote to Hurricane requesting a call between Hurricane and its technical consultants. Despite follow up by the Fund, Hurricane has failed to arrange such a call.

On 14 February 2021, the Fund wrote to the Chief Executive of Hurricane requesting that Crystal Amber nominates a director to the board of Hurricane. Other than responding to note that the request had been shared with the board of Hurricane, the Fund has received no response to this request.

On 2 March 2021, Hurricane stated that within its stakeholder engagement, "discussions on the Company's formal work programme, strategy, financing and balance sheet recapitalisation are ongoing". As described above, the Fund has had no such discussions with Hurricane,

The Fund notes that the seven board members of Hurricane own shares with a total value of £60,000.

The Fund is no longer prepared to be excluded from participating in the evaluation of impending critical decisions by those who have virtually no skin in the game. The Fund always prefers to engage privately and constructively with its investee companies. However, the Fund has found the board of Hurricane to be both indecisive and obstructive. Therefore, it now intends to take appropriate action in order to maximise Hurricane's potential.

Investment Manager's Report (continued)

Investee companies (continued)

Hurricane Energy plc ("Hurricane") (continued)
A trading update in January 2021 highlighted how cash generation has recently improved as a result of the recovery in the oil price, with the company generating $19 million in the month of December 2020 alone, taking cash to $106 million. The Fund notes that the price of Brent crude has recently continued its strong recovery, from $38 per barrel in October 2020 to more than $60 a barrel. The Fund believes that in 2021, this increase alone should add more than $100 million in cash to Hurricane. It should also significantly increase the value of Hurricane's other, hitherto, untapped resources if this level is maintained.

The Fund regards Hurricane as a tremendous UK asset. It is now essential that its potential is fully maximised.

Leaf Clean Energy Company ("Leaf")
Leaf delisted in January 2020, following the return of proceeds from the sale of its interest in Invenergy. The company is in the process of completing tax returns for submission to the Internal Revenue Service in connection with capital gains tax applicable to the sale. Leaf issued an update to shareholders advising of the expected timescales of this process and the quantum of the return. Accordingly, the holding in Leaf has been revalued by the Fund to reflect these expectations.

Hedging activity
The Fund did not engage in hedging activity during the period.

Realisations
Over the period, the Fund realised losses of £9.1 million. These relate mainly to the exit of Redde Northgate plc, which realised a loss of £9.4 million. A partial exit from Board Intelligence Ltd realised a gain of £1.8 million.

Outlook
Both during the period under review and since, the Fund has worked closely and intensely with its portfolio companies. Prospects at De La Rue are better than at any time during the Fund's presence on its register. The Fund has succeeded in ensuring that Allied Minds is now solely focused on realisations and returns of capital in a timely manner. As the largest shareholder in Equals, the Fund has not only been a key driver in its improved operational focus but in its recent strategic repositioning to capitalise on exciting opportunities within decentralised finance. At GI Dynamics, the Fund has transformed the board and its available skill set.

Crystal Amber Asset Management (Guernsey) Limited
3 March 2021

Condensed Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

For the six months ended 31 December 2020

	Notes	Six months ended 31 December 2020 (Unaudited) Revenue £	Capital £	Total £	Six months ended 31 December 2019 (Unaudited) Revenue £	Capital £	Total £
Income							
Dividend income from listed investments		269,645	–	**269,645**	3,187,696	–	**3,187,696**
Interest received		–	–	**–**	2,846	–	**2,846**
		269,645	–	**269,645**	3,190,542	–	**3,190,542**
Net gains/(losses) on financial assets designated at FVTPL and derivatives held for trading:							
Equities							
Net realised (losses)/gains	4	–	(3,000,627)	**(3,000,627)**	–	6,436,556	**6,436,556**
Movement in unrealised losses	4	–	30,709,787	**30,709,787**	–	(61,257,939)	**(61,257,939)**
Debt instruments							
Movement in unrealised gains	4	–	3,171,912	**3,171,912**	–	102,503	**102,503**
Derivative financial instruments							
Net realised losses	4	–	(6,114,887)	**(6,114,887)**	–	(1,159,632)	**(1,159,632)**
Movement in unrealised (losses)/gains	4	–	(3,908,027)	**(3,908,027)**	–	(6,503,873)	**(6,503,873)**
		–	20,858,158	**20,858,158**	–	(62,382,385)	**(62,382,385)**
Total income/(expense)		269,645	20,858,158	**21,127,803**	3,190,542	(62,382,385)	**(59,191,843)**
Expenses							
Transaction costs		–	29,234	29,234	–	330,788	330,788
Exchange movements on revaluation of investments and working capital		528,477	1,511,639	**2,040,116**	134,996	607,773	**742,769**
Management fees	10	737,204	–	**737,204**	1,628,161	–	**1,628,161**
Directors' remuneration		65,000	–	**65,000**	78,804	–	**78,804**
Administration fees		67,424	–	**67,424**	114,150	–	**114,150**
Custodian fees		30,297	–	**30,297**	50,808	–	**50,808**
Audit fees		17,550	–	**17,550**	14,100	–	**14,100**
Facility fees	6	265,941	–	**265,941**	–	–	**–**
Other expenses		161,344	–	**161,344**	184,918	–	**184,918**
		1,873,237	1,540,873	**3,414,110**	2,205,937	938,561	**3,144,498**
(Loss)/return for the period		(1,603,592)	19,317,285	**17,713,693**	984,605	(63,320,946)	**(62,336,341)**
Basic and diluted (loss)/earnings per share (pence)	2	(1.80)	21.65	**19.85**	1.04	(66.88)	**(65.84)**

All items in the above statement derive from continuing operations.

The total column of this statement represents the Company's Statement of Profit or Loss and Other Comprehensive Income prepared in accordance with IFRS. The supplementary information on the allocation between revenue return and capital return is presented under guidance published by the AIC.

The Notes to the Unaudited Condensed Financial Statements on pages 15 to 28 form an integral part of these Interim Financial Statements.

Condensed Statement of Financial Position (Unaudited)

As at 31 December 2020

	Notes	As at 31 December 2020 (Unaudited) £	As at 30 June 2020 (Audited) £	As at 31 December 2019 (Unaudited) £
Assets				
Cash and cash equivalents		237,957	5,916,155	818,969
Trade and other receivables		151,334	2,610,053	471,068
Financial assets designated at FVTPL and derivatives held for trading	**4**	111,889,639	89,066,925	169,258,239
Total assets		112,278,930	97,593,133	170,548,276
Liabilities				
Trade and other payables		182,898	198,172	2,653,945
Loan facility	**6**	3,205,825	–	–
Total liabilities		3,388,723	198,172	2,653,945
Equity				
Capital and reserves attributable to the Company's equity shareholders				
Share capital	**7**	997,498	996,248	994,998
Treasury shares reserve	**8**	(18,485,298)	(12,265,601)	(10,711,341)
Distributable reserve		90,579,709	90,579,709	90,579,708
Retained earnings		35,798,298	18,084,605	87,030,966
Total equity		108,890,207	97,394,961	167,894,331
Total liabilities and equity		112,278,930	97,593,133	170,548,276
NAV per share (pence)	**3**	128.99	106.02	179.21

The Interim Financial Statements were approved by the Board of Directors and authorised for issue on 3 March 2021.

Christopher Waldron
Chairman
3 March 2021

Jane Le Maitre
Director
3 March 2021

The Notes to the Unaudited Condensed Financial Statements on pages 15 to 28 form an integral part of these Interim Financial Statements.

Condensed Statement of Changes in Equity (Unaudited)

For the six months ended 31 December 2020

	Notes	Share capital	Treasury shares reserve	Distributable reserve	Retained earnings Capital	Retained earnings Revenue	Retained earnings Total	Total equity
		£	£	£	£	£	£	£
Opening balance at 1 July 2020		996,248	(12,265,601)	90,579,709	20,511,896	(2,427,291)	18,084,605	**97,394,961**
Issue of Ordinary shares	**7**	1,250	–	–	–	–	–	**1,250**
Purchase of Ordinary shares into Treasury	**8**	–	(6,219,697)	–	–	–	**–**	**(6,219,697)**
Return for the period		–	–	–	19,317,285	(1,603,592)	17,713,693	**17,713,693**
Balance at 31 December 2020		997,498	(18,485,298)	90,579,709	39,829,181	(4,030,883)	35,798,298	**108,890,207**

For the six months ended 31 December 2019

	Notes	Share capital	Treasury shares reserve	Distributable reserve	Retained earnings Capital	Retained earnings Revenue	Retained earnings Total	Total equity
		£	£	£	£	£	£	£
Opening balance at 1 July 2019		993,748	(6,895,640)	95,310,182	152,452,180	(3,084,873)	149,367,307	**238,775,597**
Issue of Ordinary shares	**7**	1,250	–	–	–	–	–	**1,250**
Purchase of Ordinary shares into Treasury	**8**	–	(3,815,701)	–	–	–	–	**(3,815,701)**
Dividends paid in the period		–	–	(4,730,474)	–	–	–	**(4,730,474)**
Return for the period		–	–	–	(63,320,946)	984,605	(62,336,341)	**(62,336,341)**
Balance at 31 December 2019		994,998	(10,711,341)	90,579,708	89,131,234	(2,100,268)	87,030,966	**167,894,331**

The Notes to the Unaudited Condensed Financial Statements on pages 15 to 28 form an integral part of these Interim Financial Statements.

Condensed Statement of Cash Flows (Unaudited)

For the six months ended 31 December 2020

	Six months ended 31 December 2020 (Unaudited) £	Six months ended 31 December 2019 (Unaudited) £
Cash flows from operating activities		
Dividend income received from listed equity investments	269,645	2,823,185
Bank interest received	–	3,847
Management fees paid	(737,204)	(2,457,983)
Performance fee paid	–	(2,456,957)
Directors' fees paid	(65,000)	(82,500)
Other expenses paid	(341,248)	(432,972)
Net cash outflow from operating activities	(873,807)	(2,603,380)
Cash flows from investing activities		
Purchase of equity investments	(28,684,716)	(45,498,009)
Sale of equity investments	50,502,804	55,148,758
Purchase of debt instruments	(385,683)	(1,827,410)
Sale of debt instruments	–	1,892,069
Purchase of derivative financial instruments	(32,222,870)	(3,521,230)
Sale of derivative financial instruments	9,289,813	2,853,240
Transaction charges on purchase and sale of investments	(22,169)	(361,109)
Net cash (outflow)/inflow from investing activities	(1,522,821)	8,686,309
Cash flows from financing activities		
Proceeds from loan facility	12,370,000	–
Repayments of loan facility	(9,439,633)	–
Proceeds from issue of Ordinary Shares	1,250	1,250
Purchase of Ordinary shares into Treasury	(6,213,187)	(3,815,701)
Dividends paid	–	(2,381,424)
Net cash outflow from financing activities	(3,281,570)	(6,195,875)
Net decrease in cash and cash equivalents during the period	(5,678,198)	(112,946)
Cash and cash equivalents at beginning of period	5,916,155	931,915
Cash and cash equivalents at end of period	237,957	818,969

The Notes to the Unaudited Condensed Financial Statements on pages 15 to 28 form an integral part of these Interim Financial Statements.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020

General Information

Crystal Amber Fund Limited (the "Company") was incorporated and registered in Guernsey on 22 June 2007 and is governed in accordance with the provisions of the Companies Law. The registered office address is PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY. The Company was established to provide shareholders with an attractive total return which is expected to comprise primarily capital growth with the potential for distributions of up to 5 pence per share per annum following consideration of the accumulated retained earnings as well as the unrealised gains and losses at that time. The Company seeks to achieve this through investment in a concentrated portfolio of undervalued companies, which are expected to be predominantly, but not exclusively, listed or quoted on UK markets and which have a typical market capitalisation of between £100 million and £1,000 million.

GI Dynamics Inc., is a subsidiary of the Company and was incorporated in Delaware. As at 31 December 2020, it had five wholly-owned subsidiaries and its principal place of business is Boston. Refer to Note 10 for further information.

The Company's Ordinary shares were admitted to trading on AIM, on 17 June 2008. The Company is also a member of the AIC.

All capitalised terms are defined in the Glossary of Capitalised Defined Terms on pages 29 to 31 unless separately defined.

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Interim Financial Statements are set out below. These policies have been consistently applied to those balances considered material to the Interim Financial Statements throughout the current period, unless otherwise stated.

Basis of preparation

The Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

The Interim Financial Statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Company's Annual Financial Statements for the year to 30 June 2020. The Annual Financial Statements have been prepared in accordance with IFRS.

The same accounting policies and methods of computation are followed in the Interim Financial Statements as in the Annual Financial Statements for the year ended 30 June 2020.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where presentational guidance set out in the SORP "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (issued by the AIC in November 2014 and updated in February 2018 and October 2019) is consistent with the requirements of IFRS, the Directors have sought to prepare the Interim Financial Statements on a basis compliant with the recommendations of the SORP. In particular, supplementary information which analyses the Statement of Profit or Loss and Other Comprehensive Income between items of a revenue and capital nature has been presented alongside the total Statement of Profit or Loss and Comprehensive Income.

Going concern

As at 31 December 2020, the Company had net assets of £108.9 million (30 June 2020: £97.4 million) and cash balances of £0.2 million (30 June 2020: £5.9 million) which are sufficient to meet current obligations as they fall due.

In the period prior to 31 December 2020 and up to the date of this report, the COVID-19 pandemic has continued to have a negative impact on the global economy. As this situation is both unprecedented and evolving, it raises some uncertainties and additional risks for the Company.

The Directors and Investment Manager are actively monitoring the potential effect on the Company and its investment portfolio. In particular, they have considered the potential impact of the following specific key matters:

- Unavailability of key personnel at the Investment Manager or Administrator;
- Increased volatility in the fair value of investments, including any potential impairment in value; and
- Increased uncertainty as to the timing and quantum of dividend receipts.

In considering the potential impact of COVID-19 on the Company and its investment portfolio, the Directors have taken account of the mitigation measures already in place. At Company level, key personnel at the Investment Manager and Administrator have successfully implemented business continuity plans to ensure business disruption is minimised, including remote working where required, and all staff are continuing to assume their day-today responsibilities.

In relation to the Company's investment portfolio, 82% of the Company's investments are valued by reference to the market bid price as at the date of this report. As these are quoted prices in an active market, any volatility in the global economy is therefore reflected within the value of the financial assets designated at fair value through profit or loss. As such, the Company has not included any fair value impairments in relation to its investments.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern (continued)

Based on the Board's assessment of those matters most likely to be affected by COVID-19 and taking account of the various risk mitigation measures already in place, the Directors do not consider that the effects of COVID-19 are likely to create a material uncertainty over the assessment of the Company as a going concern.

On the basis of this review, and after making due enquiries, including consideration of the continuation vote to take place at the 2021 AGM (as noted below), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Continuation vote

The Company is subject to a continuation vote scheduled to occur every two years. The next continuation vote will be proposed at the 2021 AGM and will require at least 75% of the votes cast in favour to pass. In the event that the vote does not receive the required 75% of the votes cast, the Directors are required to formulate proposals to be put to the shareholders to reorganise, reconstruct, or wind up the Company.

Segmental reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board as a whole. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's NAV, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in these Interim Financial Statements.

For management purposes, the Company is domiciled in Guernsey and is engaged in a single segment of business mainly in one geographical area, being investment in UK equity instruments, and therefore the Company has only one operating segment.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

2. BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE

Earnings/(loss) per share is based on the following data:

	Six months ended 31 December 2020 *(Unaudited)*	Six months ended 31 December 2019 *(Unaudited)*
Return/(loss) for the period	£17,713,693	(£62,336,341)
Weighted average number of issued Ordinary shares	89,227,868	94,680,571
Basic and diluted earnings/(loss) per share (pence)	19.85	(65.84)

3. NAV PER SHARE

NAV per share is based on the following data:

	As at 31 December 2020 *(Unaudited)*	As at 30 June 2020 *(Audited)*	As at 31 December 2019 *(Unaudited)*
NAV per Condensed Statement of Financial Position	£108,890,207	£97,394,961	£167,894,331
Total number of issued Ordinary shares (excluding Treasury shares)	84,420,000	91,861,567	93,684,567
NAV per share (pence)	128.99	106.02	179.21

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

4. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND DERIVATIVES HELD FOR TRADING

	1 July 2020 to 31 December 2020 (Unaudited) £	1 July 2019 to 30 June 2020 (Audited) £	1 July 2019 to 31 December 2019 (Unaudited) £
Equity investments	95,312,797	83,197,300	165,250,604
Debt instruments	3,645,619	5,848,545	4,002,635
Financial assets designated at FVTPL	98,958,416	89,045,845	169,253,239
Derivative financial instruments held for trading	12,931,223	21,080	5,000
Total financial assets designated at FVTPL and derivatives held for trading	111,889,639	89,066,925	169,258,239
Equity investments			
Cost brought forward	167,187,388	183,283,825	183,283,825
Purchases	36,502,739	59,441,534	45,498,009
Sales	(50,584,763)	(77,221,490)	(55,148,758)
Net realised (losses)/gains	(3,000,627)	1,870,189	6,436,556
Adjustment to cost brought forward	–	(186,670)	–
Cost carried forward	150,104,737	167,187,388	180,069,632
Unrealised (losses)/gains brought forward	(84,056,730)	47,197,282	47,197,282
Movement in unrealised losses	30,709,787	(131,440,682)	(61,257,939)
Adjustment to unrealised gains brought forward	–	186,670	–
Unrealised losses carried forward	(53,346,943)	(84,056,730)	(14,060,657)
Effect of exchange rate movements on revaluation	(1,444,997)	66,642	(758,371)
Fair value of equity investments	95,312,797	83,197,300	165,250,604
Debt instruments			
Cost brought forward	8,104,315	3,950,568	3,950,568
Purchases	4,056,625	4,153,747	–
Conversion of loans	(8,902,986)	–	–
Cost carried forward	3,257,954	8,104,315	3,950,568

Notes to the Unaudited Condensed Financial Statements
For the six months ended 31 December 2020 (continued)

4. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND DERIVATIVES HELD FOR TRADING (continued)

	1 July 2020 to 31 December 2020 *(Unaudited)* £	**1 July 2019 to 30 June 2020** *(Audited)* £	**1 July 2019 to 31 December 2019** *(Unaudited)* £
Unrealised (losses)/gains brought forward	(2,004,674)	660,939	968,535
Movement in unrealised gains/(losses)	3,171,912	(2,665,613)	102,503
Unrealised gains/(losses) carried forward	1,167,238	(2,004,674)	1,071,038
Effect of exchange rate movements on revaluation	(779,573)	(251,096)	(1,018,971)
Fair value of debt instruments	3,645,619	5,848,545	4,002,635
Total financial assets designated at FVTPL	98,958,416	89,045,845	169,253,239
Derivative financial instruments held for trading			
Cost brought forward	–	712,142	712,142
Purchases	32,222,870	6,237,568	3,521,230
Sales	(9,289,813)	(14,091,736)	(2,853,240)
Net realised (losses)/gains	(6,114,887)	7,142,026	(1,159,632)
Cost carried forward	16,818,170	–	220,500
Unrealised gains brought forward	21,080	6,288,373	6,288,373
Movement in unrealised (losses)/gains	(3,908,027)	(6,267,293)	(6,503,873)
Unrealised (losses)/gains carried forward	(3,886,947)	21,080	(215,500)
Fair value of derivatives held for trading	12,931,223	21,080	5,000
Total financial assets designated at FVTPL and derivatives held for trading	111,889,639	89,066,925	169,258,239

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

4. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND DERIVATIVES HELD FOR TRADING (continued)

The following table details the Company's positions in derivative financial instruments:

	Nominal amount *(Unaudited)*	Value *(Unaudited)* £
31 December 2020		
Derivative financial instruments		
De La Rue plc – contracts for difference	3,998,312	6,717,164
Allied Minds plc – contracts for difference	7,320,182	2,379,059
Camellia plc – contracts for difference	30,000	2,130,000
Kenmare Resources plc – contracts for difference	550,000	1,705,000
	11,898,494	12,931,223

	Nominal amount *(Audited)*	Value *(Audited)* £
30 June 2020		
Derivative financial instruments		
GI Dynamics Inc. warrant (Expiry: January 2025)	229,844,650	21,080
	229,844,650	21,080

5. FINANCIAL INSTRUMENTS

Fair value measurements

The Company measures fair values using the following fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

Level 1: Quoted price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

5. FINANCIAL INSTRUMENTS (continued)

Fair value measurements (continued)

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs that are not based on observable data, and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The objective of the valuation techniques used is to arrive at a fair value measurement that reflects the price that would be received if an asset was sold or a liability transferred in an orderly transaction between market participants at the measurement date.

The following tables analyse, within the fair value hierarchy, the Company's financial assets measured at fair value at 31 December 2020 and 30 June 2020:

	Level 1	Level 2	Level 3	Total
	(Unaudited)	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*
31 December 2020	£	£	£	£
Financial assets designated at FVTPL and derivatives held for trading:				
Equity investments – listed equity investments	78,265,999	–	–	78,265,999
Equity investments – unlisted equity investments	–	–	17,046,798	17,046,798
Debt instruments – loan notes	–	–	3,645,619	3,645,619
Derivatives – contracts for difference instruments	12,931,223	–	–	12,931,223
	91,197,222	–	20,692,417	111,889,639

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

5. FINANCIAL INSTRUMENTS (continued)

Fair value measurements (continued)

30 June 2020	Level 1 *(Audited)* £	Level 2 *(Audited)* £	Level 3 *(Audited)* £	Total *(Audited)* £
Financial assets designated at FVTPL and derivatives held for trading:				
Equities – listed equity investments	74,747,380	2,003,070	–	76,750,450
Equities – unlisted equity investments	–	–	6,446,850	6,446,850
Debt – loan notes	–	610,415	5,238,130	5,848,545
Derivatives – warrant instruments	–	21,080	–	21,080
	74,747,380	2,634,565	11,684,980	89,066,925

The Level 1 equity investments were valued by reference to the closing bid prices in each investee company on the reporting date.

The Level 3 equity investment in Board Intelligence was valued by reference to the valuation multiples of publicly-listed cloud software companies, after applying a discount equivalent to that which prevailed at the time of investment in March 2018. The Level 3 equity investment in Leaf Clean Energy Company was valued by reference to the expected proceeds from the company's wind down, as guided by management in its last shareholder letter. The Level 3 equity investment in GI Dynamics Inc was valued by reference to its discounted cash flow valuation. The loan notes were classified as Level 3 debt instruments as there was no observable market data. The Board has concluded that the fair value of the loan note is approximate to the loan principal plus accrued interest.

For financial instruments not measured at FVTPL, the carrying amount is approximate to their fair value.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

5. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy – Level 3

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy:

	Six months ended 31 December 2020 *(Unaudited)* £	Year ended 30 June 2020 *(Audited)* £	Six months ended 31 December 2019 *(Unaudited)* £
Opening balance	11,684,980	9,561,369	9,561,369
Leaf Clean Energy Company – Transfer to Level 3 on 30 January 2020	–	105,908	–
GI Dynamics Inc – Transfer to Level 3 on 22 July 2020	1,494,943	–	–
Purchases	11,784,561	3,551,095	–
Movement in unrealised gains/(losses)	7,318,480	(1,851,998)	705,261
Sales/conversion of loans	(11,149,307)	–	–
Net realised gain	1,830,764	–	–
Effect of exchange rate movements	(2,272,004)	318,606	(134,996)
Closing balance	20,692,417	11,684,980	10,131,634

The Company recognises transfers between levels of the fair value hierarchy on the date of the event of change in circumstances that caused the transfer.

During the period, the Company's equity investment in GI Dynamics Inc. was transferred to Level 3 following the delisting of the investee company on 22 July 2020.

Assuming all other variables are held constant:

- If unobservable inputs in Level 3 debt investments had been 5% higher/lower (30 June 2020: 5% higher/lower), the Company's return and net assets for the period ended 31 December 2020 would have increased/decreased by £182,281 (30 June 2020: £261,907);

- If unobservable inputs in Level 3 equity investments had been 25% higher/lower (30 June 2020: 25% higher/lower), the Company's return and net assets for the period ended 31 December 2020 would have increased/decreased by £4,261,700 (30 June 2020: £1,611,713); and

- There would have been no impact on the other equity reserves.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

6. LOAN FACILITY

On 1 July 2020, the Company entered into a loan facility with Intertrader Limited whereby it transferred an amount of equity holdings with a value of £19.1 million as at 1 July 2020 to Intertrader Limited to be held as collateral for CFD instruments. The interest charged on the loan facility is 2% per annum of the daily overnight loan balance. The Company may draw on a loan facility of up to 25% of the value of the initial equity holdings transferred. The balance of this facility is as follows:

	As at 31 December 2020 *(Unaudited)* £	**As at 30 June 2020** *(Audited)* £
Opening balance	–	–
Drawdowns	12,370,000	–
Repayments by way of sale of CFD instruments	(9,289,813)	–
Repayments by way of dividends receivable on CFD instruments	(149,820)	–
Facility fees payable	265,941	–
Facility commissions payable	9,517	–
Closing balance	3,205,825	–

As at the date of this report, the amount owed to Intertrader Limited under the loan facility was £1.7 million.

7. SHARE CAPITAL AND RESERVES

The authorised share capital of the Company is £3,000,000 divided into 300 million Ordinary shares of £0.01 each.

The issued share capital of the Company, including Treasury shares, is comprised as follows:

	31 December 2020 *(Unaudited)*		**30 June 2020** *(Audited)*	
	Number	**£**	**Number**	**£**
Issued, called up and fully paid Ordinary shares of £0.01 each	99,749,762	997,498	99,624,762	996,248

During the period, the Company created and issued 125,000 Ordinary shares of £0.01 divided equally amongst five charitable organisations, the nominal value of which has been paid by Richard Bernstein, who is a shareholder of the Company, a director and shareholder of the Investment Manager and a member of the Investment Adviser.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

8. TREASURY SHARES RESERVE

	Six months ended 31 December 2020	*(Unaudited)*	Year ended 30 June 2020	*(Audited)*
	Number	**£**	**Number**	**£**
Opening balance	(7,763,195)	(12,265,601)	(3,527,782)	(6,895,640)
Treasury shares purchased during the period/year	(7,566,567)	(6,219,697)	(4,235,413)	(5,369,961)
Closing balance	(15,329,762)	(18,485,298)	(7,763,195)	(12,265,601)

During the period ended 31 December 2020: 7,566,567 (2019: 2,287,413) Treasury shares were purchased at an average price of 82.20 pence per share (2019: 166.81 pence per share), representing an average discount to NAV at the time of purchase of 9.18% (2019: 16.4%). During the period ended 31 December 2020, Nil (2019: Nil) Treasury shares were sold.

9. DIVIDENDS

On 23 December 2020, the Company declared an interim dividend of £2,111,638, equating to 2.5 pence per Ordinary share, which was paid on 5 February 2021 to shareholders on the register following the period end on 8 January 2021, as further disclosed in Note 11.

10. RELATED PARTIES

Richard Bernstein is a director and a member of the Investment Manager, a member of the Investment Adviser and a holder of 10,000 (30 June 2020: 10,000) Ordinary shares in the Company, representing 0.01% (30 June 2020: 0.01%) of the voting share capital of the Company at 31 December 2020.

During the period the Company incurred management fees of £737,204 (2019: £1,628,161) none of which was outstanding at 31 December 2020 (30 June 2020: £Nil). No performance fees were payable during the period (2019: £Nil) (30 June 2020: £Nil) and none outstanding at the period/year end.

As at 30 June 2020, the Company held 94.1% (30 June 2020: 73.1%) of the issued shares of GI Dynamics Inc., meaning that GID is an unconsolidated subsidiary. GID was incorporated in Delaware, had five wholly-owned subsidiaries and its principal place of business is Boston. The five subsidiaries were as follows:

- GI Dynamics Securities Corporation, a Massachusetts-incorporated nontrading entity;
- GID Europe Holding B.V., a Netherlands-incorporated nontrading holding company;
- GID Europe B.V., a Netherlands-incorporated company that conducts certain European business operations;
- GID Germany GmbH, a German-incorporated company that conducts certain European business operations; and
- GI Dynamics Australia Pty Ltd, an Australian-incorporated company that conducts Australian business operations.

Notes to the Unaudited Condensed Financial Statements

For the six months ended 31 December 2020 (continued)

10. RELATED PARTIES (continued)

Under the terms of the IMA, the Investment Manager is entitled to a performance fee in certain circumstances. This fee is calculated by reference to the increase in NAV per Ordinary share over the course of each performance period.

Payment of the performance fee is subject to:

1. the achievement of a performance hurdle condition: the NAV per Ordinary share at the end of the relevant performance period must exceed an amount equal to the placing price, increased at a rate of: (i) 7% per annum on an annual compounding basis in respect of that part of the performance period which falls from (and including) the date of Admission up to (but not including) the date of the 2013 Admission; (ii) 8% per annum on an annual compounding basis in respect of that part of the performance period which falls from (and including) the date of the 2013 Admission up to (but not including) the date of the 2015 Admission and (iii) 10% per annum on an annual compounding basis in respect of that part of the performance period which falls from (and including) the date of the 2015 Admission up to the end of the relevant performance period with all dividends and other distributions paid in respect of all outstanding Ordinary shares (on a per share basis) during any performance period being deducted on their respective payment dates (and after compounding the distribution amount per share at the relevant annual rate or rates for the period from and including the payment date to the end of the performance period) ("the Basic Performance Hurdle"). Such Basic Performance Hurdle at the end of a performance period is compounded at the relevant annual rate to calculate the initial per share hurdle level for the next performance period, which will subsequently be adjusted for any dividends or other distributions paid in respect of all outstanding Ordinary shares during that performance period, and
2. the achievement of a "high-water mark": the NAV per Ordinary share at the end of the relevant performance period must be higher than the highest previously reported NAV per Ordinary share at the end of a performance period in relation to which a performance fee, if any, was last earned (less any dividends or other distributions in respect of all outstanding Ordinary shares declared (on a per share basis) since the end of the performance period in relation to which a performance fee was last earned).

As the NAV per share at 31 December 2020 did not exceed the Basic Performance Hurdle of 252.34 pence per share at that date, a performance fee has not been accrued in the Interim Financial Statements. In the event that, on 30 June 2021, the NAV per share exceeds both the performance hurdle and the high watermark, the performance fee will be an amount equal to 20% of the excess of the NAV per share at that date over the higher of these hurdles multiplied by the time weighted average number of Ordinary shares in issue during the year ending 30 June 2021. Depending on whether the Ordinary shares are trading at a discount or a premium to the Company's NAV per share at 30 June 2021, the performance fee will be either payable in cash (subject to the Investment Manager being required to use the cash payment to purchase Ordinary shares in the market) or satisfied by the sale of Ordinary shares out of Treasury or by the issue of new fully paid Ordinary shares at the mid-market closing price on 30 June 2021, respectively.

Notes to the Unaudited Condensed Financial Statements
For the six months ended 31 December 2020 (continued)

10. RELATED PARTIES (continued)
As at 31 December 2020, the Investment Manager held 6,994,397 Ordinary shares (30 June 2020: 7,037,991) of the Company, representing 8.29% (30 June 2020: 7.66%) of the voting share capital.

The interests of the Directors in the share capital of the Company at the period/year end, and as at the date of this report, are as follows:

	31 December 2020		30 June 2020	
	Number of Ordinary shares	**Total voting rights**	**Number of Ordinary shares**	**Total voting rights**
Christopher Waldron[(1)]	30,000	0.04%	30,000	0.03%
Jane Le Maitre[(2)]	13,500	0.02%	13,500	0.01%
Fred Hervouet	7,500	0.01%	7,500	0.01%
Total	**51,000**	**0.07%**	**51,000**	**0.05%**

(1) Chairman of the Company

(2) Ordinary Shares held indirectly

All related party transactions are carried out on an arm's length basis.

11. POST BALANCE SHEET EVENTS
The Company declared an interim dividend of £2,111,638, equating to 2.5 pence per Ordinary share, which was paid on 5 February 2021 to shareholders on the register on 8 January 2021.

The Company purchased 200,000 of its own Ordinary Shares during the period between 1 January 2021 and 3 March 2021, which were held as Treasury shares. Following these purchases, the total number of Ordinary Shares held as Treasury shares by the Company is 15,529,762.

On 16 February 2021, the Company reported that its unaudited NAV at 31 January 2021 was 124.4 pence per Ordinary share.

12. AVAILABILITY OF INTERIM REPORT
Copies of the Interim Report will be available to download from the Company's website www.crystalamber.com.

Glossary of Capitalised Defined Terms

"**AGM**" means the annual general meeting of the Company;

"**AIC**" means the Association of Investment Companies;

"**AIM**" means the Alternative Investment Market of the London Stock Exchange;

"**Annual Financial Statements**" means the audited annual financial statements of the Company, including the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and associated notes;

"**Board**" or "**Directors**" or "**Board of Directors**" means the directors of the Company;

"**Brexit**" means the departure of the UK from the European Union;

"**CEO**" means chief executive officer;

"**CFD**" means Contracts for Difference;

"**CFO**" means chief financial officer;

"**Company**" or "**Fund**" means Crystal Amber Fund Limited;

"**Companies Law**" means the Companies (Guernsey) Law, 2008, (as amended);

"**DeFi**" means Decentralised Finance;

"**EBITDA**" means earnings before interest, taxes, depreciation and amortisation;

"**EPS**" or "**Early Production System**" means producing oil through a temporary processing system and exporting the processed crude to a storage vessel for subsequent transport to market;

"**Equals**" means Equals Group plc;

"**GM**" or "**General Meeting**" means a general meeting of the Company;

"**ESG**" means Environmental, Social and Governance, referring to the three central factors in measuring the sustainability and societal impact of an investment in a company or business;

"**FDA**" means food and drug administration;

"**FTSE**" means Financial Times Stock Exchange;

"**FVTPL**" means Fair Value Through Profit or Loss;

"**FY22**" means the financial year 2022;

"**GDP**" means gross domestic product, a monetary measure of the market value of all the final goods and services produced in a specific time period;

"**GID**" or "**GI Dynamics**" means GI Dynamics, Inc.;

Glossary of Capitalised Defined Terms (continued)

“**HQ**” means headquarters;

“**IAS**” means international accounting standards as issued by the Board of the International Accounting Standards Committee;

“**IFRS**” means the International Financial Reporting Standards, being the principles-based accounting standards, interpretations and the framework by that name issued by the International Accounting Standards Board, as adopted by the European Union;

“**IMA**” means the investment management agreement between the Company and the Investment Manager dated 16 June 2008, as amended on 21 August 2013, further amended on 27 January 2015 and further amended on 12 June 2018;

“**Interim Financial Statements**” means the unaudited condensed interim financial statements of the Company, including the Condensed Statement of Profit or Loss and Other Comprehensive Income, the Condensed Statement of Financial Position, the Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flows and associated notes;

“**Interim Report**” means the Company’s interim report and unaudited condensed financial statements for the period ended 31 December;

“**Lancaster EPS**” means Lancaster Early Production System;

“**Market Capitalisation**” means the total number of Ordinary shares of the Company multiplied by the closing share price;

“**NAV**” or “**Net Asset Value**” means the value of the assets of the Company less its liabilities as calculated in accordance with the Company’s valuation policies and expressed in Pounds Sterling;

“**NAV per share**” means the Net Asset Value per Ordinary share of the Company and is expressed in pence;

“**Ordinary share**” means an allotted, called up and fully paid Ordinary share of the Company of £0.01 each;

“**Remuneration Report**” means part of the Remuneration Statement which provides information on the remuneration and other financial benefits paid to the Board of Directors, the Group CEO and the Group Executive Committee members during the previous financial period;

“**Small Cap Index**” means an index of small market capitalisation companies;

“**SMEs**” means small and medium-sized enterprises and businesses whose personnel numbers fall below certain limits. The abbreviation “SME” is used by international organizations such as the World Bank, the European Union, the United Nations and the World Trade Organization;

Glossary of Capitalised Defined Terms (continued)

"**SORP**" means Statement of Recommended Practice;

"**SPAC**" mean Special Purpose Acquisition Company;

"**Treasury**" means the reserve of Ordinary shares that have been repurchased by the Company;

"**Treasury shares**" means Ordinary shares in the Company that have been repurchased by the Company and are held as Treasury shares;

"**UK**" or "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland;

"**US**" means the means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"**US$**" or "**$**" means United States dollars; and

"**£**" or "**Pounds Sterling**" or "**Sterling**" means British pound sterling and "pence" means British pence.

Directors and General Information

Directors
Christopher Waldron *(Chairman)*
Fred Hervouet *(Chairman of Remuneration and Management Engagement Committee)*
Jane Le Maitre *(Chairman of Audit Committee)*

Investment Adviser
Crystal Amber Advisers (UK) LLP
17c Curzon Street
London W1J 5HU

Administrator and Secretary
Ocorian Administration (Guernsey) Limited
PO Box 286
Floor 2, Trafalgar Court
Les Banques, St Peter Port
Guernsey GYI 4LY

Broker
Winterflood Investment Trusts
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

Independent Auditor
KPMG Channel Islands Limited
Glategny Court
Glategny Esplanade
St. Peter Port
Guernsey GY1 1WR

Registered Office
PO Box 286
Floor 2, Trafalgar Court
Les Banques, St Peter Port
Guernsey GY1 4LY

Identifiers

ISIN:	GG00B1Z2SL48
Sedol:	B1Z2SL4
Ticker:	CRS
Website:	http://crystalamber.com
LEI:	213800662E2XKP9JD811

Investment Manager
Crystal Amber Asset Management (Guernsey) Limited
PO Box 286
Floor 2, Trafalgar Court
Les Banques, St Peter Port
Guernsey GY1 4LY

Nominated Adviser
Allenby Capital Limited
5 St. Helen's Place
London EC3A 6AB

Legal Advisers to the Company
As to English Law
Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ

As to Guernsey Law
Carey Olsen
PO Box 98
Carey House
Les Banques
St. Peter Port
Guernsey GY1 4BZ

Custodian
Butterfield Bank (Guernsey) Limited
PO Box 25
Regency Court
Glategny Esplanade
St. Peter Port
Guernsey GY1 3AP

Registrar
Link Asset Services
65 Gresham Street
London EC2V 7NQ

CRYSTAL AMBER

Crystal Amber Fund Limited, PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 4LY