

Key Information Document

ISIN: GG00B1Z2SL48

PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Product: Crystal Amber Fund Limited (the “Company”) – Ordinary Shares

PRIIP Manufacturer: Crystal Amber Fund Limited

ISIN: GG00B1Z2SL48

Further Information: Visit <http://crystalamber.com> or call 01481 742742

Regulatory Authority: Guernsey Financial Services Commission

Date of Production: 21 June 2024

You are about to purchase a product which is not simple and may be difficult to understand.

WHAT IS THIS PRODUCT?

Type: Crystal Amber Fund Limited (“the Company”, “we” or “us” as the context requires) is a closed ended company, incorporated in Guernsey on 22 June 2007. Its share capital is denominated in Sterling and consists of a single class of ordinary shares (“Share” or “Shares”) which are admitted to trading on AIM. The Shares are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a Share will be higher than the price at which you could sell it.

Objectives: The Company’s objective is to deliver an attractive total return that is expected to comprise capital growth (i.e. increase in the trading price of the Shares) and dividends. The Company invests predominantly in listed shares and also, but not restricted to, unlisted shares, warrants and convertible loans. The Company is an activist fund that invests in a concentrated portfolio of undervalued companies typically, but not exclusively, listed or quoted on UK markets and typically having a market capitalisation of between £100 million and £1,000 million. Since February 2022 the Company has been following an objective to realise remaining investments in a prudent manner consistent with the principles of good investment management, with a view to return cash to Shareholders in an orderly manner.

Intended retail investor: Sophisticated or knowledgeable retail investors, and all types of investors who have been professionally advised regarding investment, who are seeking long-term capital growth and who understand and are capable of evaluating the risks and merits of such an investment and who have sufficient resources to be able to bear any losses that may result from the investment (which may equal the whole amount invested).

Maturity Date: The product has no maturity date, however following a vote against continuation in 2021, the Investment Manager is disinvesting the holdings to return capital to investors in an orderly manner.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Risk Indicator



The risk indicator assumes you keep the Product for 5 years. The actual risk can vary significantly if you sell at an early stage, and you may get back less.

The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because we are not able to pay you. We have classified this Product as 5 out of 7, which is the medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions are likely to impact our capacity to pay you. This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment.

PERFORMANCE INFORMATION

The main factors which will affect the performance of the Company, are: (i) the ability of the Investment Manager to effectively manage the monetisation of the fund's portfolio and execute the Company's investment policy; (ii) the performance of the underlying investment portfolio; and (iii) the macroeconomic conditions in the UK and US.

As a result of the monetisation of the portfolio, the holdings in the Company are likely to be more concentrated and experience more stock specific risk than our historical track record. To better reflect the forward-looking risk profile, we have used the current asset allocation and assumed investment into suitable proxies, this approach gives a higher forward-looking risk profile.

The proxy used for the Company is the total return index for De La Rue Plc Ordinary Shares (33%), the FTSE AIM Index (33%) and the NASDAQ Composite Index (33%); before 25 September 2003 we have used De La Rue Plc Ordinary Shares (50%) & FTSE AIM Index (50%). This gives a daily performance proxy dating back to 1 January 1999. The average volatility observed over a rolling five-year period for the proxy was 20.1% per annum, however, during periods of stress, the volatility rose to 76.4% per annum.

We have used a moderate performance scenario return of -1.2% for the recommended holding period of five years in the 'What are the costs?' section below.

What could affect my return positively?

Specific factors which could affect returns of the Company positively would be good performance of the underlying investment portfolio, as well as the ability of the Investment Managers to implement their investment policy and effectively monetise the portfolio holdings. Improvements in the valuations of De La Rue Plc and Morphic Medical Inc will likely increase returns since these two stocks represent over 80% of the portfolio as of 31 December 2023. General factors that would positively impact returns would be favourable economic performance from the UK and US markets, and favourable US Dollar/GBP Sterling exchange rates. The Company's best performance over a rolling one-year was 97.1%, and the Company's best performance over a rolling five-year period was 26.7%.

What could affect my return negatively?

Specific factors which could affect returns of the Company negatively would be underperformance of the underlying investment portfolio, as well as the inability of the Investment Managers to effectively manage the monetisation of the portfolio. A decrease in valuations of De La Rue Plc and Morphic Medical Inc will likely affect returns negatively due to the portfolio's significant exposure to these stocks. General factors which would negatively impact returns would be poor economic performance from the UK and US markets; and unfavourable US Dollar/ GBP Sterling currency movements will negatively impact returns. The Company's worst performance over a rolling one-year was -71.3%, over a longer rolling five-year period, the Company's worst return was -15.4% per annum.

What could happen under severely adverse market conditions?

A severe adverse experience was a loss of 74.8% which occurred in the fund between May 2017 and Mar 2020, the Company took around 4 years to recover in June 2024. Under severely adverse market conditions, there is a risk that the portfolio companies deteriorate and the capital value of an investment in the Company's shares could reduce significantly, potentially down to zero.

WHAT HAPPENS IF THE COMPANY IS UNABLE TO PAY OUT?

The Company is not required to make any payment to you in respect of your investment. If the Company were liquidated, you would be entitled to receive a distribution equal to your share of the Company's assets, after payment to all its creditors. The Investment Advisor has no obligation to make any payment to you. Investors do not have protection from an Investor compensation or guarantee scheme.

WHAT ARE THE COSTS?

The Reduction In Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They would include potential early exit penalties, although not applicable with this product. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact which all costs will have on your investment over time.

| Investment of £10,000 | | | | | | |
|-----------------------------------|-----------------------------|-----|------------------------------|-----|------------------------------|-----|
| Scenarios | If you cash in after 1 year | | If you cash in after 3 years | | If you cash in after 5 years | |
| Total Costs | 175 | GBP | 529 | GBP | 890 | GBP |
| Reduction In Yield (RIY) per year | 1.75 | % | 1.79 | % | 1.80 | % |

Composition of costs

The Table below shows: the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period; and the meaning of the different costs categories.

| This table shows the impact on return per year | | | | |
|--|-----------------------------|------|---|---|
| One-off costs | Entry costs | N/A | | No entry costs are payable when you acquire ordinary shares, although you may be required to pay brokerage fees or commissions. |
| | Exit costs | N/A | | No exit costs are payable when you dispose of ordinary shares, although you may be required to pay brokerage fees or commissions. |
| Ongoing costs | Portfolio transaction costs | 0.14 | % | The impact of the costs of us buying and selling underlying investments for the product. |
| | Other ongoing fees | 1.66 | % | The impact of the management fee payable to the Company's investment manager and the fees and expenses of the Company's other service providers. |
| Incidental costs | Performance fees | 0.00 | % | A performance fee is payable should the Company reach its threshold of total cash returned to shareholders. A performance fee is assumed not to be paid going forwards over the recommended holding period. |
| | Carried interests | N/A | | No carried interest is payable. |

HOW LONG SHOULD I HOLD IT, AND CAN I TAKE MONEY OUT EARLY?

Recommended Holding Period (RHP): 5 years.

We recommend that the Shares are held for the medium to long term due to the concentration of the investment portfolio, the small average size of investee companies, and the length of time that it can sometimes take for activist engagements to enhance the value of investments. There is no minimum required holding period, as the Shares are listed on AIM and can be sold subject to market price and liquidity. Cashing-in before the end of the recommended holding period might reduce what you get back.

HOW CAN I COMPLAIN?

Complaints about the product or the conduct of the Company should be addressed to the Company's Investment Manager, Crystal Amber Asset Management (Guernsey) Limited, via one of the following methods:

- website: <https://crystalamber.com/contact>
- postal address: Crystal Amber Asset Management (Guernsey) Limited, PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY
- email: crystalamberteam@ocorian.com

As a holder of the Shares, you do not have the right to complain to the Channel Islands Financial Ombudsman (CIFO) about the management of the Company. Complaints about a person advising on, or selling, the product should be pursued with the relevant person.

OTHER RELEVANT INFORMATION

Further documentation, including the Company's annual and semi-annual reports and regulatory disclosures, is available on the Company's website at <http://www.crystalamber.com>.