

Kubera Cross-Border Fund Limited

Phased Disposal of Investment

Kubera Cross-Border Fund Limited (the “Company”) announces that its subsidiary, Kubera Cross-Border Fund (Mauritius) Limited, entered into a binding agreement on 8 August 2017 (the “Agreement”) to dispose of its entire equity and debt interest in Synergies Casting Limited (“Synergies Casting”) (the “Transaction”).

A private buyer, Jamy LLC, has agreed to purchase the Company’s interest in Synergies Casting for a consideration net of transaction costs of USD 14.58 million, in four tranches over 18 months. There are incentives in place for a faster completion such that if the Transaction is completed within 12 months, there is a provision in the Agreement for the aggregate consideration to be reduced by up to USD 1.82 million.

The estimated sale consideration based on USD 14.58 million is for the Company’s interest only. The total sale consideration including the 8.8 per cent. co-investment by the former investment manager is USD 16 million. This is equivalent to 35.4 per cent. of the net asset value presented in the audited financial statements as at 31 December 2016, which are inclusive of the co-investment by the former investment manager. As at 31 December 2016, the carrying value of the investment for the Company was USD 13.96 million to reflect the time value of money, lack of liquidity and credit risks.

Should the buyer default on any of the tranche payments, the Company, through its subsidiary, will continue to hold its remaining pro rata equity and debt interests and various shareholder rights, and the buyer will be subject to a USD 0.91 million penalty.

Pursuant to the Agreement, the first tranche has been divested and consideration of USD 2.55 million has been received.

In accordance with the Company's investment policy, the Board intends to distribute to shareholders all cash not required to meet operating costs and will make further announcements on this matter in due course.

The information contained in this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No. 596/2014, and is disclosed in accordance with the Company's obligations under Article 17 of that Regulation.

For further information on the Company, please visit www.kubercrossborderfund.com

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