BUILDING GLOBAL BUSINESSES

KUBERA
CROSS-BORDER FUND LIMITED

INTERIM REPORT 2014

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About Us

Kubera Cross-Border Fund (the 'Fund') is a closed-end investment company listed on the AIM market of the London Stock Exchange. The Fund makes private equity investments in cross-border companies, primarily in businesses that operate in the US-India corridor.

The Fund's investment manager, Kubera Partners LLC, brings a strong track record of investing in or managing such businesses. Several of the Fund's investee companies also benefit from business activities in the growing Indian domestic market.

Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the interim report and financial statements of Kubera Cross-Border Fund Limited (the "Fund" or "Company"), for the six month period ended 30 June 2014.

NAV and Discount

The value of the Fund's net assets increased from US$ 59.2 million to US$ 62.1 million during the six month period, which ended on 30 June 2014. The Fund's net asset value ("NAV") per share increased by 5% from US$ 0.54 to US$ 0.57 between 31 December 2013 (audited) and 30 June 2014 (un-audited). The increase in NAV is primarily attributable to the appreciation of Indian Rupee vis-à-vis the US Dollar, which is the denomination of the Fund, and an increase in public equity market valuations, which are an input taken into account when establishing the value of equity interests in the Fund's portfolio which are publicly traded securities.

The Fund's share price remained fairly constant at US$ 0.31 as at 30 June 2014. The discount of the Fund's share price to NAV increased from 43% as at 31 December 2013 to 45% as at 30 June 2014.

EGM

At the Extraordinary General Meeting of the Company held last year, shareholders passed an ordinary resolution regarding the future of the Company, resolving that (a) the Fund should not continue in existence as presently constituted; and (b) the investment objective and policy of the Fund be changed to seek realisation of its portfolio of investments in the ordinary course of business and to return the net proceeds of all such realisations to Shareholders, following which, the Company will be wound-up. The Fund will make no new investments, except follow-on investments in existing investee companies.

Investments

Under the terms of the Investment Management Agreement, the Investment Manager has sole authority over the disposition and realisation of KUBC's investments. Given the substantial co-investment made by members of the Investment Manager alongside KUBC in each of the Group's investments, the Investment Manager's interests are aligned with shareholders.

Portfolio Valuations

The Fund's financial statements are prepared in accordance with US GAAP. The valuations of investments are reviewed and approved by the Audit Committee of the Board on a quarterly basis. All investments are recorded at estimated fair value, in accordance with SFAS 157 that defines and establishes a framework for measuring fair value. The NAV is calculated on this basis. The methodology underlying the Fund's investment valuations is consistent with previous periods.

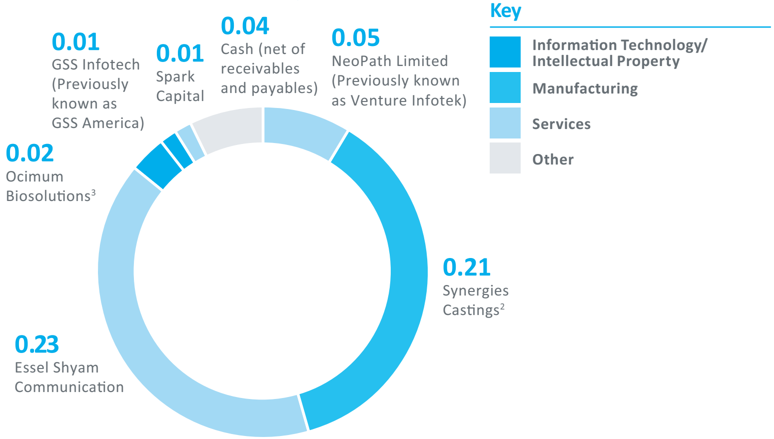
Closing Remarks

The Manager's report provides information on the investment environment in India, together with progress regarding the implementation of the Group's realisation policy and performance of each of the Company's investments. Further detailed information on investments, quarterly net asset values and other material events relating to the Fund are available through news releases made to the London Stock Exchange available on www.londonstockexchange.co.uk under ticker symbol KUBC and through the Fund's website at www.kuberacrossborderfund.com.

Martin M. Adams
Chairman

NAV Composition[1] (US$ per share)

Total NAV – US$ 0.57 per share



Notes:

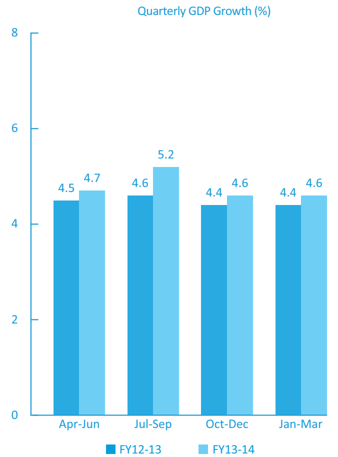
1. Excludes co-investment by affiliates of the Manager, which amounts to 9% of every investment made by the Fund; data as of 30 June 2014.
2. Includes loan of USD 2.8 million extended to the company in February 2010 and March 2011.
3. Includes loan of USD 1.9 million extended to the company in December 2010; carrying value as on 30 June 2014.

Investment Manager's Report

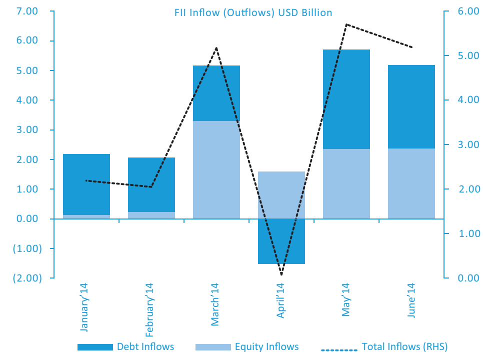
Indian Economy and Market Review[1]

During the quarter, the Indian electorate gave a positive outcome and for the first time in 30 years, voting a single party (BJP) to power. It is hoped that this decisive mandate will lead to a revival in market sentiment and a boost in overall economic growth.

Indian GDP grew by 4.6% during the quarter ending March 2014, growing at a similar rate as compared quarter-on-quarter from the prior financial year. Though local political uncertainty is behind us, global macro factors, including the volatile Middle East situation, and local factors such as a possible weak monsoon continue to influence the Indian economy and capital flows.

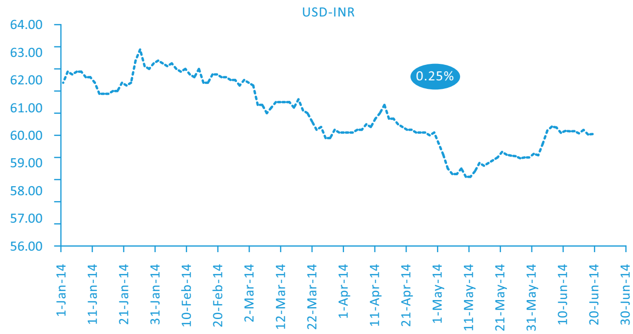


Foreign direct investment inflows during the period of January 2014 to June 2014 showed 65% growth to US$ 20.27 billion compared to US$ 12.3 billion during the comparable period in 2013. An increased inflow in non portfolio investments indicates a shift from a "risk averse" approach towards India. During the first six months, foreign institutional investors (FIIs) have been net buyers across financial markets. For the period January 2014 to June 2014, Indian equity markets witnessed a net inflow of US$ 9.95 billion, while Indian debt markets saw a net inflow of US$ 10.42 billion.



The BSE Sensex (which comprises 30 stocks) rose by 20% during the January to June 2014 period, closing at 25,413 on 30 June 2014. During the same period the mid-cap index (NIFTY Midcap) rose by 45.57%.

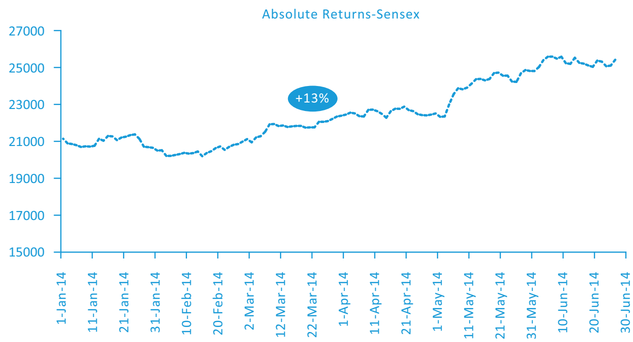
The outperformance in equity markets is primarily attributable to favorable views regarding likely actions to be taken by the government elected in May 2014, specifically the likelihood of major economic reform.



Many brokerage firms have revised their GDP estimates and year ending targets for benchmark equity indices. However in the medium term, high inflation and the high current account deficit remain key concerns.

1 Sources: Reserve Bank of India, BSE India, Securities and Exchange Board of India, Bloomberg & others

The Indian rupee was volatile against the US dollar (USD) during the first half of the calendar year 2014. In January, it reached a high of Rs 63 per USD due to political uncertainty but showed considerable strength against the USD post the election results, reaching a low of Rs 58.5 per USD in May 14. The rupee started depreciating again in the last month of the quarter primarily due to rising global crude oil prices on the back of unrest in Iraq, and ended the quarter at 60.045 per USD. During the first six months of the calendar year 2014, Indian rupee appreciated by 3% against the US dollar versus a 9% depreciation during the same period last year.



Portfolio

The Investment Manager remains closely engaged with the Fund's portfolio companies on a range of strategic issues. Details on the Fund's portfolio companies' performances are set out below.

Kubera Partners LLC

Major Portfolio Holdings

Note: Fiscal years end in March. FY2015 is the fiscal year ending March 2015 and estimates for this year are the portfolio company's board approved budgets or Kubera Partners' estimates – there is no assurance that these will be achieved results.

SYNERGIES CASTINGS LIMITED

Investment Summary

Investment Date	December 2007
Fund ownership	58.3%
Investment Amount	\$26.8mn
Current carrying value	\$23.55mn
Current NAV	\$0.21 per share
Types of Security	Equity & Preference shares in India operating company
Selected Investor Rights	**Liquidity Preference** Yes **Board Seats** Two

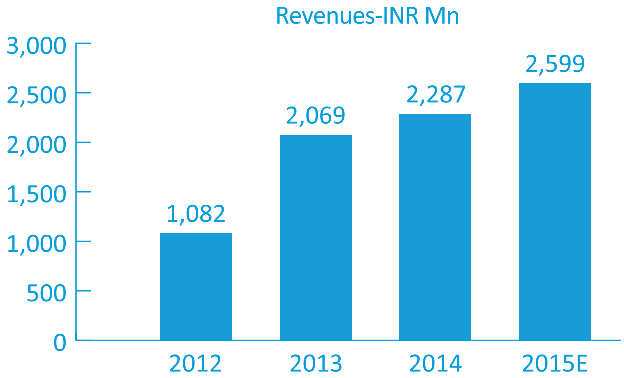
Synergies Castings Limited ('SCL') manufactures alloy and chrome-plated wheels for global and Indian Original Equipment Manufacturers ('OEMs'). The company has one of the few integrated chrome-plating facilities in the world, and is the only one in India with the capability to manufacture large diameter wheels.

Company Positioning

- **Targeting an attractive niche**: SCL is one of the few integrated chrome-plating facilities worldwide with an ability to produce large diameter wheels. It has a dominant market position in India
- **Design and engineering capabilities**: SCL has a world class manufacturing facility that has been validated by most large OEMs; excellent, and award-winning, design and engineering capabilities
- **Good mix of domestic and global OEM business**: SCL currently gets approximately 50% of its revenues from exports and the rest from the Indian market and has a strong order book both globally and in the domestic market
- **Capable management team**: SCL is founded by four first-generation entrepreneurs with significant industry experience who hold the key positions in the organization

Current Situation

- The Company achieved an annual revenue growth of 11% during FY14. The contribution of export revenue increased from 59% in FY13 to 77% in FY14. Operating margins during the year were under pressure mainly on account of rising raw material & power prices. EBITDA margins declined by ~200bps from 13% in FY13 to 11% in FY14.
- The quantity of wheels sold by the Company during the year was lower by 7% as compared to FY13, primarily on account of slowdown in orders from domestic automobiles companies during the early part of the year.
- As compared to FY13, the overall price realization per wheel during the year was higher by 22%.
- The Company continues to witness a surge in its order book both from international & domestic OEMs – the latter primarily on account of imposition of anti-import duty on imports of alloy wheels in India.
- During the recently concluded quarter the Company won large orders from two new domestic OEMs.
- The Company expects revenue growth to pick up in FY15, and EBITDA margins are also expected to improve in FY15 due to improved price realization for both domestic & international markets.
- The Company has made strong progress in addressing its legacy debt issues in FY14.
- The Company has appointed an investment bank to investigate strategic options for the Company and its shareholders.



Major Portfolio Holdings

ESSEL SHYAM

Investment Summary

Investment Date	November 2008
Fund ownership	27.6%
Investment Amount	$13.4mn
Current carrying value	$24.8mn
Current NAV	$0.23 per share
Types of Security	Equity & Preference shares in India operating company
Selected Investor Rights	**Liquidity Preference** Yes **Board Seats** Two

Essel Shyam is the dominant market leader in providing technology led managed services to the broadcasting industry. It provides comprehensive, customized solutions across content operations (including content storage, enrichment and automated play-out) and distribution (including satellite broadcasting/up-linking, digital streaming and cloud distribution).

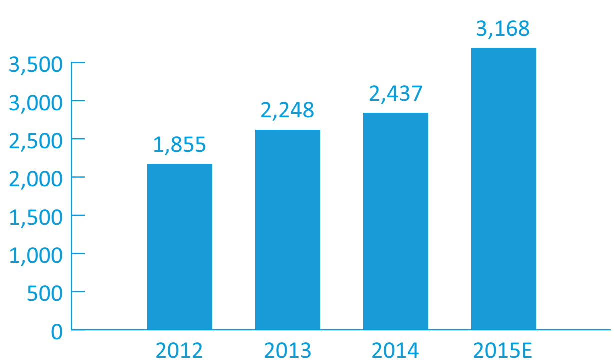
Company Positioning

- **Derivative play on media industry**: The media broadcasting industry in India is expected to witness high growth in the coming year with the launch of several new channels. As the largest outsourced provider of teleporting and other services, ESCL is well positioned to benefit from this growth.
- **Unique offering**: ESCL has a unique portfolio of offerings – a teleporting, DSNG and system integration capability for the media broadcast industry and has deep and long term customer relationships. It has a range of services for satellite-based communications which target the large government spending in this segment.
- **Strong performance record**: The company has been profitable since inception and has grown at over 20% CAGR for the last ten years.
- **Strong management team**: ESCL has a strong and loyal team including the two founding directors, with 70 employees having been with the firm for over 5 years.

Current Situation

- ESCL reported record FY14 revenue of Rs 2,437 mn, a growth of 8% over previous year. This rise in revenues was primarily driven by strong performance from Teleport and DSNG services. The Company achieved budgeted revenue and improved operating margins in FY14. We expect the Company to achieve higher revenue growth in FY15 on the back of stronger performance by Teleport division.
- The Company improved its profitability and reported EBIDTA margin to 29% for FY14 compared to 28% reported last year.
- ESCL continues to explore adjacent product/services market for existing customers, including security solutions and postproduction for media. The company is also investing in newer technologies such as the leasing of content management facilities and cloud based content management services to maintain and enhance its market share.
- The sale process for the company continues to move forward, but no commitments can be made about the timing of an exit for KUBC from the company.

Revenues-INR Mn



Minor Portfolio Holdings

Ocimum Biosolutions

Investment Summary

Investment Date	December 2007
Fund ownership	33.4%
Investment Amount	$15.0mn
Current carrying value	$2.0mn
Current NAV	$0.02 per share
Types of Security	Equity & Preference shares in India operating company

Ocimum offers genomics outsourcing services from offices in India and the US. The company provides information products and software solutions for the research community; basic reagents required in a genomics lab; and outsourced research services, including gene expression analysis, genotyping and hybridization services. The company's customers include some of the world's largest pharmaceutical and biotech companies.

Current Situation

- The Company continues to track below expectation and reported 25% YoY decline in revenue during FY14.
- Business environment remain challenging with near term cash flow constraints. The Company has embarked upon a restructuring exercise to reduce operational costs and improve operating margins.
- The company has appointed banker to sell certain business segments to raise cash and reduce overall debt.

Minor Portfolio Holdings

Investment Summary

Investment Date	January 2008
Fund ownership	6.4%
Investment Amount	$9.3mn
Current carrying value	$0.59mn
Current NAV	$0.01 per share
Types of Security	Equity shares

GSS Infotech provides IT Infrastructure Management services ('IMS') and Enterprise Application Integration services ('EAI') to Fortune 500 clients. The company is listed on the NSE and the BSE in India.

Current Situation

- GSS trades at a deep discount to our entry price and continues to trade at a discount to peers.
- The Company has not yet announced their FY14 results till publication of this report.

Minor Portfolio Holdings

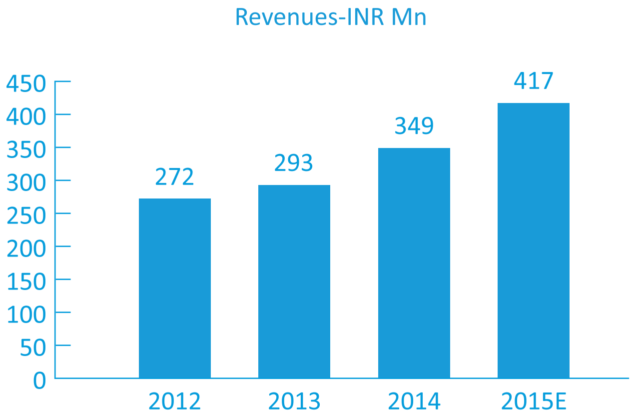
Investment Summary

Investment Date	April 2008
Fund ownership	10.56%
Investment Amount	$1.4mn
Current carrying value	$1.4mn
Current NAV	$0.01 per share
Types of Security	Equity shares in India operating company

Spark Capital ('Spark') is a full service investment bank with a strong presence in Southern India.

Current Situation

- The Company continues to perform well and reported FY14 revenues of INR 349 mn, a growth of 19.2% and net profits of INR 44.12 mn showing a marginal increase of 6% on a year-over-year basis. The investment banking and securities businesses continue to contribute 90% of total revenue.
- During the fiscal year 2014, the company was lead advisor on seven private equity transactions, including primary and secondary investments in both listed and unlisted companies, with an aggregate transaction value worth USD 379 mn.
- We expect the Company to benefit from the expected improvement in economic environment during next two years.



Minor Portfolio Holdings

VENTURE INFOTEK
Changing The Way India Transacts™

Investment Summary

Investment Date	December 2007
Fund ownership	42.8%
Investment Amount	$19.7mn
Current carrying value	$5.2mn
Current NAV	$0.05 per share
Types of Security	Equity shares

Venture Infotek ("VI")[2] is India's leading card transaction processing company, operating in three major business segments: Merchant Acquisition, Credit Card Issuance and Loyalty Cards.

Current Situation

- We were valuing the company on the basis of pending future tax receipts from government of India discounted to its present value.
- The Company now faces yet another delay in the recovery of the pending tax withholdings, as the Authority of Advance Rulings (AAR) declined to hear the Company's petition.
- The company is expected to file, in July, a writ petition in the Bombay High Court to reinstate the Company's application to the AAR. We are hopeful that a reinstated application, coupled with the changed political and business environment, will lead to a successful outcome for the company and to the Fund.

2 The name of the company has been changed from Venture Infotek to Neopath.

Consolidated statement of assets and liabilities
as at 30 June 2014

(Stated in United States Dollars)	Notes	30 June 2014 (unaudited)	30 June 2013 (unaudited)
Assets			
Investments in securities, at fair value	2(d)	57,983,290	71,430,118
Loans to portfolio companies	2(f),10,11	5,171,566	5,171,566
Cash and cash equivalents	2(i),5	4,464,709	6,977,174
Interest and dividend receivable	2(d),2(f)	–	128,283
Prepaid expenses		82,318	73,788
Total assets		**67,701,833**	**83,105,059**
Liabilities			
Accounts payable		31,114	370,258
Tax liability (net)	2(k),7	–	–
Total liabilities		**31,114**	**370,258**
Net assets		**67,670,769**	**82,734,801**
Analysis of net assets			
Capital and reserves			
Share capital	6	1,097,344	1,097,344
Additional paid-in capital	6	111,886,394	111,886,394
Accumulated deficit		(50,931,234)	(36,985,561)
		62,052,504	**75,998,177**
Non-controlling interest	8	5,618,265	6,736,624
		5,618,265	**6,736,624**
Total shareholders' interests		**67,670,769**	**82,734,801**

Consolidated schedule of investments

as at 30 June 2014

(Stated in United States Dollars) Name of the Entity	Industry	Country	Instrument
Investments in securities (other than warrants) NeoPath Limited	Investment holding company	Mauritius	Equity shares Preferred shares
Adayana, Inc.	Education	United States of America	Series A (2007) convertible participating preferred stock Series B (2007) convertible preferred stock Common stock
Essel Shyam Communication Limited	Media services	India	Compulsorily convertible preference shares Equity shares
Ocimum Biosolutions (India) Limited	Life sciences	India	Compulsorily convertible preference shares Equity shares
Greenearth Education Limited	Stationary products	Singapore	Convertible redeemable preference shares
Synergies Castings Limited	Automotive components	India	Compulsorily convertible cumulative preference shares Equity shares
Spark Capital Advisors (India) Private Limited	Financial services	India	Equity shares
GSS Infotech Limited	IT infrastructure	India	Equity shares
Total investments in securities			

The accompanying notes form an integral part of these consolidated financial statements.

30 June 2014 (unaudited)				30 June 2013 (unaudited)			
Number of shares	Cost	Fair value	% of net assets	Number of shares	Cost	Fair value	% of net assets
18,284,614	–	100,000	0.15%	18,284,615	–	100,000	0.12%
9,643,610	–	5,601,655	8.28%	9,643,610	–	5,670,860	6.85%
	–	**5,701,655**	**8.43%**		**–**	**5,770,860**	**6.97%**
3,750,000	–	–	–	3,750,000	15,000,000	1,539,540	1.86%
1,250,000	–	–	–	1,250,000	5,000,000	7,310,265	8.84%
16,667	–	–	–	16,667	50,001	–	0.00%
	–	**–**	**–**		**20,050,001**	**8,849,805**	**10.70%**
5,555,056	12,208,914	22,638,905	32.69%	5,555,056	12,208,914	25,143,416	30.39%
1,125,315	2,473,220	4,586,074	7.54%	1,125,315	2,473,220	5,093,425	6.16%
	14,682,134	**27,224,979**	**40.23%**		**14,682,134**	**30,236,841**	**36.55%**
3,818,162	14,000,000	99,974	0.15%	3,818,162	14,000,000	99,974	0.09%
1,000	3,667	26	0.00%	1,000	3,667	26	0.00%
	14,003,667	**100,000**	**0.15%**		**14,003,667**	**100,000**	**0.12%**
455,172	–	–	–	455,172	20,000,000	1	0.00%
	–	**–**	**–**		**20,000,000**	**1**	**0.00%**
5,333,334	10,000,000	7,646,739	9.76%	5,333,334	10,000,000	8,225,824	9.94%
10,546,614	16,333,556	15,117,048	23.88%	10,543,614	16,333,556	16,261,857	19.66%
	26,333,556	**22,763,787**	**33.64%**		**26,333,556**	**24,487,681**	**29.60%**
55,079	1,500,000	1,545,577	2.28%	55,079	1,500,000	1,500,000	1.81%
	1,500,000	**1,545,577**	**2.28%**		**1,500,000**	**1,500,000**	**1.81%**
1,000,000	10,225,274	647,282	0.96%	1,000,000	10,225,274	484,930	0.59%
	10,225,274	**647,282**	**0.96%**		**10,225,274**	**484,930**	**0.59%**
	66,744,631	**57,983,290**	**85.69%**		**106,794,632**	**71,340,188**	**86.34%**

Consolidated statement of operations

for the six month period ended 30 June 2014

(Stated in United States Dollars)	Notes	Six months ended 30 June 2014 (unaudited)	Six months ended 30 June 2013 (unaudited)
Investment income			
Interest	2(d)	10,740	61,465
Dividend		362,229	–
		372,969	**61,465**
Expenses			
Investment management fee	2(n),3	951,040	998,540
Carried interest	2(n),3	–	–
Professional fees		63,652	80,694
Insurance		48,252	51,213
Directors' fees	4	46,645	42,463
Administration fees		65,750	30,483
License fees		2,437	8,463
Custodian fees		5,542	13,197
Brokerage		–	37,500
Corporate Tax		–	–
Other expenses		31,675	79,742
		1,214,993	**1,342,295**
Net investment loss before tax		**(842,024)**	**(1,280,830)**
Taxation	2(k),7	–	–
Net investment loss after tax		**(842,024)**	**(1,280,830)**
Realized and unrealized gain/(loss) on investment transactions			
Realized gain on investment in securities	2(d)	–	5,376,687
Net unrealized loss on investments in securities	2(d)	4,085,578	(16,108,576)
		4,085,578	**(10,731,889)**
Net decrease in net assets resulting from operations		**3,243,554**	**(12,012,719)**
Non-controlling interest		391,038	(950,589)
Equity holding of parent		2,852,516	(11,062,130)
		3,243,554	**(12,012,719)**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in net assets

as at 30 June 2014

(Stated in United States Dollars)	Share capital	Additional paid-in capital	Accumulated deficit	Non-controlling interest	Total
As at 1 January 2013	1,097,344	115,178,423	(25,923,431)	8,180,158	98,532,494
Capital Distribution	–	(3,292,029)	–	(492,945)	(3,784,974)
Net decrease in net assets resulting from operations	–	–	(11,062,130)	(950,589)	(12,012,719)
As at 30 June 2013	**1,097,344**	**111,886,394**	**(36,985,561)**	**6,736,624**	**82,734,801**
As at 1 January 2014	1,097,344	111,886,394	(53,783,750)	5,227,227	64,427,215
Capital Distribution	–	–	–	–	–
Net increase in net assets resulting from operations	–	–	2,852,516	391,038	3,243,554
As at 30 June 2014	**1,097,344**	**111,886,394**	**(50,931,234)**	**5,618,265**	**67,670,769**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

for the six month period ended 30 June 2014

(Stated in United States Dollars)	Six months ended 30 June 2014	Six months ended 30 June 2013
Cash flow from operating activities		
Net increase/(decrease) in net assets resulting from operations	3,243,554	(12,012,719)
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net (cash used) in/generated from operating activities:		
Net unrealized (gain)/loss on investments in securities	(4,085,578)	16,108,576
Realized gain on investment in securities	–	(5,376,687)
Purchase of investment in securities	–	(236,892)
Proceeds from sale of investment in securities	–	5,613,579
Change in operating assets and liabilities:		
Decrease/(Increase) in other assets	32,218	(59,454)
(Decrease)/Increase in current liabilities	(53,920)	(87,222)
	(863,726)	**3,949,181**
Cash flow from financing activities		
Capital distribution to non-controlling interest shareholders	–	(492,945)
Capital distribution	–	(3,292,029)
	–	**(3,784,974)**
Net change in cash and cash equivalents during the year	**(863,726)**	**164,207**
Cash and cash equivalents at beginning of year	5,328,435	6,262,012
Cash and cash equivalents at end of year	**4,464,709**	**6,426,219**

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements
for the six month period ended 30 June 2014
(Stated in United States Dollars)

1. Organization and principal activity

Kubera Cross-Border Fund Limited (the "Fund") was incorporated in the Cayman Islands on 23 November 2006 as an exempted company with limited liability.

The Fund is a closed-end investment company trading on the AIM market of the London Stock Exchange. The Fund makes private equity investments in cross-border companies, primarily in businesses that operate in the US-India corridor.

The Fund is managed by Kubera Partners, LLC (the "Investment Manager"), a Delaware limited liability company. The Investment Manager is responsible for the day-to-day management of the Fund's investment portfolio in accordance with the Fund's investment objective and policies and has full discretionary investment management authority.

The Fund is a Limited Partner in Kubera Cross-Border Fund LP (the "Partnership"), an exempted limited partnership formed on 28 November 2006, in accordance with the laws of the Cayman Islands. The primary business of the Partnership is to invest in, purchase and sell investments for the purpose of carrying out an investment strategy that is consistent with the strategy described in the Admission Document and Offering Memorandum of the Fund.

Kubera Cross-Border Fund (GP) Limited, a company incorporated under the laws of the Cayman Islands and a wholly owned subsidiary of the Fund, serves as the General Partner of the Partnership.

The Partnership holds 100% ownership in Kubera Cross-Border Fund (Mauritius) Limited ("Kubera Mauritius"), a company incorporated in Mauritius. The primary business of Kubera Mauritius is to carry on business as an investment holding company.

Kubera Mauritius holds 100% ownership in New Wave Holdings Limited, a company incorporated in Mauritius. The primary business of New Wave Holdings Limited is to carry on business as an investment holding company.

IOMA Fund and Investment Management Limited (the "Administrator") is the administrator of the Fund.

2. Significant accounting policies

The accompanying consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles ("US GAAP"). The significant accounting policies adopted by the Company are as follows:

a. Use of estimates

US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, the results of operations during the reporting period and the reported amounts of increases and decreases in net assets from operations during the reporting period. Significant estimates and assumptions are used for, but not limited to, accounting for the fair values of investments in portfolio companies. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, these effects are disclosed in the notes to the financial statements.

b. Functional currency

The measurement and presentation currency of the financial statements is the United States dollar rather than the local currency of Cayman Island reflecting the fact that subscriptions to and redemptions from the Company are made in United States dollars and the Company's operations are primarily conducted in United States dollars.

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

2. Significant accounting policies (continued)

c. Basis of consolidation

The consolidated financial statements include the accounts of the Fund and its wholly owned subsidiary, Kubera Cross-Border Fund (GP) Limited and its majority owned subsidiaries, Kubera Cross-Border Fund LP, Kubera Cross-Border Fund (Mauritius) Limited and New Wave Holdings Limited (together referred to as the 'Group'). All material inter-company balances and transactions have been eliminated.

d. Investment transactions and related investment income and expenses

Substantially all securities are held in the custody of Kotak Mahindra Bank Limited. Investment transactions are accounted for on a trade date basis.

Realized gains and losses and movements in unrealized gains and losses are recognized in the statement of operations and determined on weighted average cost method basis. Movements in fair value are recorded in the statement of operations at each valuation date.

Dividend income is recognized on the ex-dividend date and is presented net of withholding taxes. Interest income and expense are recognized on an accruals basis except for securities in default for which interest is recognized on a cash basis.

e. Fair value

Definition and hierarchy

Investments are recorded at estimated fair value as at the balance sheet date. The Group follows *ASC* 820 "Fair Value Measurements and Disclosures" which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value as determined by the Board of Directors are classified and disclosed in one of the following categories:

Level I – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level II – Observable inputs other than quoted prices included in Level 1 that are not observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level III – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Group's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

In determining fair value, the Group uses various valuation approaches. Inputs that are used in determining fair value of an instrument may include price information; quotations received from market makers, brokers, dealers and/or counterparties (when available and considered reliable); credit data; volatility statistics and other factors. Inputs, including price information, may be provided by independent pricing services or derived from market data. Inputs can be either observable or unobservable.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level III. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Valuation

Listed equity securities

Investments in equity securities that are freely tradable and are listed on a national securities exchange are valued at their last sales price as of the valuation date. These investments are classified as Level I in the fair value hierarchy and include common stocks and preferred stock.

Private company

Investment in private company consists of a direct ownership of common and/or preferred stock of a privately held company. The transaction price, excluding transaction costs, is typically the Group's best estimate of fair value at inception. When evidence supports a change to the carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions.

The Group performs ongoing reviews based on an assessment of trends in the performance of each underlying investment from the inception date through the most recent valuation date. These assessments typically incorporate the original transaction price, recent transactions in the same or similar instruments, completed or pending third-party transactions in the underlying investment or comparable issuers, subsequent rounds of financing, recapitalizations and other transactions across the capital structure, offerings in the equity or debt capital markets and changes in financial ratios or cash flows.

Valuation process

The Group establishes valuation processes and procedures to ensure that the valuation techniques for investments that are categorized within Level III of the fair value hierarchy are fair, consistent, and verifiable. The Group designates the Investment Manager to oversee the entire valuation process of the Group's investments.

The Investment Manager is responsible for reviewing the Group's written valuation processes and procedures, conducting periodic reviews of the valuation policies, and evaluating the overall fairness and consistent application of the valuation policies.

Valuations determined by the Investment Manager are required to be supported by market data, third-party pricing sources; industry accepted pricing models, or other methods the Investment Manager deems to be appropriate, including the use of internal proprietary pricing models.

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

2. Significant accounting policies (continued)

The following table summarizes the valuation of the Group's investments based on ASC 820 fair value hierarchy levels as of 30 June 2014.

	Total	Level I	Level II	Level III
Investments in securities	57,983,290	647,282	–	57,336,008
Total	**57,983,290**	**647,282**	**–**	**57,336,008**

The changes in the investments classified as Level III are as follows:

Balance at 1 January 2014	53,297,388
Realized gains for six month period ended 30 June 2014	
Unrealized gain for six month period ended 30 June 2014	4,038,620
Balance at 30 June 2014	57,336,008
Unrealized losses included in earnings relating to investments held at 30 June 2014	4,038,620

The following table summarizes the valuation of the Group's investments based on the above ASC 820 fair value hierarchy levels as of 30 June 2013.

	Total	Level I	Level II	Level III
Investments in securities	71,430,118	484,930	–	70,945,188
Total	71,430,118	484,930	–	70,945,188

The changes in the investments classified as Level III are as follows:

Balance at 1 January 2013	86,842,269
Purchases during the six month period ended 30 June 2013	236,892
Sale proceeds received during the six month period ended 30 June 2013	(5,613,759)
Transfers in (out of) Level III	–
Realized gains for six month period ended 30 June 2013	5,376,867
Unrealized losses for six month period ended 30 June 2013	(15,897,081)
Balance at 30 June 2013	70,945,188
Unrealized losses included in earnings relating to investments held at 30 June 2013	15,897,081

Total realized and unrealized gains and losses, if any, recorded for the Level III investment is reported in net realized gain (loss) on investments in securities and net change in unrealized gain (loss) on investments in securities respectively, in the statement of operations.

f. Loans, loans impairment and interest income recognition

Loans are reported at their outstanding principal balances net of impairment. The portfolio consists of loans provided to subsidiaries of portfolio companies and bear interest at a market rate based on the borrower's credit quality, the term and face value of the loans. Interest is recognized over the life of the loans at the loan's effective rate of interest. The Group may require collateral for the loans. The Group has not and does not intend to sell these loans receivable. Net changes in loans receivable are included in net cash provided by operating activities in the consolidated statement of cash flows. The allowance for doubtful loans account is the Group's best estimate of the amount of credit losses from the Group's loans. The allowance is determined on an individual loan basis if it is probable that the Group will not collect all principal and interest contractually due. The Group considers borrowers' historical payment patterns, borrowers' credit ratings as published by credit rating agencies, if available, borrowers' business performance and general and industry specific economic factors in determining the borrowers' probability of default.

As per Para 310-10-35-22 of ASC 310 on "Receivables", the impairment is measured based on the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral-dependent. The Group does not accrue interest when a loan is considered impaired. When ultimate collectability of the principal balance of the impaired loan is in doubt, all cash receipts on impaired loans are applied to reduce the principal amount of such loans until the principal has been recovered and are recognized as interest income thereafter. Impairment losses are charged against the allowance and increases in the allowance are charged to impairment loss in statement of operations. Loans are written off against the impairment allowance when all possible means of collection have been exhausted and the potential for recovery is considered remote. The Group resumes accrual of interest when it is probable that the Group will collect the remaining principal and interest of an impaired loan. Loans become past due based on how recently payments have been received.

g. Foreign currency translation

Assets and liabilities denominated in a currency other than the U.S. dollar are translated into U.S. dollars at the exchange rate as at the reporting date. Purchases and sales of investments and income and expenses denominated in currencies other than U.S. dollars are translated at the exchange rate on the respective dates of such transactions.

The Group does not generally isolate that portion of the results of operations arising as a result of changes in the foreign currency exchange rates from the fluctuations arising from changes in the market prices of securities. Accordingly, such foreign currency gain (loss) is included in net realized and unrealized gain (loss) on investments.

h. Buy back

The Fund repurchases its shares by allocating the excess of repurchase price over par value against additional paid-in capital.

i. Cash and cash equivalents

Cash and cash equivalents includes highly liquid investments, such as money market funds, that are readily convertible to known amounts of cash within 90 days from the date of purchase. All cash balances are held at major banking institutions.

j. Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

k. Income taxes

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Group. Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the consolidated financial statements carrying amount of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using prevailing tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statement of operations in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefits of which future realization is not more likely than not.

l. Fair value of financial instruments other than investment in securities

The Group's investments are accounted as described in Note 2(e). The Group's financial instruments include other current assets, accounts payable and accrued expenses, which are realizable or to be settled within a short period of time. The carrying amounts of these financial instruments approximate their fair values.

m. Comprehensive income

The Group has no comprehensive income other than the net income disclosed in the statement of operations. Therefore, a statement of comprehensive income has not been prepared.

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

2. Significant accounting policies (continued)

n. Investment management fees

On 17 January 2013 and subsequently on 7 June 2013, the Board of Directors of the Company fixed the management fees for the years 2013 to 2015. Provided that if at any time prior to 31 December 2015, the Net Asset Value does not drop below 15 per cent of the Net Asset Value as at 1 January 2013, the Company shall pay a management fee to the Manager which shall be:

- US$1,997,079 per annum for the period from 1 January 2013 to 31 December 2014 less the administration fee payable to IOMA Fund and Investment Management Limited ("IOMA") for such period;
- US$1,697,515 for the period from 1 January 2015 to 31 December 2015 less the administration fee payable to IOMA.

For periods subsequent to 31 December 2015 the management fee will be negotiated by both parties at that time.

Carried interest

Under the terms of the Partnership Agreement, Kubera Cross-Border Incentives SPC – Carried Interest SP, the Special Limited Partner of the Partnership and an affiliate of the Investment Manager, is entitled to receive a carried interest from the Partnership equivalent to 20 per cent, of the aggregate return over investment received by the Partnership following the full or partial cash realization of an investment.

Aggregate return, for the purposes of calculating the carried interest, is defined as the net realized gains reduced by the net unrealized losses of the Partnership to the date of such distribution. Realized and unrealized gains or losses on each investment are determined on the most recent announced NAV immediately prior to the date of such distribution.

The payment of carried interest is conditional upon the fact that the last announced adjusted NAV of the Fund prior to the date of distribution should be equal to or greater than the Par Value. The adjusted NAV is arrived at by adding back the value of any income or capital distributions made by the Fund to its shareholders.

In addition, the carried interest payment is adjusted such that, the aggregate cumulative amount of carried interest paid at the date of such distribution will equal 20 per cent, of the eligible carried interest proceeds.

Eligible carried interest proceeds may not be less than zero.

3. Investment management fees and carried interest

Investment management fees

During the six month period ended 30 June 2014, the Fund paid US$951,040 (30 June 2013: US$ 998,540) as investment management fee.

Carried interest

During the six month period ended 30 June 2014, no carried interest is paid/payable (30 June 2013: Nil).

4. Directors' fees and expenses

The Fund pays each of its directors an annual fee of £20,000 and the Chairman is paid an annual fee of £25,000, plus reimbursement for out-of-pocket expenses incurred in the performance of their duties. The members of the Audit Committee are paid an annual fee of £2,000 and the Chairman of the Audit Committee is paid an annual fee of £5,000. Mr. Raghavendran has waived his director's fees as long as he is interested in the Investment Manager.

The Fund does not remunerate its directors by way of share options and other long term incentives or by way of contribution to a pension scheme.

5. Cash and cash equivalents

	30 June 2014	30 June 2013
Cash at bank	**1,464,709**	1,895,265
Time deposits	**3,000,000**	4,530,954
	4,464,709	6,426,219

6. Share capital and additional paid-in capital

	30 June 2014	30 June 2013
Authorized share capital:		
1,000,000,000 ordinary shares of $0.01 each	**10,000,000**	10,000,000

	Number of Shares	Share Capital	Additional paid-in capital	Total
As at 30 June 2014	**109,734,323**	**1,097,344**	**111,886,394**	**112,983,738**
As at 1 January 2013	109,734,323	1,097,344	115,178,423	116,275,767
Capital distribution	–	–	(3,292,029)	(3,292,029)
As at 30 June 2013	109,734,323	1,097,344	111,886,394	112,983,738

7. Income taxes

Under the laws of the Cayman Islands, the Fund, Kubera Cross-Border Fund (GP) Limited and Kubera Cross-Border Fund LP, are not required to pay any tax on profits, income, gains or appreciations and, in addition, no tax is to be levied on profits, income, gains, or appreciations or which is in the nature of estate duty or inheritance tax on the shares, debentures or other obligations of the Fund and its Cayman based subsidiaries, or by way of withholding in whole or part of a payment of dividend or other distribution of income or capital by the Fund and its Cayman based subsidiaries, to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Fund and its Cayman based subsidiaries.

Under laws and regulations in Mauritius, the Fund's majority owned subsidiaries, Kubera Cross-Border Fund (Mauritius) Limited and New Wave Holdings Limited, are liable to pay income tax on their net income at a rate of 15%. They are however entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of their foreign source income tax thus reducing their maximum effective tax rate to 3%. Both subsidiaries have received a tax residence certificate from the Mauritian authorities certifying that they are residents of Mauritius, which is renewable on an annual basis subject to meeting certain conditions and which make them eligible to obtain benefits under the Double Tax Avoidance Treaty between Mauritius and India.

ASC 740, "Accounting for Income Taxes" clarifies when and how to recognize tax benefits in the financial statements with a two-step approach of recognition and measurement. It also requires the enterprise to make explicit disclosures about uncertainties in their income tax positions, including a detailed roll-forward of tax benefits taken that do not qualify for financial statement recognition. There are no uncertain tax positions and related interest and penalties as of 30 June 2014.

The Fund monitors proposed and issued tax law, regulations and cases to determine the potential impact to uncertain income tax positions. As at 30 June 2014, there are no potential subsequent events that would have a material impact on unrecognized income tax benefits within the next six months.

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

8. Non-controlling interest

	30 June 2014	30 June 2013
Share capital	**7,648,511**	7,648,511
Accumulated share of (loss)/gain	**(2,030,246)**	(911,887)
Total	**5,618,265**	6,736,624

Non-controlling interest is primarily composed of the partnership interests of Kubera Cross-Border Incentives SPC - Co-Investment Segregated Portfolio, a Cayman Islands company and an affiliate of the Investment Manager, in the consolidated affiliates.

9. Transactions with related parties

A. The following table lists the related parties of the Group:

Name	Nature of relationship
Ramanan Raghavendran	Director
Martin Michael Adams	Independent Director
Robert Michael Tyler	Independent Director
Kubera Partners LLC	Investment Manager
Kubera Cross-Border Incentives SPC – Carried Interest SP	Special Limited Partner of the Partnership

B. During the period transactions with related parties are as disclosed below:

	30 June 2014	30 June 2013
Investment management fees paid to Investment Manager	951,040	998,540
Expenses incurred by Kubera Partners LLC on behalf of the Fund	–	63,519
Director fee and reimbursement of expenses paid to Michel Casselman	–	4,398
Director fee, audit committee member fee and reimbursement of expenses paid to Martin Michael Adams	22,691	25,569
Director fee, audit committee member fee and reimbursement of expenses paid to Robert Michael Tyler	21,579	19,677
Director fee and audit committee member fee paid to Pravin Ratilal Gandhi	–	256

10. Loans receivables

Loans receivable as at 30 June 2014 are given below:

Borrower name	Sector	Cost	Date of loan	Carrying rate of interest (% p.a.)	Date of maturity
Ocimum Biosolutions Inc* (secured)	Life Sciences	2,525,035	6 December 2010	20.0	6 December 2012
Synergies Castings USA Inc. (secured)	Automotive Components	1,500,000	1 February 2012	12.5	3 August 2015
Synergies Castings USA Inc. (secured)	Automotive Components	1,000,000	1 February 2012	12.5	3 August 2015
Synergies Castings USA Inc. (unsecured)	Automotive Components	575,000	30 March 2011	7.0	3 August 2015
Total		**5,600,035**			

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

10. Loans receivables (continued)

Loans receivable as at 30 June 2013 are given below:

Borrower name	Sector	Cost	Date of loan	Carrying rate of interest (% p.a.)	Date of maturity
Ocimum Biosolutions Inc (secured)	Life Sciences	2,500,000	6 December 2010	20.0	6 December 2012
Synergies Castings USA Inc. (secured)	Automotive Components	1,500,000	1 February 2010	12.5	3 August 2015
Synergies Castings USA Inc (secured)	Automotive Components	1,000,000	1 February 2010	12.5	3 August 2015
Synergies Castings USA Inc. (unsecured)	Automotive Components	575,000	30 March 2011	7.0	Repayment of $25,000 starting from Oct 2011 till Nov 2013
Total		**5,575,000**			

11. Impairment loss on loans

The activity in the impairment loss on loan and recorded investment in loans (unrated) for the years ended 30 June 2014 and 2013 is as follows:

	2014			2013		
	Automotive components	Life Sciences	Total	Automotive components	Life Sciences	Total
Impairment loss on loan account:						
Opening balance*	–	**428,469**	**428,469**	–	428,469	428,469
Provision during the year	–	–	–	–	–	–
Closing balance	–	**428,469**	**428,469**	-	428,469	428,469
Loans to portfolio companies:						
Closing balance of loans individually assessed for impairment	**3,075,000**	**2,096,566**	**5,171,566**	3,075,000	2,096,566	5,171,566

* Includes interest accrued written off of US$ 25,035

The recorded investment in loans and related impairment allowance as at 30 June 2014 is given below:

Industry	Recorded Investment	Unpaid principal balance	Impairment allowance	Average recorded investment	Interest income recognized
Automotive components	3,075,000	3,075,000	–	3,075,000	99,945
Life Sciences	2,525,035	2,525,035	428,469	2,525,035	–
Total	**5,600,035**	**5,600,035**	**428,469**	**5,600,035**	**99,945**

The recorded investment in loans and related impairment allowance as at 30 June 2013 is given below:

Industry	Recorded investment	Unpaid principal balance	Impairment allowance	Average recorded investment	Interest income recognized
Automotive components	3,075,000	3,075,000	–	3,075,000	–
Life Sciences	2,525,035	2,525,035	428,469	2,525,035	–
Total	**5,600,035**	**5,600,035**	**428,469**	**5,600,035**	–

Notes to the consolidated financial statements

for the six month period ended 30 June 2014 (continued)
(Stated in United States Dollars)

11. Impairment loss on loans (continued)

The following table provides an analysis of the aging of the past due loans receivable as of 30 June 2014:

Industry	30-60 Days past due	61-90 Days past due	Greater than 90 Days past due	Total past due	Total financing receivables	Recorded investment > 90 days and accruing
Automotive components	–	–	–	–	–	–
Life Sciences	–	–	2,096,566	2,096,566	2,096,566	–
Total	**–**	**–**	**2,096,566**	**2,096,566**	**2,096,566**	**–**

The following table provides an analysis of the aging of the past due loans receivable as of 30 June 2013:

Industry	30-60 Days past due	61-90 Days past due	Greater than 90 Days past due	Total past due	Total financing receivables	Recorded investment > 90 days and accruing
Automotive components	50,000	–	225,000	275,000	3,075,000	–
Life Sciences	–	–	2,096,566	2,096,566	2,096,566	–
Total	**50,000**	**–**	**2,321,566**	**2,371,566**	**5,171,566**	**–**

12. Financial instruments and associated risks

The Group's investment activities expose it to various types of risks, which are associated with the financial instruments and markets in which it invests. The financial instruments expose the Group in varying degrees to elements of liquidity, market and credit risk. The following summary is not intended to be a comprehensive summary of all risks inherent in investing in the Group and reference should be made to the Group's admission document for a more detailed discussion of risks.

a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market variables such as interest, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the particular security or factors that affect all securities in the markets. Investments are typically made with a specific focus on India and thus are concentrated in that region. Political or economic conditions and the possible imposition of adverse governmental laws or currency exchange restrictions in that region could cause the Group's investments and their markets to be less liquid and prices more volatile. The Group is exposed to market risk on all of its investments.

b) Industry risk

The Group's investments may have concentration in a particular industry or sector and performance of that particular industry or sector may have a significant impact on the Group. The Group's investments may also be subject to the risk associated with investing in private equity securities. Investments in private equity securities may be illiquid and subject to various restrictions on resale and there can be no assurance that the Group will be able to realize the value of such investments in a timely manner.

c) Credit risk

Credit risk is the risk that an issuer/counterparty will be unable or unwilling to meet its commitments to the Group. Financial assets that are potentially subject to significant credit risk consist of cash and cash equivalents. The maximum credit risk exposure of these items is their carrying value.

d) Currency risk

The Group has assets denominated in currencies other than the US Dollar, the functional currency. The Group is therefore exposed to currency risk as the value of assets denominated in other currencies will fluctuate due to changes in exchange rates. The Group's cash and cash equivalents are held in US Dollars.

e) Liquidity risk

The Group is exposed to liquidity risk as a majority of the Group's investments are largely illiquid. Illiquid investments include any securities or instruments which are not actively traded on any major securities market or for which no established secondary market exists where the investments can be readily converted into cash. Reduced liquidity resulting from the absence of an established secondary market may have an adverse effect on the prices of the Group's investments and the Group's ability to dispose of them where necessary to meet liquidity requirements. As a result, the Group may be exposed to significant liquidity risk.

f) Political, economic and social risk

Political, economic and social factors, mainly changes in Indian laws or regulations and the status of India's relations with other countries may adversely affect the value of the Group's investments.

13. Sale of investments held by NeoPath Limited

On 25 August 2010, NeoPath Limited (NeoPath), a portfolio company of New Wave Holdings Limited, sold its 100% holding in Venture Infotek Global Private Limited, its wholly owned subsidiary, to Atos Origin (Singapore) Pte Limited (Atos), a company incorporated and resident in Singapore, for a consideration of USD 110 million. As part of the terms of the share purchase agreement, USD 69.04 million was paid to NeoPath for its share of holding.

In April 2013, NeoPath entered into a settlement with Atos (with respect to the monies lying in escrow that were subject to an arbitration process) and received USD 13.07 million as a settlement amount. NeoPath distributed the same by way of buyback of 5,613,579 preferred shares; pursuant to which New Wave Holdings Limited received USD 5.61 million. New Wave Holdings Limited accounted for it as a realized gain on sale of investment in securities.

The only asset now left in NeoPath Limited is the withholding tax refund. Atos had deducted withholding tax towards Indian income tax of USD 15.96 million (the Group's share is USD 7.49 million) and deposited with the Government of India. NeoPath Limited is in the process of claiming a refund of the withholding tax based on its position that the capital gains realized on the sale is exempt from tax in India under the relevant provisions of the India-Mauritius tax treaty. Consequently, based on the tax counsel opinion, the entire amount of USD 15.96 million has been considered as fully recoverable and the present value of the expected tax refund has been included in the fair value estimate of the investment in NeoPath as at 30 June 2014.

14. Previous year comparatives

Prior year comparatives have been regrouped and reclassified wherever necessary to confirm with the current year's presentation.

Corporate Information

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Martin Michael Adams, Chairman
Robert Michael Tyler
Ramanan Raghavendran

Audit Committee
Robert Michael Tyler, Chairman
Martin Michael Adams

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