FMG COMBO FUND LTD.

Annual Report and Non-Statutory Financial Statements

For the year ended March 31, 2015

Contents

Directors:	Anthony O`Driscoll James Keyes William Woods
Investment manager:	FMG Fund Managers Bermuda Ltd, 20 Reid Street, 3rd Floor, Williams House, P.O. Box 2460 HMJX, Hamilton HM11, Bermuda.
Company secretary:	Sharon Ward
Registered office:	20 Reid Street, 3rd Floor, Williams House, P.O. Box 2460 HMJX, Hamilton HM11, Bermuda.
Administrator, registrar and transfer agent:	Apex Fund Services Ltd, 20 Reid Street, 3rd Floor, Williams House, P.O. Box 2460 HMJX, Hamilton HM11, Bermuda.
Sub-administrator, sub-registrar and sub-transfer agent:	Apex Fund Services (Malta) Ltd, Central North Business Centre, Level 1, Sqaq il-Fawwara, Sliema, Malta.
Custodian / banker:	Credit Suisse AG, Uetlibergstr., 231 (A/B+ZN), 8070, Zürich, Switzerland.
Legal advisors:	Appleby (Bermuda) Limited *(as at 31 March 2015)*, Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda.
	Harneys Bermuda Limited *(appointed 26 May 2016)*, Continental Building, 25 Church Street, Hamilton HM12, Bermuda.
Auditor:	Deloitte Audit Limited, Deloitte Place, Mriehel Bypass, Mriehel, Malta.

Comparative table

This table represents the net asset values calculated on the last valuation date in accordance with the Fund's Offering Supplement.

	As at March 31, 2015			As at March 31, 2014		
	NAV per unit*	Units in circulation	Total NAV	NAV per unit*	Units in Circulation	Total NAV
FMG Combo Fund Class A (USD)	64.73	1,736	112,339	59.77	1,904	113,801
FMG Combo Fund Class B (USD)	7.12	175,910	1,253,041	6.55	242,631	1,588,216
FMG Combo Fund Class A (EUR)	55.39	1,966	108,902	52.02	2,876	149,636
FMG Combo Fund Class B (EUR)	6.09	67,043	408,600	5.69	75,815	431,757
FMG Combo Fund Class B09 (EUR)	8.22	802	6,591	7.68	802	6,159
FMG Combo Fund Class A (NOK)	533.07	5,995	3,195,716	494.67	6,319	3,125,807

* The NAV per unit is presented to the nearest two decimal places.

FMG COMBO FUND LTD.

Directors' report

For the year ended March 31, 2015

The directors present the annual report and the audited non-statutory financial statements of FMG Combo Fund Ltd. ('the Company' or 'the Fund') for the year ended March 31, 2015.

Principal activities
The Company is an open-ended investment Fund, incorporated in Bermuda empowered by its bye-laws to issue, redeem and reissue its own shares at prices based on their net asset value.

The principle strategy of the Fund is to invest the Fund's assets primarily in FMG (EU) Combo Fund, a sub-fund of FMG Funds SICAV plc, a company registered in Malta, which will give investors access to a portfolio of managed accounts and other funds that have a good performance record.

Performance review and financial position
The Fund generated a loss amounting to $93,526 (2014 - $281,022). During the year under review, $615,365 (2014 - $1,020,121) were redeemed from the Fund. Shareholders' funds as at March 31, 2015 amounted to $2,324,206 (2014 - $3,033,097).

Directors
The directors who served during the period were:
Anthony O'Driscoll
William Woods
James Keyes

In accordance with the Fund's articles of association the directors are to remain in office.

Auditors
A resolution to reappoint Deloitte Audit Limited as auditor of the Fund will be proposed at the forthcoming annual general meeting.

Events after the reporting period
After the reporting date, the Fund experienced redemptions amounting to EUR8,104 from the class A EUR shares, NOK363,529 from the class A NOK shares, $18,605 from the class A USD shares and EUR50,984 from the class B EUR shares.

Approved by the board of directors and signed on its behalf on 5 August 2016 by

Anthony O'Driscoll
Director

Directors' responsibility for the financial statements

The directors acknowledge their responsibility to prepare financial statements in accordance with International Financial Reporting Standards which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss of the Company for the year then ended. In preparing the financial statements, the directors should:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business as a going concern.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company and which enable the directors to ensure that the financial statements comply with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are also responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FMG COMBO FUND LTD.

Statement of financial position

March 31, 2015
(Expressed in United States Dollars)

	Notes	2015	2014
Assets			
Financial assets at fair value through profit or loss	4	1,908,628	2,900,803
Receivables	5	7,336	10,740
Prepayments		4,735	4,697
Cash and cash equivalents		461,997	148,256
Total assets		2,382,696	3,064,496
Liabilities			
Financial liabilities at fair value through profit or loss	4	31,284	-
Accounts payable and accrued expenses	6	27,206	31,399
Total liabilities (excluding net assets attributable to holder of redeemable preference shares)		58,490	31,399
Net assets attributable to holders of redeemable preference shares		$ 2,324,206	$ 3,033,097

These financial statements were approved by the board of directors, authorized for issue on 5 August 2016 and signed on its behalf by:

ADriscoll

Anthony O'Driscoll
Director

The notes on pages 9 to 25 form an integral part of the financial statements.

Statement of comprehensive income

Year ended March 31, 2015
(Expressed in United States Dollars)

	Notes	2015	2014
Investment loss			
Net gain/(loss) on financial instruments designated at fair value through profit or loss		**264,435**	(246,830)
Net (loss)/gain on financial instruments held for trading		**(282,054)**	39,768
Dividends income		**314**	-
Rebate income		**32,854**	49,538
Total investment income/(loss)		**15,549**	(157,524)
Operating expenses			
Management fees	11	**42,802**	57,572
Administration fees	11	**33,660**	33,727
Professional fees		**2,222**	2,378
Directors' and secretarial fees		**13,500**	13,500
Custodian fees	8	**1,611**	2,688
Other operating fees		**15,152**	13,633
Total operating expenses		**108,947**	123,498
Finance cost			
Interest expense		**34**	-
Net investment loss before tax		**(93,432)**	(281,022)
Withholding taxes		**(94)**	-
Net investment loss after tax		**(93,526)**	(281,022)
Decrease in net assets attributable to holders of redeemable preference shares		$ **(93,526)**	$ (281,022)

The notes on pages 9 to 25 form an integral part of the financial statements.

Statement of changes in net assets attributable to holders of redeemable preference shares

Year ended March 31, 2015
(Expressed in United States Dollars)

		2015		2014
Decrease in net assets attributable to holders of redeemable preference shares		(93,526)		(281,022)
From capital share transactions				
Subscription of redeemable preference shares		-		-
Redemption of redeemable preference shares		(615,365)		(1,020,121)
Net decrease in net assets attributable to redeemable preference shares		(708,891)		(1,301,143)
Net assets attributable to redeemable preference shares at the beginning of the year		3,033,097		4,334,240
Net assets attributable to redeemable preference shares at the end of the year	$	2,324,206	$	3,033,097

The notes on pages 9 to 25 form an integral part of the financial statements.

Statement of cash flows

Year Ended March 31, 2015
(Expressed in United States Dollars)

	2015	2014
Cash flows from operating activities		
Decrease in net assets attributable to holders of redeemable preference shares	(93,526)	(281,022)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities:		
Change in assets and liabilities:		
Net change in investments and derivative financial instruments	1,023,459	1,219,419
Receivables and prepayments	3,366	24,682
Accounts payable and accrued expenses	(4,193)	(2,630)
Net cash provided by operating activities	929,106	960,449
Cash flows used in financing activities		
Payments on redemptions of redeemable preference shares	(615,365)	(1,028,398)
Net cash used in financing activities	(615,365)	(1,028,398)
Net increase/(decrease) in cash and cash equivalents	313,741	(67,949)
Cash and cash equivalents at the beginning of the year	148,256	216,205
Cash and cash equivalents at the end of the year	$ 461,997	$ 148,256
Supplementary cash flow information		
Dividend received	$ 314	$ -

The notes on pages 9 to 25 form an integral part of the financial statements.

1. Reporting entity

FMG Combo Fund Ltd. (the 'Company' or the 'Fund') was incorporated in Bermuda on September 9, 2005 as an open-ended investment Fund, empowered by its bye-laws to issue, redeem and reissue its own shares at prices based on their net asset value.

The Fund invests in other funds to provide investors access to a wide variety of underlying fund managers covering a broad range of hedge fund strategies, industry sectors and geographic regions. The Fund achieves this investment strategy by investing mainly in FMG (EU) Combo Fund, a sub-fund of FMG Funds SICAV plc which is a regulated Malta entity managed by FMG (Malta) Ltd and related to the FMG Group.

2. Basis of preparation

2.1 Statement of compliance

These non-statutory financial statements represent the financial statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS") and issued by the International Accounting Standards Board ("IASB").

2.2 Basis of measurement

The financial statements have been prepared using the historical cost convention except that the following are measured at fair value:

- derivative financial instruments; and
- financial instruments designated at fair value through profit or loss.

2.3 Functional and presentation currency

The financial statements are presented in the United States Dollars (USD), which is also the functional currency of the Company, rounded to the nearest unit.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires directors to exercise judgements in the process of applying accounting estimates. Estimates and judgements are continually evaluated and are based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, except for the valuation of investments as disclosed in note 3.2, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult to reach, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised) – *Presentation of Financial Statements.*

3. Summary of significant accounting policies

3.1 Foreign currency

Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year-end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt within the statement of comprehensive income.

3. Summary of significant accounting policies (continued)

3.2 Financial assets and liabilities

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognised at their fair value plus directly attributable transaction costs for all financial assets or financial liabilities not classified at fair value through profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or when the entity transfers the financial asset and the transfer qualifies for derecognition.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expires.

(i) Trade and other receivables

Trade and other receivables are classified with assets and are stated at their nominal value unless the effect of discounting is material. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

(ii) Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities as at fair value through profit or loss are those that are held for trading purposes or those that are so designated by the Company upon initial recognition. The Company uses this designation when doing so results in more relevant information because a group of financial assets, liabilities or both are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and information about the group is provided internally on that basis to the entity's key management personnel or when a contract contains one or more embedded derivatives and the entity elects to designate the entire hybrid contract as a financial asset or liability as at fair value through profit or loss. The Company's investments are monitored on a periodic basis by the investment committee appointed by the Investment Manager and the board of directors. After initial recognition, financial assets at fair value through profit or loss are measured at their fair value.

For all financial instruments which are quoted or otherwise traded in an active market, for exchange traded derivatives, exchange traded funds and for other financial instruments for which quoted prices in an active market are available, fair value is determined directly from those quoted market prices and is based on the last prices in line with IFRS 13 *Fair Value Measurement.*

Gains and losses arising from a change in fair value are recognised in profit or loss in the period in which they arise. Where applicable, dividend income and interest income on financial assets at fair value through profit or loss is disclosed separately in profit or loss. Fair value gains and losses are recognised within net gain on financial instruments at fair value through profit or loss.

3. Summary of significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

Financial instruments (continued)

(ii) Financial assets and liabilities at fair value through profit or loss *(continued)*

- Valuation of investments in collective investment schemes

Investments in collective investment schemes (private investment funds) are designated at fair value through profit or loss, in accordance with *IAS 39 Financial Instruments; Recognition and Measurement* and are valued at fair value as determined by the administrator of the private investment fund. In determining fair value the administrator utilises the valuations of the underlying private investment funds to determine the fair value of its interest. The underlying private investment funds value securities and other financial instruments on a mark-to-market fair value basis of accounting. Investments in private investment funds are valued based on the independently audited net asset values of the private investments funds. For those private investment funds for which independently audited financial statements are not available, the board of directors bases its valuation on the private investment funds' net asset values as calculated by the administrator of such private investment funds. It is possible that the underlying private investment funds' results may subsequently be adjusted when such results are subjected to an audit, and the adjustments may be material.

- Derivative financial instruments

Derivative financial assets and derivative financial liabilities are classified as held for trading unless they are designated as effective hedging instruments. During the year under review, the Company did not designate any of its derivative financial instruments in a hedging relationship for accounting purposes.

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward foreign exchange contracts are valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price, and is recognised in the statement of comprehensive income.

Contracts for difference (CFDs) are instruments that offer the benefits of trading shares without having to physically own them and offer exposure to the markets at a small percentage of the cost of owning the actual share. CFDs are traded on margin and the Fund pays a nominal fee to maintain the position. CFDs mirror the performance of a share or an index and the gains or losses are determined by the difference between the buy and the sell price which are recorded by the Fund in the statement of comprehensive income. CFDs also mirror any corporate actions that take place and the Fund records dividends paid or received in the statement of comprehensive income.

(iii) Trade and other payables

Trade and other payables are stated at their nominal value unless the effect of discounting is material.

(iv) Realised and unrealised gains and losses

Investment transactions are recorded on a trade date basis. Realised gains or losses on investments are calculated on a weighted average cost and are disclosed within net gain on financial assets at fair value through profit or loss in the statement of comprehensive income.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise current deposits held with banks. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3. **Summary of significant accounting policies** (continued)

3.4 Revenue recognition

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Company and these can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income and expense

Interest income and expense, including interest from non-derivative financial assets at fair value through profit or loss, are recognised as they accrue in profit or loss, where applicable, gross of withholding tax. For financial assets and liabilities not classified at fair value through profit or loss, such interest income and expense is recognized using the effective interest method.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established. Usually this is the ex-dividend date for equity securities. Dividend income from equity securities designated at fair value through profit or loss is recognised in the 'dividend income' line in the statement of comprehensive income.

3.5 Rebate income

Rebate income represents reimbursements receivable from the Company's investment manager in accordance with the terms set out in the Fund's supplement.

3.6 Expenses

All expenses, including management, administrator and custodian fees, are recognised in profit or loss on an accruals basis.

3.7 Units redeemed

All units issued by the Company provide the right to require redemption for cash on each dealing date in accordance with the terms set out in the Company's prospectus. Such instruments give rise to a financial liability for the present value of the redemption amount and are presented in the statement of financial position as Net assets attributable to holders of redeemable preference shares.

3.8 Impairment

All assets are tested for impairment except for financial assets measured at fair value through profit or loss.

At the end of each reporting period, the carrying amount of assets, is reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated.

In the case of financial assets that are either carried at amortised cost, objective evidence of impairment includes observable data about the following loss events - significant financial difficulty of the issuer, a breach of contract, it becoming probable that the borrower will enter bankruptcy or other financial reorganisation, the disappearance of an active market for that financial asset because of financial difficulties and observable data indicating that there is a measurable decrease in the estimated future cash flows since the initial recognition of those assets.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

For loans and receivables, if there is objective evidence that an impairment loss has been incurred, the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the asset is reduced directly.

3. **Summary of significant accounting policies** (continued)

3.8 Impairment *(continued)*

Impairment losses are recognised immediately in profit or loss.

For loans and receivables, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly.

Impairment reversals are recognised immediately in profit or loss.

3.9 Adoption of revised International Financial Reporting Standards

The following amendment to the existing standards issued by the International Accounting Standards Board is effective for the current year:

- An amendment to International Accounting Standards "IAS" 32, *Offsetting Financial Assets and Financial Liabilities* ("IAS 32") clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. The amendments further clarify the meaning of the legally enforceable right of set-off and simultaneous realisation and settlement. The amendment is effective for periods beginning on or after 1 January 2014.

3.10 Standards, amendments and interpretations in issue but not yet effective

The directors are currently evaluating the impact on the financial statements of the Company in the period of initial application of the following International Financial Reporting Standards that were in issue at the date of authorisation of these financial statements, but not yet effective.

- The final version of IFRS 9 *Financial Instruments* issued on 24 July 2014 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement.* The Standard supersedes all previous versions of IFRS 9.

  IFRS 9 introduces a logical approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule based requirements that are generally considered to be overly complex and difficult to apply. The new model also results in a single, forward-looking 'expected loss' impairment model that will require more timely recognition of expected credit losses.

  IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. IFRS 9 is effective for annual periods commencing on or after 1 January 2018.

- An amendment to IAS 24 deals with Related Party Disclosures. This amendment is part of the 'Annual Improvements to IFRSs 2010-2012 cycle'. It clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity. This amendment is effective for periods beginning on or after 1 July 2014.

- The amendment to IAS 1 aim to address perceived impediments to preparers exercising their judgement in presenting their financial reports. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. The amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The amendment is effective for periods beginning on or after 1 January 2016.

4. Classification and fair values of financial assets and liabilities

The table below provides a reconciliation of the Company's financial assets and liabilities at fair value through profit or loss.

	2015	2014
Assets	**$**	**$**
Designated as at fair value through profit or loss		
Exchange traded funds	46,384	-
Collective investment scheme	1,857,674	2,897,283
Held for trading		
Contract for differences	4,570	-
Forward contracts	-	3,520
Total financial assets at fair value through profit or loss	1,908,628	2,900,803
Liabilities		
Held for trading		
Contract for differences	266	-
Forward contracts	31,018	-
Total financial liabilities at fair value through profit or loss	31,284	-

As part of the Company's capital appreciation strategy, the Company invests primarily in a sub-fund of the FMG Funds SICAV plc, namely the FMG (EU) Combo Fund. As at March 31, 2015, the Company's investment in collective investment schemes amounting to $1,857,674 (2014 - $2,897,283) was all held in FMG (EU) Combo Fund. In turn the investment objective of FMG (EU) Combo Fund is to invest in a combination of other funds within the FMG group. This gives investors access to a portfolio of managed accounts and other funds.

As at March 31, 2015 FMG (EU) Combo Fund held 86% (2014 – 89%) of its net asset value in certain underlying collective investment schemes (the "investee funds") whose financial year end is not co-terminous with that of FMG (EU) Combo Fund. As a result, the valuation of these underlying investments could not be corroborated against independently audited net asset values as at March 31, 2015 and have been based on net asset values as calculated by the administrators of these investee funds.

The exchange traded funds held by the Fund are listed on a recognised stock exchange. These investments are valued at the last prices as quoted by the respective stock exchange.

Derivative instruments are classified as held for trading. All other assets measured at fair value have been designated at fair value through profit or loss. Further information about the derivative financial instruments is disclosed in note 13.1.1.

5. Receivables

	2015	2014
	$	$
Rebates receivable	7,336	10,740

6. Accounts payable and accrued expenses

	2015 $	2014 $
Management fees payable	9,531	12,529
Professional fees payable	3,961	4,987
Administration fees payable	8,227	8,293
Other payables	5,487	5,590
	27,206	31,399

Management fees payable are due to related parties. The terms and conditions of such amounts owed to related parties are disclosed in note 11. These amounts are unsecured, interest free and repayable on demand.

7. Net asset value

In accordance with the Offering Memorandum, the net asset value of each class of shares in a Fund is determined by reference to the market prices of the underlying assets in the Fund attributable to such class at the close of business on the 'valuation date'. The last dealing date in the 2015 financial year of the Fund was on March 2 the last official valuation date in the 2015 financial year, was on March 31.

In accordance with the Offering Memorandum, the net assets of the Company are computed at the latest available dealing price or the latest available middle market quotation. However, for financial reporting purposes under IFRSs, the assets and liabilities are to be valued at the price that is most representative of the fair value in the circumstances.

8. Custodian fees

Effective August 14, 2009, the Credit Suisse AG (the 'Custodian') was appointed as a custodian to the Fund.

Fees for custody services are charged at 0.075% per annum of the value of the net assets of the Fund under custody up to $500 million and 0.065% per annum of the value of the net assets of the Fund under custody in excess of $500 million.

9. Taxation

Under current Bermuda laws, the Fund is not required to pay any taxes in Bermuda on either income or capital gains. The Fund has received an undertaking from the Minister of Finance in Bermuda exempting it from any such taxes at least until the year 2035.

It is management's belief that the Fund is not engaged in a United States trade or business and will not be subject to United States income or withholding taxes in respect of the profits or losses of the Fund, other than the 30% withholding tax on U.S. source dividends.

As a result, management has made no provision for income taxes in these financial statements.

10. Share capital

The authorised share capital of the Fund is $11,000, which is divided into 100 common shares of par value of $1 each and 10,900,000 non-voting redeemable preference shares (the "Shares"), of par value of $0.001 each. Redeemable preference shares are issued as Class A and Class A09 shares (collectively, the "Class A Shares") and Class B and Class B09 shares (collectively, the "Class B Shares").

Effective February 2, 2009 Class A09 and Class B09 shares were offered for sale and were available at a subscription price in USD, Euro, GBP and NOK. Effective March 2, 2009, the existing Class A and Class B shares were closed for new subscriptions, except in situations where approved by the Board of Directors and the investment manager.

The holder of the common shares is not entitled to receive dividends, may not redeem their holding and is only entitled to be repaid the par value of the common shares upon a winding-up or distribution of capital. The common shares are entitled to one vote per share at a general meeting. All the common shares are owned by the Manager. The redeemable preference shares carry no preferential or pre-emptive rights upon the issue of new shares and have no voting rights at general meetings of the Fund.

Shares may be purchased and redeemed on a Dealing Day, which is generally the first business day of each calendar month. Shares may be purchased at the net asset value per share calculated at the immediately preceding Valuation Day, generally the last business day of the preceding month. Class A and Class B shareholders must provide redemption notice by at least the 20th day of the month prior to the Dealing Day, subject to certain restrictions as described in the Prospectus.

If on any Valuation Day, any shareholder wishes to redeem shares totalling more than 5% of the issued capital of the Fund or several shareholders wish to redeem shares totalling more than 15% of the issued capital of the Fund, the directors may defer redemption of such shares, and the calculation of the redemption price, to a subsequent Dealing Day being not later than the fifth Dealing Day following receipt of the application for redemption. In such cases, suspended redemption requests shall be carried out on the basis of the next Net Asset Value.

10. Share capital (continued)

2015

	USD Class A	EUR Class A	NOK Class A	USD Class B
Number of shares at beginning of the year	1,904	2,876	6,319	242,631
Subscriptions during the year	-	-	-	-
Redemptions during the year	(168)	(910)	(324)	(66,721)
Number of shares at end of the year	1,736	1,966	5,995	175,910

	EUR Class B	EUR Class B09
Number of shares at beginning of the year	75,815	802
Subscriptions during the year	-	-
Redemptions during the year	(8,772)	-
Number of shares at end of the year	67,043	802

2014

	USD Class A	EUR Class A	NOK Class A	USD Class B
Number of shares at beginning of the year	3,174	3,282	7,148	335,663
Subscriptions during the year	-	-	-	-
Redemptions during the year	(1,270)	(406)	(829)	(93,032)
Number of shares at end of the year	1,904	2,876	6,319	242,631

	USD Class B09	EUR Class B	EUR Class B09
Number of shares at beginning of the year	7,671	95,944	802
Subscriptions during the year	-	-	-
Redemptions during the year	(7,671)	(20,129)	-
Number of shares at end of the year	-	75,815	802

11. Related party transactions

(a) Management fees

The Fund pays FMG Fund Managers Bermuda Ltd. ("the investment manager") a management fee at a rate of 2.0% per annum of the net assets attributable to the Class A Shares of the Fund and 1.5% per annum of the net assets attributable to the Class B Shares of the Fund, calculated on a monthly basis and payable quarterly. For the year ended March 31, 2015, the management fee was $42,802 (2014 - $57,572), of which $9,531 (2014 - $12,529) was payable at March 31, 2015. As disclosed in note 10 to these financial statements, all the common shares are owned by the investment manager.

(b) Incentive fees

The Class A Shares also incur a quarterly incentive fee equal to 20% of the Net Profits of the Fund, if any, during each calendar quarter (each a 'Performance Period'), accrued with respect to each Share of the Fund. The Net Profits are computed in a manner consistent with the principles applicable to the computation of the net assets of the Fund. If a Share has a loss chargeable to it during any Performance Period, and during a subsequent performance period there is a profit allocable to such Class A Share, there will be no incentive fee payable until the amount of the net loss previously allocated has been recouped. Incentive fees are only paid when the net asset value of the Shares increase above a previously established "high water mark" net asset value for those Shares.

In the event of either a redemption being made at a date other than the end of a performance period or the Management Agreement is terminated at any time prior to the last day of a performance period, the incentive fee will be computed as though the termination date or redemption date, as applicable, was the last day of such performance period. Once earned, the incentive fee will be retained by the investment manager regardless of the Fund's future results.

The Class B Shares also pay to the investment manager an incentive fee of 10% of the net profits attributable to the Class B Shares, calculated monthly and payable quarterly. Net profits are defined as the amount by which cumulative profits attributable to the Class B Shares before the incentive fee but after deduction of all transaction costs, management fees and expenses and the amount that would have been earned in that fiscal period had the assets of the Fund been invested at the one year LIBOR rate as quoted at the first date of the fiscal period. Net profits include both realized and unrealized gains less losses on investments. If net profit for a month is negative, it will be carried forward ("carry forward losses"). No incentive fee will be payable until net profits in subsequent month(s) exceed carry forward losses together with any cumulative actual losses from the previous fiscal years adjusted for redemptions. Investors should note that, the net profit amount, upon which incentive fees are calculated, is not reduced for prior period carry forward losses. Once earned, the incentive fee is retained by the investment manager regardless of the Fund's future results.

For the year ended March 31, 2015 and March 31, 2014, there were no incentive fees payable.

(c) Rebates

The Fund is charged management and incentive fees by the investment manager as described above on its net assets and its performance. However, some of the other investment companies in which the Fund invests are also managed by the investment manager or entities related to investment manager. To ensure that the Fund is not double charged for such management and incentive fees, the investment manager or its entities related to the investment manager rebate to the Fund its proportionate share of such fees. Management and incentive fees rebate to the Fund during the year amounted to $32,854 (2014 - $49,538) of which $7,336 (2014 - $10,740) is receivable at March 31, 2015.

11. Related party transactions (continued)

(d) Administration fees

For administration services provided, the minimum fee charged is of $2,500 per month for net assets up to $10 million and $3,500 per month for net assets exceeding $10 million or 15 basis points of the net assets per annum. For the year ended March 31, 2015, administration fees were $33,660 (2014 - $33,727), of which $8,227 (2014 - $8,293) were payable at March 31, 2015. The administrator delegated its duties to Apex fund Services (Malta) Ltd ("the sub-administrator").

One of the directors of the Fund is also the managing director of the administrator.

(e) Key management personnel

The directors of the Fund are paid an annual fee of $2,500 each for acting as directors of the Company. The total directors' fee charged for the year under review is $7,500 (2014 - $7,500).

12. Fair values of financial assets and financial liabilities

At March 31, 2015 and March 31, 2014, the fair value of listed investments is based on quoted prices in an active market at the closing of trade on the period-end date. The quoted market price used for financial assets and liabilities held by the Fund is the price within the bid – ask spread that is most representative of the fair value in the circumstances to be used to measure fair value. The fair values of derivative contracts are valued by reference to the price at which a new contract of the same size and maturity could be undertaken at valuation date. The fair value of collective investment schemes was primarily based on valuations issued by the administrators of the underlying private investment funds which ultimately are verified via independently audited net assets values as at the reporting date, where available. The fair values of other financial assets and financial liabilities are not materially different from their carrying amounts. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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 in its entirety. 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 judgment, considering factors specific to the asset or liability.

The determination of what constitutes observable, requires significant judgment 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.

12. Fair values of financial assets and financial liabilities (continued)

The following table provides an analysis of the Fund's investments and derivatives carried at fair value:

2015		Level 1		Level 2		Level 3		Total
Collective investment scheme	$	-	$	1,857,674	$	-	$	1,857,674
Exchange traded funds	$	46,384	$	-	$	-	$	46,384
Total investments	$	46,384	$	1,857,674	$	-	$	1,904,058
Derivative assets	$	-	$	4,570	$	-	$	4,570
Derivative liabilities	$		$	31,284	$	-	$	31,284
2014								
Collective investment scheme	$	-	$	2,897,283	$	-	$	2,897,283
Total investments	$	-	$	2,897,283	$	-	$	2,897,283
Derivative assets	$	-	$	3,520	$	-	$	3,520
Derivative liabilities	$	-	$	-	$	-	$	-

There were no transfers between levels 1, 2 or 3 during the years ended March 31, 2015 and 2014.

In turn, the underlying investments in the collective investment scheme i.e. FMG (EU) Combo Fund, consist of derivative instruments and collective investment schemes. Of these investments 1% (2014: 1%) are categorised as level 1 and 99% (2014: 99%) are categorised as level 2 of the fair value hierarchy.

At March 31, 2015 and 2014, the carrying amounts of other financial assets and liabilities approximated their fair values due to the short-term nature of these balances.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Fund in accordance with the Fund's offering supplement. These shares are not actively traded on an open market. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the share class. The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

13. Financial risks management

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Fund are discussed below.

13.1 Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk.

The Fund's investment strategy to manage the market risk is outlined in the Fund's offering supplement under the heading 'Investment Strategy'. The Fund's market risk is managed on a regular basis by the investment manager using different investment techniques as outlined in the supplement of the Fund. The Fund's overall market positions are monitored on a monthly basis by the board of directors.

The Company's exposure to the different types of investments is summarized in note 4 to the financial statements.

13. **Financial risks management** (continued)

13.1.1 Currency risk

The Fund may invest in securities and other investment companies and enter into transactions denominated in currencies other than the US Dollar. Consequently, the Fund is exposed to risks that the exchange rate of the US Dollar relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Fund's assets or liabilities denominated in currencies other than the US Dollar.

The following table sets out the Fund's total exposure to foreign currency risk split between assets and liabilities, net assets attributable to non-USD denominated share classes, forward foreign exchange contracts (stated at the notional values) and the resulting net exposure to foreign currencies:

	Assets	Liabilities	Net assets attributable to non-USD denominated Share classes	Forward FX contracts	Net exposure
March 31, 2015					
AUD	$ 22,821	$ -	$ -	$ -	$ 22,821
EUR	$ 6	$ (4,199)	$ (562,405)	$ 594,910	$ 28,312
JPY	$ -	$ (24,723)	$ -	$	$ (24,723)
NOK	$ 2	$ -	$ (396,422)	$ 422,110	$ 25,690
SEK	$ 10,233	$ -	$ -	$ -	$ 10,233
	$ 33,062	$ (28,922)	$ (958,827)	$ 1,017,020	$ 62,333

	Assets	Liabilities	Net assets attributable to non-USD denominated share classes	Forward FX contracts	Net exposure
March 31, 2014					
EUR	$ 7	$ (5,292)	$ (809,059)	$ 815,077	$ 733
NOK	$ 2	$ -	$ (522,020)	$ 523,508	$ 1,490
	$ 9	$ (5,292)	$ (1,331,079)	$ 1,338,585	$ 2,223

The amounts in the table above are based on the carrying values of assets and liabilities, net assets attributable to non-USD denominated share classes and the underlying notional amounts of forward foreign exchange contracts.

Forward foreign exchange contracts are entered into by the Fund to hedge exposure to assets and liabilities denominated in currencies other than USD and to hedge the exposure of certain share classes denominated in currencies other than USD.

The gains and losses on forward foreign exchange contracts entered into for the purpose of hedging the exposure to assets and liabilities are recorded in gains and losses on forward foreign exchange contracts in the statement of operations. The gains and losses on contracts entered into for the purpose of hedging the exposure of share classes denominated in currencies other than USD are also recorded in gains and losses on forward foreign exchange contracts in the statement of operations, but are allocated specifically to the non-USD denominated share classes to which the hedging activities, and resultant gains and losses, relate.

13. Financial risks management (continued)

13.1.1 Currency risk (continued)

At March 31, 2015, the Fund had the following open forward foreign exchange contracts disclosed at their notional values:

Currency to be bought		Currency to be sold		Contract due date	Fair value
EUR	**537,893**	**USD**	**594,910**	**April 7, 2015**	**$ (17,697)**
NOK	**3,295,413**	**USD**	**422,110**	**April 7, 2015**	**$ (13,321)**
Net unrealised loss on open forward foreign exchange contracts					**$ (31,018)**

At March 31, 2014, the Fund had the following open forward foreign exchange contracts disclosed at their notional values:

Currency to be bought		Currency to be sold		Contract due date	Fair value
EUR	593,539	USD	815,077	April 3, 2014	$ 2,226
NOK	3,142,462	USD	523,508	April 4, 2014	$ 1,294
Net unrealised gain on open forward foreign exchange contracts					$ 3,520

13.1.2 Interest rate risk

Interest rate risk arises when an entity invests in or issues interest-bearing financial instruments. The Fund does not hold significant investments which are sensitive to interest rates but is indirectly exposed to the interest rate risk of the investments held by the other investment companies in which the Fund invests. However, the Fund's risk is limited to the net asset value of its investments in those other investment companies and this risk is therefore captured in the price risk below.

13.1.3 Price risk

The Fund's exchange traded funds and trading derivative financial instruments are susceptible to price risk arising from uncertainties about future prices of the instruments.

The Company's investments are susceptible to price risk arising from uncertainties about future prices of instruments. The Company may employ various techniques and enter into hedging transactions to attempt to mitigate a portion of the risks inherent to its investment strategies. The Company did not use derivative financial instruments for speculative purposes and had not designated any of its derivative financial instruments in a hedging relationship for accounting purposes.

As all of the Company's financial instruments are carried at fair value with fair value changes recognised in the statement of comprehensive income, all changes in market price will directly affect net investment income.

As discussed in note 4, the Company's investment strategy is to invest primarily in FMG (EU) Combo Fund a sub-fund of the FMG Funds SICAV plc, being an alternative investment Fund registered under the laws of Malta.

13. Financial risks management (continued)

13.1.3 Price risk (continued)

Price risk sensitivity analysis

Price risk is mitigated by the investment manager by investing in the above mentioned investment company which in turn holds a diversified portfolio of investments. At March 31, 2015, if the price of the investments increased by 5%, this would have increased the net assets attributable to holders of redeemable preference shares by $95,431 (2014 - $144,864); an equal change in the opposite direction would have decreased the net assets attributable to holders of redeemable preference shares by an equal but opposite amount. Actual results will differ from this sensitivity analysis and the difference could be material.

13.2 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Company has policies that limit the amount of credit exposure to any single issuer. Accordingly, the investment manager monitors the Company's credit position on a regular basis. Financial assets, which potentially subject the Company to credit risk, consist principally of trade and other receivables, cash and cash equivalents and derivative assets classified at fair value through profit or loss.

Bank balances and receivables are all short term, and are not considered to represent a significant credit risk. Bank balances are held with Credit Suisse AG whose rating is A at the reporting date according to Fitch Ratings (2014: rating of A according to Fitch).

Transactions involving derivative financial instruments are effected with Credit Suisse AG, with whom the Fund signed master netting agreements. Master netting agreements provide for the net settlement of contracts with the same counterparty in the event of default and therefore reducing the credit risk to both parties.

Guarantees provided to third parties

Effective August 24, 2009 the Fund granted the Custodian a right of lien against all currency accounts and investments in other investment companies held by the Custodian on the Fund`s behalf. The purpose of the right of lien is to secure any or all claims of the Custodian against the Fund arising from any current or future agreement or contracts as well as claims on other legal grounds resulting from business operations with the Fund. At the reporting date, the Company had not made use of this credit facility.

13.3 Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's investments in other investment companies are not traded in an organized public market. As a result, the Fund may not be able to quickly liquidate its investments in other investment companies at their stated fair value in order to meet its liquidity requirements, including redemption requests from its shareholders. The Fund's exposure to liquidity risk is managed by the investment manager. As March 31, 2015 and 2014, there were no redemptions restrictions on any of the underlying investment companies held directly or indirectly by the Fund.

13. Financial risks management (continued)

13.3 Liquidity risk (continued)

The Fund is exposed to cash redemptions of redeemable shares monthly. Class A and Class B shareholders must provide redemption notice by at least the 20th day of the month prior to the Dealing Day, subject to certain restrictions as described in the Prospectus. Redeemable shares are redeemed on demand at the holder's option. Notwithstanding, if on Valuation Day, any shareholder wishes to redeem shares totaling more than 5% of the issue capital of the Fund or several shareholders wish to redeem shares totaling more than 15% of the issued capital of the Fund, the directors may defer redemption of such shares, and the calculation of the redemption price, to a subsequent Dealing Day being not later than the fifth Dealing Day following receipt of the application for redemption. In such cases, suspended redemption requests shall be carried out on the basis of the next Net Asset Value.

The following table shows the contractual, undisclosed cash flows of the Company's financial liabilities as at March 31, 2015 and March 31, 2014.

March 2015

All amounts in $	Less than 1 month	1-3 months	3months to 1 year	More than 1 year
Financial liabilities				
Financial liabilities at fair value through profit or loss	31,018		-	266
Accounts payable and accrued expenses	-	27,206	-	-
Net assets attributable to redeemable preference shares	-	2,324,206	-	-

March 2014

All amounts in $	Less than 1 month	1-3 months	3months to 1 year	More than 1 year
Financial liabilities				
Accounts payable and accrued expenses	-	31,399	-	-
Net assets attributable to redeemable preference shares	-	3,033,097	-	-

13.4 Custody risk

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of a loss being incurred on financial instruments held in custody as a result of a custodian's or prime broker's insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record-keeping. Although an appropriate legal framework is in place that reduces the risk of loss of value of the financial instruments held by the custodian or prime broker in the event of its failure, the ability of the Fund to transfer the securities might be temporarily impaired.

13.5 Capital management

The investment objective of the Fund is to invest in other funds to provide investors access to a wide variety of underlying fund managers covering a broad range of hedge fund strategies, industry sectors and geographic regions.

The Company's capital is represented by redeemable preference shares with no par value and with no voting rights. They are entitled for payment of a proportionate share based on the Company's net asset value per share on the redemption date.

The Company has the option to limit the number of Investor Shares repurchased on any redemption day to 10% of the total net asset value of the Company on that redemption day. The relevant movements are shown in the statement of changes in net assets attributable to holders of redeemable shares.

As at the end of the reporting period, the level of redemption requests made by the redeemable preference shareholders were not significant and resulted as part of the normal course of business of the Fund.

14. Events after the reporting period

After the reporting date, the Fund experienced redemptions amounting to EUR8,104 from the class A EUR shares, NOK363,529 from the class A NOK shares, $18,605 from the class A USD shares and EUR50,984 from the class B EUR shares.

Deloitte.

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Company Ref No: C51312
VAT Reg No: MT2013 6121
Exemption number: EXO2155

Independent auditors' report
to the members of

FMG Combo Fund Ltd.

We have audited the accompanying non-statutory financial statements of FMG Combo Fund Ltd (the "Company"). set out on pages 5 to 25, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in net asset attributable to holders of redeemable preference shares and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the non-statutory financial statements

As explained more fully in the statement of directors' responsibilities on page 4, the directors of the Company are responsible for the preparation of the non-statutory financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of these non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these non-statutory financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the non-statutory financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in these non-statutory financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the non-statutory financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the non-statutory financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of these non-statutory financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

Independent auditors' report (continued)
to the members of

FMG Combo Fund Ltd.

Opinion

In our opinion, the non-statutory financial statements give a true and fair view of the financial position of FMG Combo Fund Ltd. as at 31 March 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 4 to these non-statutory financial statements which explains that the Company held an investment in FMG (EU) Combo Fund, a sub-fund of FMG Funds SICAV plc, a collective investment scheme registered in Malta amounting to $1,857,674 as at March 31, 2015. FMG (EU) Combo Fund in turn held 86% of its net asset value in certain underlying collective investment schemes whose financial year end is not co-terminous with that of FMG (EU) Combo Fund. As a result, the valuation of these underlying investments could not be corroborated against independently audited net asset values as at March 31, 2015 and have been based on net asset values as calculated by the administrators of these underlying collective investment schemes. Because of the Company's significant indirect exposure to these underlying investments and the inherent uncertainty in their valuations, reported figures might differ from the values that would have been obtained had independently audited net asset values as at March 31, 2015 been available.

Michael Bianchi as Director
in the name and on behalf of
Deloitte Audit Limited
Registered auditor
Mriehel, Malta

5 August 2016