



February 26th, 2019

To: All of the Shareholders of FMG China Fund Ltd.

Dear Shareholder,

Following consultation with the Investment Manager, the board of directors of FMG China Fund Ltd. ("FMG China") resolved, on February 26th, 2019 that FMG China would be better positioned by combining the business with that of FMG Rising 3 Fund Ltd. ("FMG Rising 3").

FMG Rising 3 has the same Investment Manager and Sub-Investment Manager as FMG China and it is anticipated that the increased asset base of FMG Rising 3 will enable it to achieve its investment objectives, which have recently not been achieved through an investment in FMG China.

The Boards of FMG China and FMG Rising 3 thus investigated the possibility of combining the businesses in a means which would offer the shareholders of FMG China the opportunity to continue with their investments, however, for such investments to be transferred to FMG Rising 3 with a view to enabling these shareholders to benefit from the increased asset base of FMG Rising 3. Enclosed with this letter, for your information are the Prospectus and latest audited financial statements for FMG Rising 3.

With the foregoing in mind, the directors of FMG China have resolved that FMG China be wound up and that a liquidator be appointed. In anticipation of this liquidation process, it is proposed that the shareholders in FMG China will be redeemed as of 29 March 2019 and will receive an in specie payment of their redemption price in shares of FMG Rising 3. For the purposes of the bye-laws of FMG China, this letter constitutes notice of compulsory redemption of your entire shareholding in FMG China as of March 29th, 2019. Should you not agree with this course of action, you are entitled to redeem free of charge by notifying us in writing by 29 March 2019, at which point you will receive your proceeds in cash.

The Shares of FMG Rising 3 issued to each Shareholder of FMG China will have an identical Net Asset Value as their FMG China holding. Furthermore the FMG Rising 3 Shares will carry substantially similar rights and restrictions, in particular with regard to management fees, performance fees and high water marks.

During April 2019, each shareholder shall receive a statement of their final Net Asset Value per share of FMG China as of 29 March 2019 and a contract note showing the redemption of such shares and the issuance to you of shares of FMG Rising 3 having an identical Net Asset Value as of 01 April 2019.

FMG China Fund Ltd.
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Co. Reg. No. 34846

www.fmgfunds.com

FMG China Fund Ltd. is regulated by the Bermuda Monetary Authority.



Should you have any questions, or wish to discuss this matter, further please feel free to contact the Investor Relations Team of the investment manager on email investorrelations@fmgfunds.com or telephone +356 20141220. Otherwise you are free to contact Ms Paulianne Nwoko, a director of FMG China, on investors@apexfunds.com.mt and telephone +356 2131 1330.

Yours faithfully

.....
Ms Paulianne Nwoko
Director

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Mr James Keyes
Director

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