
Audited Financial Statements

Firebird Global Fund, Ltd.

Year Ended December 31, 2014

With Report of Independent Auditors



FIREBIRD MANAGEMENT LLC

Firebird Global Fund, Ltd.

Audited Financial Statements

Year Ended December 31, 2014

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Consolidated Financial Statements of Firebird Global Master Fund Holdings, Ltd.	



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Report of Independent Auditors

The Board of Directors
Firebird Global Fund, Ltd.

We have audited the accompanying financial statements of Firebird Global Fund, Ltd. (the Fund), which comprise the statement of assets and liabilities as of December 31, 2014, and the related statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Firebird Global Fund, Ltd. at December 31, 2014, and the results of its operations, changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young Ltd.

March 27, 2015

Firebird Global Fund, Ltd.

Statement of Assets and Liabilities
(Stated in United States Dollars)

December 31, 2014

Assets

Cash	\$ 15
Investment in Firebird Global Master Fund Holdings, Ltd.	8,072,170
Redemptions receivable from Firebird Global Master Fund Holdings, Ltd.	1,031,169
Total assets	9,103,354

Liabilities

Class A Unrestricted Redemptions payable	615,914
Class A Restricted Redemptions payable	414,180
Due to Manager	22,652
Accounts payable and accrued expenses	10,267
Total liabilities	1,063,013
Net assets	\$ 8,040,341

Net asset value per share

Class B 11/07 Unrestricted shares (based on 1,907.04 shares outstanding)	\$ 255.19
Class B1 Unrestricted shares (based on 3,841.09 shares outstanding)	\$ 1,211.61
Class B 2011 Unrestricted shares (based on 88.92 shares outstanding)	\$ 299.04
Class BR1 Restricted shares (based on 1,013.56 shares outstanding)	\$ 1,210.94
Class BR11/07 Restricted shares (based on 220.37 shares outstanding)	\$ 255.19
Class BR06/14 Restricted shares (based on 687.57 shares outstanding)	\$ 707.78
Class C1 Unrestricted shares (based on 560.43 shares outstanding)	\$ 1,224.38
Class CR1 Restricted shares (based on 59.52 shares outstanding)	\$ 1,223.71
Class CR 05/12 Unrestricted shares (based on 423.79 shares outstanding)	\$ 376.41
Special Situation 06/13 B shares (based on 2,781.17 shares outstanding)	\$ 57.54
Special Situation 06/13 C shares (based on 423.53 shares outstanding)	\$ 57.57

See accompanying notes and attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Statement of Operations
(Stated in United States Dollars)

Year Ended December 31, 2014

Fund investment expense

Management fees	\$ (145,924)
Professional fees and other expenses	(161,579)
Total fund investment expense	<u>(307,503)</u>

**Investment income and expense allocated from Firebird Global Master
Fund Holdings, Ltd.**

Interest income	35,697
Professional fees	(243,890)
Legal fees	(124,469)
Bank and broker expenses	(41,178)
Directors' fees and other expenses	(38,987)
Interest expense	<u>(262)</u>
Net investment expense allocated from Firebird Global Master Fund Holdings, Ltd.	(413,089)
Net investment expense	(720,592)

**Net loss on investments, derivatives and foreign currency transactions
allocated from Firebird Global Master Fund Holdings, Ltd.**

Net change in realized capital gains tax reserve	2,143
Net realized loss on investments, derivatives and foreign currency transactions	(1,717,896)
Net change in unrealized depreciation on investments, derivatives and foreign currency transactions	<u>(5,731,365)</u>
Net loss on investments, derivatives and foreign currency transactions	<u>(7,447,118)</u>
Net decrease in net assets resulting from operations	<u>\$ (8,167,710)</u>

*See accompanying notes and attached consolidated financial statements of Firebird Global
Master Fund Holdings, Ltd.*

Firebird Global Fund, Ltd.

Statement of Changes in Net Assets
(Stated in United States Dollars)

Year Ended December 31, 2014

Decrease in net assets resulting from operations	
Net investment expense	\$ (720,592)
Net change in unrealized capital gains tax reserve	2,143
Net realized loss on investments, derivatives and foreign currency transactions	(1,717,896)
Net change in unrealized depreciation of investments, derivatives and foreign currency transactions	<u>(5,731,365)</u>
Net decrease in net assets resulting from operations	(8,167,710)
Decrease in net assets resulting from capital share transactions	
Class A Unrestricted Shares redeemed	(615,914)
Class A Restricted Shares redeemed	<u>(414,180)</u>
Net change in net assets resulting from capital share transactions	<u>(1,030,094)</u>
Net change in net assets	(9,197,804)
Net assets at beginning of year	<u>17,238,145</u>
Net assets at end of year	<u><u>\$ 8,040,341</u></u>

See accompanying notes and attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Statement of Cash Flows
(Stated in United States Dollars)

Year Ended December 31, 2014

Operating activities

Net decrease in net assets resulting from operations	\$ (8,167,710)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Investment in Firebird Global Master Fund Holdings, Ltd.	9,199,689
Redemptions receivable from Firebird Global Master Fund Holdings, Ltd.	(1,031,169)
Accounts payable and accrued expenses	(5,287)
Due to Manager	4,492
Net cash provided by operating activities	<u>15</u>

Financing activities

Payment for redemptions of Class A unrestricted shares	(242)
Payment for redemptions of Class A restricted shares	<u>(661)</u>
Net cash used in financing activities	<u>(903)</u>
Net change in cash	(888)
Cash at beginning of year	903
Cash at end of year	<u>\$ 15</u>

See accompanying notes and attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements

December 31, 2014

1. Organization

Firebird Global Fund, Ltd. (the “Fund”) is an open-ended investment company incorporated in the Cayman Islands as an exempted company and is registered under the Cayman Islands Mutual Funds Law. The Fund commenced operations on June 1, 2003, and the Fund’s Shares are listed on the Bermuda Stock Exchange. Effective August 30, 2013, the Directors resolved to suspend redemptions from the Fund.

The Fund, along with Firebird Global Fund, L.P. (the “Partnership”), invest substantially all of their assets in Firebird Global Master Fund Holdings, Ltd. (the “Master Fund”), a Cayman Islands exempted limited company serving as a master fund registered under the Mutual Funds Law of the Cayman Islands. The audited consolidated financial statements of the Master Fund should be read in conjunction with the Fund’s financial statements. The Fund’s investment objective is to maximize risk-adjusted capital gains, which the Manager (see below) attempts to achieve by investing the assets of the Master Fund in public equity securities that reflect the contrarian investment themes of the Manager. The Master Fund may also make private equity or pre-initial public offering investments, although they are not intended to be a primary focus of the Master Fund. The Master Fund has similar investment objectives to the Fund.

The Fund’s investment manager is FGS Advisors, LLC (the “Manager”), a New York limited liability company. An affiliate of the Manager is also a shareholder of the Master Fund and the Manager is the general partner of the Partnership. The principals of the Manager are directors of the Fund and the Master Fund. The Manager is a registered investment advisor with the United States Securities and Exchange Commission as a “relying adviser” for which the “filing adviser” is Firebird Management LLC.

The administrator to the Fund is Trident Trust Company (Cayman) Limited (the “Administrator”). The Administrator is also the administrator to the Partnership and the Master Fund.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

2. Significant Accounting Policies

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) as detailed in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) and are stated in United States Dollars. The Fund meets the definition of an investment company and follows the accounting and reporting guidance in ASC Topic 946, *Financial Services – Investment Companies*. The following is a summary of the significant accounting and reporting policies used in preparing the financial statements.

Cash

Cash includes amounts held by a bank organized in the United States of America. The Fund does not expect any material losses as a result of this allocation.

Investment Valuation and Related Investment Income

The Fund records its investment in the Master Fund at fair value. The performance of the Fund is directly affected by the performance of the Master Fund. Attached are the audited consolidated financial statements of the Master Fund, including its consolidated condensed schedule of investments and significant accounting and reporting policies, which are an integral part of these financial statements. Valuation of investments held by the Master Fund is discussed in the notes to the Master Fund’s consolidated financial statements.

As at December 31, 2014, the Fund had approximately 29.91% ownership interest in the Master Fund’s capital. The Fund’s investment in the Master Fund includes \$207,074 as its investment in Special Situation shares.

The Fund records monthly its proportionate share of the Master Fund’s income, expenses, net realized and change in unrealized gains and losses. In addition, the Fund accrues its own income and expenses. The Fund records subscriptions and redemptions to its investment in the Master Fund on the transaction date.

The Fund allocates all net investment income or expense, net realized and changes in unrealized gains or losses to each share outstanding on a monthly basis in proportion to its interest in the net asset value of the Fund.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

Foreign Exchange Transactions

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the statement of operations.

The Fund does not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included with the net realized and change in unrealized gains and losses from investments, derivatives and foreign currency transactions.

Taxation

The Fund is not subject to any income, withholding or capital gains taxes in the Cayman Islands. As a result, no tax liability or expense has been recorded in the accompanying financial statements. If any form of taxation were to be enacted, the Fund has been granted an exemption therefrom until May 5, 2023.

Fair Value of Financial Instruments

The fair value of the Fund's assets and liabilities, which qualify as financial instruments under ASC Topic 825, *Financial Instruments*, approximates the carrying amounts presented in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Special Situation Sub-Accounts

The Investment Manager may, in its discretion, designate up to 20% of the net assets of the Fund (measured at the time of such designation) as one or more special situation investments (each a Special Situation Investment).

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

Only investors on the date an investment is designated as a Special Situation Investment will share in the appreciation or depreciation of any such Special Situation Sub-Account, on a pro rata basis in proportion to their respective capital accounts (excluding all Special Situation Sub-Accounts) on the day the Special Situation Sub-Account is established.

3. Investment Management Fees and Performance Allocation

In consideration for its investment management services, the Fund pays the Manager, in advance, a quarterly management fee based on the value of the Fund's net assets as defined by the Fund's Confidential Information Memorandum (the "Memorandum"). Subsequent to the suspension of redemptions, the Fund has reduced the management fee rate of the continuing classes to 1.00% during the period of suspension.

Prior to the suspension of redemptions, the management fees and Performance Allocations were calculated for the various classes of shares as described in the Memorandum. A summary is provided as follows:

- Class A, B and Special Situation B shares of the Fund are subject to an annual management fee equal to 1.75% of such shares' net asset value, and an annual Performance Allocation equal to 17.50% of net profits (subject to the high watermark for such share).
- Class C and Special Situation C shares of the Fund are subject to an annual management fee equal to 1.50% of such shares' net asset value, and an annual Performance Allocation equal to 15.00% of net profits (subject to the high watermark for such share).
- For the year ended December 31, 2014, the Fund recorded \$145,924 in management fees of which \$141,432 was paid during the year. Management fees in the amount of \$22,652 have been accrued with respect to the various Special Situation Sub-Accounts and will be paid to the Manager only at the time of realization of the respective Special Situation investments. This liability is presented as the balance "Due to Manager" on the statement of asset and liabilities.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

3. Investment Management Fees and Performance Allocation (continued)

An affiliate of the Manager owns all of the Class B Common Shares of the Master Fund. Class B Common Shares receive a special allocation each year from the Master Fund (the “Performance Allocation”) based on the net increase in the net asset value per share of each outstanding Class A and Class C Shares of the Master Fund held by the Fund (including realized and unrealized net gains) for the fiscal year in excess of losses carried forward from prior years, at the rates set out below. The Performance Allocation is calculated separately with respect to each series of shares of the Master Fund held by the Fund.

The Performance Allocation, as well as any other portion of the net asset value of the Master Fund attributable to the Class B Common Shares, can be withdrawn at any time by the holder of the Class B Common Shares. The holder of Class B Common Shares may cause a portion of the Performance Allocation to be paid from the Master Fund to persons who have introduced investors to the Fund, in lieu of, or in addition to, subscription charges. In accordance with the Memorandum, the Performance Allocation is charged at the Master Fund level.

For the purposes of calculating the management fee only, Special Investments shall be valued at the lesser of cost or fair market value. No Performance Allocation will be paid with respect to any unrealized appreciation or depreciation with respect to a Special Situation Investment prior to the redemption of the Special Situation Shares representing such Special Situation Investment.

Performance allocations are credited to the account of the Class B Common Shares of the affiliate of the Manager held in the Master Fund. No Performance Allocation was recorded by the Fund for the year ended December 31, 2014.

The Manager may, in its discretion, waive all or a portion of the management fee or Performance Allocation with respect to any shareholder.

4. Share Capital

The Fund’s authorized capital is \$50,000 divided into 5,000,000 shares, which may be issued as restricted shares or unrestricted shares, each with a par value of \$0.01. Shares are issued as voting shares unless otherwise designated by the Directors. Shares may be purchased at a price of \$1,000 per share, plus any applicable subscription charges, as of the first business day of each month (a “Subscription Date”).

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

4. Share Capital (continued)

A new series of shares will be issued to all investors subscribing at each Subscription Date in order to permit the Performance Allocation payable to the Manager to be calculated separately with respect to each series. Accordingly, each series may have a different net asset value per share. Shares are issued, redeemed and converted in accordance with the terms of the Memorandum. Except by special arrangement, the minimum initial subscription from each investor is \$100,000. In no event shall any subscription be accepted by the Fund in an amount less than \$50,000.

At the end of each fiscal year where a Performance Allocation has been charged to the initial series and a subsequent series of shares, such subsequent series shall be rolled up into the initial series. As at December 31, 2014, no series have been rolled up into the initial series.

Effective August 30, 2013, the Directors resolved to suspend redemptions from the Fund. If the suspension is lifted, Shareholders may redeem shares effective as of the end of any fiscal quarter upon at least 60 days' prior written notice to the Administrator of the Fund, or at other times with the consent of the Manager or Directors, provided that, without the prior consent of the Manager or Directors, the minimum amount of shares permitted to be redeemed on any single occasion shall be the equivalent of \$10,000, and any redemption which would result in such redeeming shareholder having a residual holding consisting of shares whose aggregate net asset value is less than \$100,000 may be treated by the Fund as a redemption of such shareholder's entire interest. The Fund shall redeem a corresponding value of shares of the relevant series of the Master Fund at the same time.

The Fund's shares are divided into a continuing pool (Class B, Class C and Special Situation) shares shareholder interests and a liquidating pool (Class A Shares). The Fund's Class A Shares were fully redeemed as at December 31, 2014 and are included as redemption payable on the Fund's statement of assets and liabilities.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

4. Share Capital (continued)

Share transactions for the year ended December 31, 2014, were as follows:

Class	Shares at December 31, 2013	Shares Issued	Shares Redeemed	Shares Transferred	Shares at December 31, 2014
Class A Unrestricted	1,709.18	–	(1,712.61)	3.43	–
Class A Restricted	1,326.73	–	(1,324.20)	(2.53)	–
Class B Unrestricted	7,744.09	–	–	(1,907.04)	5,837.05
Class B Restricted	1,233.92	–	–	687.58	1,921.50
Class C Unrestricted	984.22	–	–	(423.79)	560.43
Class C Restricted	59.52	–	–	423.79	483.31
Special Situation B	2,781.17	–	–	–	2,781.17
Special Situation C	423.53	–	–	–	423.53

The restricted shares shall not participate in any profits or losses attributable to newly issued securities (new issues) to the extent required by applicable Financial Industry Regulatory Authority (“FINRA”) rules.

Special Situation Shares

From time to time the Fund may issue Special Situation Shares, each set of such shares representing an investment which lacks a readily ascertainable market value or is illiquid. At that time all shareholders in the Fund have a portion of their shares redeemed pro rata to the value of the Special Situation Investment relative to the Fund as a whole, and Special Situation shares are issued pro rata to each shareholder. These shares accrue Management Fees which are paid at the time of realization of the Special Situation Investment. The Special Situation Investment will normally be valued at fair value. A Performance Allocation will only be incurred on Special Situation Shares at the time of realization of the underlying investment.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

4. Share Capital (continued)

Only holders of the series of Special Situation Shares representing a Special Situation Investment will share in the subsequent appreciation or depreciation of such Special Situation Investment.

Upon any sale or other disposition of all or a portion of a Special Situation Investment, the series of Special Situation Shares representing such Special Situation Investment will be redeemed and the net proceeds thereof will be either distributed to the holders of such series of Special Situation Shares or reinvested in Restricted or Unrestricted Shares on behalf of such holders. When it is determined that a Special Situation Investment should no longer be treated as a Special Situation Investment, the series of Special Situation Shares representing such Special Situation Investment will be redeemed and new Restricted or Unrestricted Shares having the same aggregate Net Asset Value will be issued to the holders of such Special Situation Shares.

5. Indemnifications

The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

6. Financial Instruments With Off-Balance-Sheet Risk

The Fund's investment in the Master Fund is subject to market and credit risk of securities and financial instruments held or sold by the Master Fund. The Fund bears the risk of loss only to the extent of the fair value of its respective investments and in certain specific circumstances, distributions and redemptions receivable.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

7. Financial Highlights

Financial highlights for the year ended December 31, 2014, were as follows:

	Class A Unrestricted Share	Class A Restricted Share
Per share operating performance		
Beginning net asset value	\$ 1,678.78	\$ 1,677.87
Change in net assets resulting from operations:		
Net investment expense	(97.10)	(97.12)
Net loss on investments, derivatives and foreign currency transactions	(860.40)	(859.86)
Net change in net assets resulting from operations	(957.50)	(956.98)
Ending net asset value prior to final redemption	\$ 721.28	\$ 720.89
Total return before and after performance allocation	(57.04)%	(57.04)%
Ratios to average net assets		
Total expense before and after performance allocation	(5.93)%	(5.32)%
Net investment expense	(5.93)%	(5.32)%

The per share operating performance and total return shown above are calculated for the initial series of Class A Unrestricted and Class A Restricted shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing management fee and Performance Allocation rates.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

7. Financial Highlights (continued)

	Class B Unrestricted Share	Class B Restricted Share
Per share operating performance		
Beginning net asset value	\$ 2,019.39	\$ 2,018.29
Change in net assets resulting from operations:		
Net investment expense	(88.33)	(88.28)
Net loss on investments, derivatives and foreign currency transactions	(719.45)	(719.07)
Net change in net assets resulting from operations	(807.78)	(807.35)
Ending net asset value	\$ 1,211.61	\$ 1,210.94
Total return before and after performance allocation	(40.00)%	(40.00)%
 Ratios to average net assets		
Total expenses before and after performance allocation	(4.76)%	(4.47)%
Net investment expense	(4.48)%	(4.21)%

The per share operating performance and total return shown above are calculated for the initial series of Class B Unrestricted and Class B Restricted shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing management fee and Performance Allocation rates.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

7. Financial Highlights (continued)

	Class C Unrestricted Share	Class C Restricted Share
Per share operating performance		
Beginning net asset value	\$ 2,040.69	\$ 2,039.57
Change in net assets resulting from operations:		
Net investment expense	(89.26)	(89.21)
Net loss on investments, derivatives and foreign currency transactions	(727.05)	(726.65)
Net change in net assets resulting from operations	(816.31)	(815.86)
Ending net asset value	\$ 1,224.38	\$ 1,223.71
Total return before and after performance allocation	(40.00)%	(40.00)%
Ratios to average net assets		
Total expenses before and after performance allocation	(5.03)%	(2.48)%
Net investment expense	(4.74)%	(2.33)%

The per share operating performance and total return shown above are calculated for the initial series of Class C Unrestricted and Class C Restricted shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing management fee and Performance Allocation rates.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Firebird Global Fund, Ltd.

Notes to Financial Statements (continued)

7. Financial Highlights (continued)

	Special Situation B	Special Situation C
Per share operating performance		
Beginning net asset value	\$ 545.13	\$ 545.35
Change in net assets resulting from operations:		
Net investment expense	(2.87)	(2.87)
Net loss on investments, derivatives and foreign currency transactions	(484.72)	(484.91)
Net change in net assets resulting from operations	(487.59)	(487.78)
Ending net asset value	\$ 57.54	\$ 57.57
Total return before and after performance allocation	(89.44)%	(89.44)%
 Ratios to average net assets		
Total expenses before and after performance allocation	(1.26)%	(1.26)%
Net investment expense	(1.26)%	(1.26)%

The per share operating performance and total return shown above are calculated for the initial series of Special Situation B and Special Situation C shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing management fee and Performance Allocation rates.

8. Subsequent Events

Management has evaluated events subsequent to year-end and prior to March 27, 2015, the date the financial statements were available to issue. During this period, the Fund recorded no subscriptions and no redemptions.

See attached consolidated financial statements of Firebird Global Master Fund Holdings, Ltd.

Audited Consolidated Financial Statements

Firebird Global Master Fund Holdings, Ltd.

Year Ended December 31, 2014

With Report of Independent Auditors



FIREBIRD MANAGEMENT LLC

Firebird Global Master Fund Holdings, Ltd.

Audited Consolidated Financial Statements

Year Ended December 31, 2014

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Report of Independent Auditors

The Board of Directors
Firebird Global Master Fund Holdings, Ltd.

We have audited the accompanying consolidated financial statements of Firebird Global Master Fund Holdings, Ltd. (the Master Fund), which comprise the consolidated statement of assets and liabilities, including the consolidated condensed schedule of investments, as of December 31, 2014, and the related consolidated statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Firebird Global Master Fund Holdings, Ltd. at December 31, 2014, and the consolidated results of its operations, changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young Ltd.

March 27, 2015

Firebird Global Master Fund Holdings, Ltd.

Consolidated Statement of Assets and Liabilities
(Stated in United States Dollars)

December 31, 2014

Assets

Cash and cash equivalents	\$ 12,498,720
Investments in securities, at fair value (cost \$74,485,619)	15,250,530
Investment in other investment fund, at fair value (cost \$6,702,785)	138,756
Loan receivable	334,000
Interest receivable	18,909
Total assets	<u>28,240,915</u>

Liabilities

Realized capital gains tax reserve	18,278
Accounts payable and accrued expenses	138,997
Class A redemptions payable	1,093,594
Total liabilities	<u>1,250,869</u>

Net assets	<u>\$ 26,990,046</u>
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Net asset value per share

Class B Shares (based on 84.55 shares outstanding)	\$ 42,231.52
Class C-OF unrestricted (based on 3,737.89 shares outstanding)	\$ 1,567.77
Class C-OF restricted (based on 1,283.59 shares outstanding)	\$ 1,561.98
Class C-ON unrestricted (based on 1,556.49 shares outstanding)	\$ 2,109.66
Class C-ON restricted (based on 5,472.21 shares outstanding)	\$ 2,113.60
Special Situation SS 0613 (based on 10,899.39 shares outstanding)	\$ 64.62

See accompanying notes.

Firebird Global Master Fund Holdings, Ltd.

Consolidated Condensed Schedule of Investments (continued)
(Stated in United States Dollars)

Quantity	Fair Value	Percent of Net Assets
Investments in securities (continued)		
Equities (continued):		
Common stock (continued):		
Russia:		
Diamonds & Gems (cost \$389,204)	\$ 11,871	0.04%
United States:		
Biotech	-	-
Fuel Cell	-	-
Total United States (cost \$731,600)	-	-
Total common stock (cost \$38,741,586)	11,291,727	41.84
Preferred stock:		
Kenya:		
Tobacco (cost \$30,943)	-	-
Total preferred stock (cost \$30,943)	-	-
Convertible preferred stock:		
United States:		
Biotech	-	-
Software	28,811	0.11
Total convertible preferred stock (cost \$750,000)	28,811	0.11

Firebird Global Master Fund Holdings, Ltd.

Consolidated Condensed Schedule of Investments (continued)
(Stated in United States Dollars)

Quantity	Fair Value	Percent of Net Assets
Investments in securities (continued)		
Equities (continued):		
Restricted stock:		
Armenia:		
Gold (cost \$1,232,264)	\$ 39,999	0.15%
Canada:		
Nanotechnology	—	—
Oil & Gas	—	—
Utilities	78,722	0.29
Total Canada (cost \$3,473,690)	78,722	0.29
Congo:		
Oil & Gas (cost \$996,146)	1,167,501	4.33
Kenya:		
Tobacco (cost \$530,943)	—	—
Mongolia:		
Banking	409,774	1.52
Telecommunications	13,783	0.05
Total Mongolia (cost \$786,954)	423,557	1.57
North Korea:		
Oil & Gas (cost \$1,279,021)	38,292	0.14
Other Countries:		
Miscellaneous (cost \$226,780)	—	—

Firebird Global Master Fund Holdings, Ltd.

Consolidated Condensed Schedule of Investments (continued)
(Stated in United States Dollars)

Quantity	Fair Value	Percent of Net Assets
Investments in securities (continued)		
Equities (continued):		
Restricted stock (continued):		
Papua New Guinea:		
Copper, Cobalt & Zinc (cost \$3,002,661)	\$ —	—%
Sri Lanka:		
Graphite (cost \$149,800)	53,500	0.20
United States:		
Biotech (cost \$6,788,419)	—	—
Total restricted stock (cost \$18,466,678)	<u>1,801,571</u>	<u>6.68</u>
Options:		
Russia:		
Oil & Gas (cost \$5,969,566)	22,526	0.08
Total Options (cost \$5,969,566)	<u>22,526</u>	<u>0.08</u>
Warrants:		
Kenya:		
Oil & Gas	25,712	0.09
Tobacco	—	—
Total Kenya (cost \$0)	<u>25,712</u>	<u>0.09</u>
Other Countries:		
Various (cost \$0)	—	—
Total warrants (cost \$0)	<u>25,712</u>	<u>0.09</u>
Total equities (cost \$63,958,773)	<u>13,170,347</u>	<u>48.80</u>

Firebird Global Master Fund Holdings, Ltd.

Consolidated Statement of Operations
(Stated in United States Dollars)

Year Ended December 31, 2014

Investment income

Interest income	\$ 76,934
Total investment income	<u>76,934</u>

Expenses

Professional fees	741,220
Legal fees	401,524
Bank and broker expenses	137,746
Directors' fees and other expenses	49,964
Interest expense	875
Total expenses	<u>1,331,329</u>

Net investment expense	(1,254,395)
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Net gain (loss) on investments, derivatives and foreign currency transactions

Net change in realized capital gains tax reserve	7,198
Net realized loss on investments, derivatives and foreign currency transactions	(2,245,337)
Net change in unrealized depreciation on investments, derivatives and foreign currency transactions	<u>(20,010,148)</u>
Net loss on investments, derivatives and foreign currency transactions	<u>(22,248,287)</u>
Net decrease in net assets resulting from operations	<u><u>\$ (23,502,682)</u></u>

See accompanying notes.

Firebird Global Master Fund Holdings, Ltd.

Consolidated Statement of Changes in Net Assets
(Stated in United States Dollars)

Year Ended December 31, 2014

Decrease in net assets resulting from operations

Net investment expense	\$ (1,254,395)
Net change in realized capital gains tax reserve	7,198
Net realized loss on investments, derivatives and foreign currency transactions	(2,245,337)
Net change in unrealized depreciation on investments, derivatives and foreign currency transactions	<u>(20,010,148)</u>
Net decrease in net assets resulting from operations	<u>(23,502,682)</u>

Decrease in net assets resulting from capital share transactions

Class A shares redeemed	(1,225,918)
Class C shares redeemed	<u>(532,298)</u>
Net decrease in net assets resulting from capital share transactions	<u>(1,758,216)</u>

Net change in net assets	(25,260,898)
Net assets at beginning of year	<u>52,250,944</u>
Net assets at end of year	<u>\$ 26,990,046</u>

See accompanying notes.

Firebird Global Master Fund Holdings, Ltd.

Consolidated Statement of Cash Flows
(Stated in United States Dollars)

Year Ended December 31, 2014

Operating activities

Net decrease in net assets resulting from operations	\$ (23,502,682)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities:	
Net realized loss on investments and derivatives	2,284,669
Net change in unrealized depreciation on investments and derivatives	19,938,907
Purchases of investments and derivatives	(1,829,996)
Proceeds from sales of investments and derivatives	12,126,275
Changes in operating assets and liabilities:	
Loan receivable	(334,000)
Interest receivable	104,219
Prepaid expenses	3,117
Realized capital gains tax reserve	(7,198)
Accounts payable and accrued expenses	(97,442)
Net cash provided by operating activities	<u>8,685,869</u>

Financing activities

Payments for redemptions of Class A shares	(132,324)
Payments for redemptions of Class C shares	(532,298)
Net cash used in financing activities	<u>(664,622)</u>

Net change in cash and cash equivalents	8,021,247
Cash and cash equivalents at beginning of year	4,477,473
Cash and cash equivalents at end of year	<u>\$ 12,498,720</u>

Non-cash activities

Securities received in lieu of bond interest	<u>\$ 166,902</u>
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See accompanying notes.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements

December 31, 2014

1. Organization

Firebird Global Master Fund Holdings, Ltd. (the “Master Fund”) is an open-ended investment company which was incorporated as an exempted company in the Cayman Islands on March 26, 2012 and commenced operations on that date. The Master Fund is registered under the Mutual Funds Law (2009 Revision) of the Cayman Islands and is subject to regulation under the Cayman Islands Monetary Authority.

Firebird Global Master Fund, Ltd. (the “Company”) holds certain investments and is a wholly owned subsidiary of the Master Fund. The Company was incorporated as an exempted company in the Cayman Islands on April 8, 2003. As part of the restructuring completed in 2012, the Company established tax residency in Luxembourg.

The Master Fund’s investment objective is to maximize risk-adjusted capital gains, which the Manager (see below) attempts to achieve in public equity securities that reflect the contrarian investment themes of the Manager. The Master Fund will tend to invest principally in emerging growth companies and emerging markets that are overlooked by more traditional investors. The Master Fund may also make private equity or pre-initial public offering investments, although they are not intended to be the primary focus of the Master Fund.

The Master Fund acts as the master fund in a master-feeder structure. Substantially all of the net assets of the two feeder funds, Firebird Global Fund, L.P. (the “Partnership”), a Delaware limited partnership and Firebird Global Fund, Ltd. (the “Fund”), an open-ended investment company incorporated in the Cayman Islands as an exempted company and registered under the Cayman Islands Mutual Funds Law, are invested in the Class A and Class C ON shares and Class A and Class C OF shares, respectively, of the Master Fund. The other investor in the Master Fund is an affiliate of the Manager (see below), who holds all of the Class B shares (see Note 5) in the Master Fund. Effective August 30, 2013, the Directors resolved to suspend redemptions from the Partnership and the Fund.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

1. Organization (continued)

The Master Fund holds certain of its investments through subsidiaries. The subsidiaries listed below are incorporated as private limited liability companies (Société à responsabilité limitée or S.à r.l.) under the laws of Luxembourg.

<u>Subsidiary</u>	<u>Ownership</u>	<u>Date Incorporated</u>
Firebird Global Master Holdings-1 S.à r.l.	100%	April 17, 2012
Khanate Resource Holdings-3 S.à r.l.	100%	June 29, 2012
SHG Holdings 2 S.à r.l.	100%	May 25, 2012

The Master Fund’s investment manager is FGS Advisors, LLC (the “Manager”), a New York limited liability company. Three of the principals of the Manager are directors of the Master Fund and the Fund, and are principals of the general partner of the Partnership. The Manager is a registered investment advisor with the United States Securities and Exchange Commission as a “relying adviser” for which the “filing adviser” is Firebird Management LLC.

Trident Trust Company (Cayman) Limited (the “Administrator”) provides administration services to the Master Fund, the Fund and the Partnership, and maintains the registered office of the Master Fund and the Fund. Trident Trust Company (Luxembourg) S.A. provides administration services to the Luxembourg companies while Dechert Luxembourg maintains the registered office of these companies.

JP Morgan Chase (the “Prime Broker”), located in the United States of America, serves as the custodian and principal prime broker for the Master Fund and the Company.

2. Significant Accounting Policies

The consolidated financial statements of the Master Fund have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) as detailed in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) and are stated in United States Dollars. The Master Fund meets the definition of an investment company and follows the accounting and reporting guidance in ASC Topic 946, *Financial Services – Investment Companies*. The following is a summary of the significant accounting and reporting policies used in preparing the consolidated financial statements.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Basis of Consolidation

The consolidated financial statements include the results of the Master Fund and its subsidiaries, after the elimination of all intercompany balances and transactions.

The Master Fund consolidates its investment in other investment funds in which it has a controlling financial interest. Consolidation requirements typically define a controlling interest as an ownership, directly or indirectly, of over 50% of the outstanding capital of another investment fund unless control is temporary or does not rest with the majority owner.

The Master Fund does not consolidate operating companies for which there is a controlling interest, unless the entity is an operating company providing services to the investment company. For the year ended December 31, 2014, the Master Fund did not consolidate any investment funds or operating companies.

Cash and Cash Equivalents

Cash and cash equivalents include amounts due from banks on demand and deposits with original maturities of three months or less. Substantially all of the cash and cash equivalents are held at JP Morgan Chase. Substantially all cash and cash equivalents are held at banks organized in the United States of America. The Master Fund does not expect any material losses as a result of this allocation.

Security Transactions and Related Investment Income and Expenses

Security transactions are accounted for on a trade date basis. Realized gains and losses from investment transactions are determined using the first-in first-out method and recorded in the consolidated statement of operations. Interest is recorded on the accrual basis and dividends are recorded net of withholding taxes on the ex-dividend date in the consolidated statement of operations.

Foreign Exchange Transactions

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the consolidated financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the consolidated statement of operations.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Foreign Exchange Transactions (continued)

The Master Fund does not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included with the net realized and change in unrealized gains and losses on investments, derivatives, and foreign currency transactions.

Fair Value of Financial Instruments

The fair value of the Master Fund's assets and liabilities which qualify as financial instruments under ASC Topic 825, *Financial Instruments*, approximates the carrying amounts presented in the consolidated financial statements.

In accordance with ASC Topic 820, *Fair Value Measurements and Disclosures*, fair value is defined as the price that the Master Fund would receive to sell an investment or pay to transfer a liability under an orderly liquidation in a timely transaction with an independent buyer in the principal market or, in the absence of a principal market, the most advantageous market for the investment or liability. ASC Topic 820 establishes a three-tier hierarchy to distinguish between inputs obtained from sources independent of the reporting entity that affect assumptions that market participants would use in pricing an asset or liability (observable inputs) and inputs that reflect the reporting entity's own assumptions that it thinks that market participants would use in pricing an asset or a liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. The inputs are summarized in the three broad levels listed below:

Level 1 – valuations based on quoted prices in active markets for identical assets or liabilities that the Master Fund has the ability to assess and in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 securities. Because valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these instruments does not entail a significant degree of judgment.

Level 2 – valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments (continued)

Level 3 – valuations based on inputs that are unobservable and significant to the overall fair value measurement. These inputs may include the Manager's own assumptions in determining the fair value of investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Investments may move between different levels during the course of the year and are caused by certain information becoming available to the Manager. The Master Fund recognizes transfers between levels as occurring at the beginning of the reporting period. Information relating to transfers into and out of Level 3 can be found in Note 3.

In general, portfolio securities that are traded in an active market (in most cases a market where there has been at least one transaction in the last 15 business days and had at least 12 trading days in the recent month at sufficient volumes with reasonably consistent price levels taking into account the volatility of the market in question) are classified as Level 1. These securities are valued at their last reported sales price on the valuation date in the case of securities listed or quoted on a recognized securities exchange, the U.S. NASDAQ National Market List or any comparable foreign quotation system for securities that generally trade daily, or if no prices were quoted on such date, at the last reported sales price on the last prior date when a price was quoted for such securities.

If no such prices have been quoted in an active market, the investment is valued in good faith by the Manager in consultation with the Administrator, and approved by the Directors, according to the steps outlined in ASC Topic 820. For these Level 2 or 3 securities, the Manager may consult with and rely upon information provided by the Master Fund's custodians, market makers, brokers, and outside valuation services.

Level 2 securities will normally be priced using other observable information including identical or similar securities traded on other exchanges and quotations received from the counterparty, dealers or brokers, whenever available and considered reliable. The Master Fund holds certain restricted securities which are restricted under Rule 144A. Restricted securities are generally fair valued at a discount to similar publicly traded securities.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments (continued)

Investments in other investment funds that meet the definition of an investment company for which its net asset value or partners' capital has been measured in accordance with, or in a manner consistent with, the principles of ASC Topic 946, *Financial Services – Investment Companies*, are valued using the reported net asset value as a practical expedient. Investments in other investment funds are classified as Level 3, but can be Level 2 if they are redeemable at net asset value within six months of the measurement date.

The Master Fund's investments in other investment funds are generally valued at the reported values provided by or on behalf of the investment fund, after discounts for any applicable redemption charges and any lock-up periods, which valuations are prepared in accordance with such investment fund's governing documents. The Manager considers this a reliable representation of fair value if the investment fund is accepting subscriptions and processing redemptions based on this reported value. However, in certain circumstances, the Manager will estimate the value of such investment based on such reasonably available relevant information as it considers material.

The strategy of the other investment fund in which the Master Fund has a position is to invest in emerging market equities. This is a closed end fund with a 5-year term which expired on October 31, 2013, and is currently in liquidation.

Fixed income securities are fair valued using market price quotations (where observable) or by the Master Fund's own assumptions (where unobservable). The fair value of derivatives is derived from the Black-Scholes options valuation model or directly from brokers with whom the derivatives are traded. The key inputs to the Black-Scholes options valuation model include historical volatility, market and exercise price, and time to expiry.

For Level 3 securities, the Manager will value the equity securities using either a "market approach," an "income approach," or both approaches, as appropriate. The "market approach" uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The "income approach" uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted).

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments (continued)

In following these approaches, the types of factors that may be taken into account include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, the nature and realizable value of any collateral, the issuer of the security's ability to make payments, the issuer's earnings, discounted cash flows and net asset value analysis, the markets in which the issuer does business, comparisons of financial ratios of peer public companies, recent M&A transactions for comparable public or private companies, actual and imminent capital transactions in the subject investee company and the principal market for the relevant security, among other factors.

The Manager and analysts monitor and review the valuation methodologies on a monthly basis. They use the latest available information to update the valuations each month. The Master Fund also engages the services of an independent valuation firm to perform quarterly valuations on certain Level 3 assets. A valuation committee oversees the process and procedures for the valuation of the Level 3 investments in accordance with the valuation policy approved by the Board of Directors. The valuation committee meets on a quarterly basis or more frequently as required. It is comprised of staff of the Manager and three Directors, who are also principals of the Manager.

Because of the inherent uncertainty of valuation of securities and investment funds traded in emerging market economies (see Note 10), the estimated fair values may differ significantly from values that will eventually be realized upon an actual liquidation of the portfolio, and such differences could be material.

Special Situation Sub-Accounts

The Manager may, in its discretion, designate up to 20% of the net assets of the Fund (measured at the time of such designation) as one or more special situation investments (each a Special Situation Investment). Only investors on the date an investment is designated as a Special Situation Investment will share in the appreciation or depreciation of any such Special Situation Sub-Account, on a pro rata basis in proportion to their respective capital accounts (excluding all Special Situation Sub-Accounts) on the day the Special Situation Sub-Account is established.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

2. Significant Accounting Policies (continued)

Use of Estimates

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Classification

The industry and geographic classifications reflected in the consolidated condensed schedule of investments represent the Manager's belief as to the most meaningful presentation of the classification of the principal business of the holdings in the portfolio.

3. Financial Instruments

The following is a summary of the inputs used as of December 31, 2014, in valuing the Master Fund's investments carried at fair value, disaggregated by geographic region:

	Level 1 – Quoted Prices in Active Markets for Identical Assets	Level 2 – Other Significant Observable Inputs	Level 3 – Significant Unobservable Inputs	Fair Value December 31, 2014
Financial assets				
Investments in securities				
Equities:				
Africa:				
Congo	\$ –	\$ –	\$ 1,167,501	\$ 1,167,501
Kenya	1,002,799	–	25,712	1,028,511
Total Africa	1,002,799		1,193,213	2,196,012
Asia:				
Mongolia	–	8,096,336	2,153,469	10,249,805
Other	–	374,166	91,792	465,958
Total Asia	–	8,470,502	2,245,261	10,715,763
Europe	1,102	39,999	34,397	75,498
North America	-	75,541	107,533	183,074
Total equities	1,003,901	8,586,042	3,580,404	13,170,347

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

3. Financial Instruments (continued)

	Level 1 – Quoted Prices in Active Markets for Identical Assets	Level 2 – Other Significant Observable Inputs	Level 3 – Significant Unobservable Inputs	Fair Value December 31, 2014
Financial assets				
Investments in securities				
Convertible bonds:				
Asia:				
Mongolia	–	–	653,871	653,871
Others	–	–	185,759	185,759
Total Asia	–	–	839,630	839,630
United States	–	–	1,200,000	1,200,000
Total convertible bonds	–	–	2,039,630	2,039,630
Corporate bonds:				
Europe	–	–	40,553	40,553
Total corporate bonds	–	–	40,553	40,553
Total investments in securities	1,003,901	8,586,042	5,660,587	15,250,530
Investment in other investment fund:				
United States	–	–	138,756	138,756
Total financial assets	\$ 1,003,901	\$ 8,586,042	\$ 5,799,343	\$ 15,389,286
Financial assets allocated to Class A interests	\$ –	\$ –	\$ 109,652	\$ 109,652
Financial assets allocated to Class B and C interests	1,003,901	8,586,042	5,689,691	15,279,634
Total financial assets	\$ 1,003,901	\$ 8,586,042	\$ 5,799,343	\$ 15,389,286

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

3. Financial Instruments (continued)

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value:

	Equities			
	Africa	North America	Other	Total
Balance as at December 31, 2013	\$ 7,439,068	\$ 6,770,251	\$ 910,526	\$ 15,119,845
Net realized gain (loss)	2,081,013	–	(1,564,670)	516,343
Net change in unrealized depreciation	(2,996,907)	(898,151)	(5,629,098)	(9,524,156)
Purchases	8,677	205,000	7,641,342	7,855,019
Sales	(5,338,638)	(5,969,567)	(1,662,534)	(12,970,739)
Transfers into Level 3*	–	–	2,584,092	2,584,092
Balance as at December 31, 2014	<u>\$ 1,193,213</u>	<u>\$ 107,533</u>	<u>\$ 2,279,658</u>	<u>\$ 3,580,404</u>
Net change in unrealized depreciation from investments still held as of December 31, 2014	<u>\$ (1,726,945)</u>	<u>\$ (898,151)</u>	<u>\$ (5,629,098)</u>	<u>\$ (8,254,194)</u>

* Equities in the amount of \$2,584,092 were transferred from Level 2 into Level 3 due to the absence of direct observable market data.

	Bonds				Other Investment Fund
	Asia	North America	Europe	Total Bonds	North America
Balance as at December 31, 2013	\$ 2,210,187	\$ 2,839,934	\$ 41,170	\$ 5,091,291	\$ 561,526
Net realized loss	–	(131,240)	–	(131,240)	–
Net change in unrealized appreciation (depreciation)	46,537	(1,487,789)	(617)	(1,441,869)	(422,770)
Purchases	220,535	152,145	385,059	757,739	–
Sales	(1,637,629)	(173,050)	(385,059)	(2,195,738)	–
Balance as at December 31, 2014	<u>\$ 839,630</u>	<u>\$ 1,200,000</u>	<u>\$ 40,553</u>	<u>\$ 2,080,183</u>	<u>\$ 138,756</u>
Net change in unrealized appreciation (depreciation) from investments still held as of December 31, 2014	<u>\$ 46,537</u>	<u>\$ (1,487,789)</u>	<u>\$ (617)</u>	<u>\$ (1,441,869)</u>	<u>\$ (422,770)</u>

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

3. Financial Instruments (continued)

A quantitative disclosure of the unobservable inputs and assumptions for Level 3 securities has been provided in the chart below.

Asset Class	Geographic Region	Fair Value as at December 31, 2014	Valuation Techniques	Unobservable Inputs	Ranges (Weighted Averages)
Equities	Africa	\$ 1,193,213	Comparable companies	Discount rate	15.0% – 75.0%
	North America	107,533	Black Scholes		
	Other	2,279,658	Last round of financing Comparable companies Discounted cash flows	Weighted average cost of capital	13.25% – 14.25%
Bonds	Asia	839,630	Par plus accrued interest	Discount rate	14.3% – 95.0%
	North America	1,200,000	Discount to par value		
	Europe	40,553	Liquidation valuation		
Investment in other investment funds	North America	138,756	Liquidation valuation		

4. Due From/to Brokers and Concentration of Credit Risk

Due from/to brokers generally includes amounts receivable or payable for securities transactions that have not been settled at the date of the consolidated financial statements. Substantially all investments are held with the Prime Broker, JP Morgan Chase, or with the Mongolian Securities Clearing House and Central Depository.

The Master Fund continuously monitors the credit standing of the Prime Broker and does not expect any material loss as a result of this concentration.

The Master Fund also invests in convertible and corporate bonds. Until such investments are sold or mature, the Master Fund is exposed to credit risk relating to whether the issuer will meet its obligations when they come due.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

5. Share Capital

The authorized capital of the Master Fund is \$50,000 divided into 4,999,900 Class A and Class C voting Participating Shares and 100 Class B voting shares, each with a nominal or par value of \$0.01. The Class B shares of the Master Fund are held and fully paid by Firebird Holdings, LLC, an affiliate of the Manager. Participating Shares may be issued as restricted shares or unrestricted shares or as partial withholding tax shares or no withholding tax shares. Shares may be issued in separate classes and series as determined by the Board of Directors in its discretion from time to time. Shares may also be issued as voting shares or non-voting shares if so designated by the Directors.

The restricted shares shall not participate in any profits or losses attributable to newly issued securities (“new issues”) to the extent required by applicable Financial Industry Regulatory Authority (“FINRA”) rules.

The Fund and the Partnership are divided into a continuing pool (Class B and C shares and Class B and C interests, respectively) and a liquidating pool (Class A shares and Class A interests, respectively). The holdings of the Class A shares in the Fund and the Class A interests in the Partnership were fully redeemed as at December 31, 2014 and are included in liabilities as redemption payable on the consolidated statement of net assets.

Class A shares represent the interests of the liquidating pools and Class C shares represent the interests of the continuing pools. Accordingly, the shares representing the interests in the Master Fund of the liquidating pool within the Fund have been designated as Class A-OF shares and the shares representing the interests within the Master Fund of the liquidating pool within the Partnership have been designated as Class A-ON shares. Likewise the shares representing the interests in the Master Fund of the continuing pool within the Fund have been designated as Class C-OF shares and the shares representing the interests in the Master Fund of the continuing pool within the Partnership have been designated as Class C-ON shares.

The Master Fund’s shares are purchased by the Fund and the Partnership as of the beginning of each month or any date as determined by the Manager. The minimum initial investment is \$100,000. The Fund and the Partnership may take additional subscriptions in amounts of not less than \$50,000. The Master Fund’s shares are purchased and redeemed by the Fund and the Partnership at a price per share based on the Master Fund’s previous month net asset value per share for each share class.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

5. Share Capital (continued)

Share transactions for the year ended December 31, 2014, were as follows:

Class	Shares at December 31, 2013	Shares Issued	Shares Redeemed	Shares Transferred	Shares at December 31, 2014
Class A-OF unrestricted	697.82	–	(580.00)	(117.82)	–
Class A-OF restricted	481.25	–	(394.60)	(86.65)	–
Class A-ON unrestricted	113.41	–	(53.76)	(59.65)	–
Class A-ON restricted	21.32	–	(18.03)	(3.29)	–
Class B	84.55	–	–	–	84.55
Class C-OF unrestricted	4,152.66	–	(89.10)	(325.67)	3,737.89
Class C-OF restricted	862.80	–	(24.45)	445.24	1,283.59
Class C-ON unrestricted	1,578.16	–	(28.35)	6.68	1,556.49
Class C-ON restricted	5,514.99	–	(72.29)	29.51	5,472.21
Special Situation SS 0613	10,899.39	–	–	–	10,899.39

Special Situation Shares

From time to time, the Master Fund may issue Special Situation Shares, each set of such shares representing an investment which lacks a readily ascertainable market value or is illiquid. At that time, all Shareholders in the Master Fund have a portion of their shares redeemed pro rata to the value of the Special Situation relative to the Master Fund as a whole, and Special Situation Shares are issued pro rata to each shareholder. Such Special Situation Investment will be valued at fair value in accordance with the Master Fund’s valuation policy.

Only holders of the series of Special Situation Shares representing a Special Situation Investment will share in the subsequent appreciation or depreciation of such Special Situation Investment.

Upon any sale or other disposition of all or a portion of a Special Situation Investment, the series of Special Situation Shares representing such Special Situation Investment will be redeemed and the net proceeds thereof will be either distributed to the holders of such series of Special Situation Shares or reinvested in Participating Shares on behalf of such holders. When it is determined that a Special Situation Investment should no longer be treated as a Special Situation Investment, the series of Special Situation Shares representing such Special Situation Investment will be redeemed and new Participating Shares having the same aggregate Net Asset Value (“NAV”) will be issued to the holders of such Special Situation Shares.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

5. Share Capital (continued)

Special Situation Shares (continued)

Using the June 30, 2013, Net Asset Value, the Master Fund's investments in the common stock, restricted stock, convertible bonds and warrants of one entity which are owned by the continuing pool were designated as a Special Situation Investment with the series designation SS 0613. The aggregate value of the positions recognized represents approximately 2.61% of the net assets of the Master Fund as at December 31, 2014.

6. Performance Allocation and Allocation of Net Profits and Net Losses

Any net appreciation or net depreciation in the value of the assets of the Master Fund in any fiscal period which is not attributable to a particular class or series of shares shall be allocated among the classes and series in proportion to the net asset value of each class or series, free of any uncrystallized performance allocation made to the Class B shares during the fiscal period, as of the beginning of such fiscal period.

Class B shares shall be entitled to a special allocation with respect to each Class A-OF and Class C-OF share issued by the Master Fund at the earlier of (i) the end of each fiscal year, (ii) on the date of redemption with respect to any Class A-OF and Class C-OF shares which are redeemed, or (iii) on the date of transfer with respect to any Class A-OF and Class C-OF shares which are transferred. The special allocation is calculated on the net increase in net asset value per share for the fiscal year (after the Master Fund-specific income and expenses) in excess of losses carried forward from prior years on each such outstanding Class A-OF and Class C-OF share of the Master Fund. The special allocation is calculated separately with respect to each series of Class A-OF and Class C-OF shares held by the Fund and allocated pro rata to each share in such series, at a rate of 20% on the chargeable profits attributable to Class A-OF shares, and at 17.50% or 15% on the chargeable profits attributable to Class C-OF shares depending on the class of shares held at the Fund level.

Class A-ON shares and Class C-ON shares are not subject to the special allocation to Class B shares as the performance allocation is done at the Partnership level.

No performance allocation will be paid with respect to any unrealized appreciation or depreciation with respect to a Special Situation Investment prior to the redemption of the Special Situation Shares representing such Special Situation Investment.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

6. Performance Allocation and Allocation of Net Profits and Net Losses (continued)

The performance allocation can be withdrawn at any time by the holder of the Class B shares by way of dividend or redemption. For the year ended December 31, 2014, dividends in the amount of \$nil were declared and paid on Class B shares. The Directors do not currently intend to declare dividends on the Class A, Class C or Special Situation Shares. For the year ended December 31, 2014, the Master Fund recorded \$nil of performance allocation.

7. Taxation

There is currently no taxation imposed on income or profits of the Master Fund by the Government of the Cayman Islands. If any form of taxation were to be enacted, the Master Fund has been granted an exemption therefrom until May 8, 2032.

The Master Fund is not subject to United States Federal, state or local taxation. The Master Fund reports tax information to its U.S. resident shareholders on the accrual basis. The Master Fund has elected to be treated as a partnership for U.S. Federal income tax purposes.

ASC Topic 740, *Income Taxes*, provides guidance for how uncertain tax positions should be recognized, measured, presented, and disclosed in the consolidated financial statements. ASC Topic 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Master Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. The Master Fund has adopted ASC Topic 740 and its impact is reflected in these consolidated financial statements.

The Master Fund recognizes interest and penalties, if any, as capital gains tax expense in the consolidated statement of operations. During the year, the Master Fund did not accrue any interest or penalties.

Tax accruals are calculated in local currencies. The effective rate to the Master Fund can exceed or be less than the above rates if the local currency has appreciated or depreciated against the US Dollar during the period of investment.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

7. Taxation (continued)

Tax legislation in all of the jurisdictions in which the Master Fund invests is subject to varying interpretations and changes, which can occur unexpectedly. The Manager's interpretation of such legislation as applied to transactions and activities of the Master Fund and its subsidiaries since inception may be challenged by the relevant regional and federal authorities. It is not practical to determine the amount of unasserted claims that may manifest themselves, if any, or the likelihood of any unfavorable outcome thereof.

8. Derivative Financial Instruments

In the normal course of business, the Master Fund may enter into transactions involving derivative financial instruments in connection with its investing activities. These instruments can include currency, commodity, swap or equity options, and credit default swaps. The Manager may, from time to time, use derivatives to protect the overall portfolio from potential adverse change in risk appetite and may also identify speculative derivative positions that could be used to express particular macro views and potentially add alpha to the portfolio.

Derivatives are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. Derivative instruments are not guaranteed by an exchange or clearing house or regulated by any U.S. or foreign governmental authority. It may not be possible to dispose of or close out a derivative position without the consent of the counterparty, and the Master Fund may not be able to enter into an offsetting contract in order to be able to cover its risk. The Master Fund manages these risks on an aggregate basis along with the risks associated with its investing activities as part of its overall risk management policies.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

8. Derivative Financial Instruments (continued)

Premiums paid or received in relation to derivative investments are recorded as cost of the investment in the consolidated statement of assets and liabilities and are subsequently adjusted to fair value. The changes in fair value are recorded in the net change in unrealized appreciation (depreciation) of investments, derivatives and foreign currency transactions in the consolidated statement of operations. As the derivative is exercised or closed, the net gain or loss will be realized. Each derivative represents a separate credit risk, as there is no master netting agreement with the respective third party.

As at December 31, 2014, the Master Fund had no collateral posted with JP Morgan Chase in relation to its derivative exposures.

Put and call options are purchased options to buy or sell an underlying asset at an established price on a future date. The Master Fund did not hold any purchased options as at December 31, 2014.

The following amounts are recorded in net change in unrealized appreciation (depreciation) of investments, derivatives and foreign currency transactions and net realized loss on investments, derivatives and foreign currency transactions in the consolidated statement of operations.

Contract Type	Risk	Net Realized Loss	Net Change in Unrealized Appreciation
Put option Japanese Yen	Foreign Currency	\$ (1,136,000)	\$ 62,082

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

9. Related Party Transactions

In accordance with ASC Topic 850, *Related Party Disclosures*, related parties include Principal Ownership (defined to include investments where the Master Fund combined with funds under common control hold interests greater than 10%), Associated Companies (defined as investments where the Master Fund combined with funds under common control hold interests less than 10% and have members on the Board of Directors), and Affiliates. Affiliates are defined as other investments funds managed by the Manager and related parties of the Manager.

Transactions with these entities during the year were as follows:

	Principal Ownership	Associated Companies	Affiliates
Loan receivable	\$ 334,000	\$ —	\$ —
Interest receivable	18,909	—	—
Purchases of investments	4,146,483	—	—
Sales of investments	(501,715)	—	336,410
Realized loss	(1,015,375)	—	(730,025)

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

9. Related Party Transactions (continued)

Included in related parties are the following entities in which the Master Fund and Affiliates have greater than 20% aggregate interest in the entity and/or a Director(s) seat is held.

Name of Company	2014 Ownership by the Master Fund and Affiliates	2014 Investments Held by the Master Fund	Industry
Avax Technologies Inc.	63.63%	\$ 1,200,000	Biotech
BDSec JSC	22.71	865,280	Broker/Dealer
Berkh-Uul JSC	99.66	1,720,776	Fluorspar
Blacktip Energy Ltd.	45.57	38,292	Oil & Gas
Caspian Energy Inc.	21.17	338,816	Oil & Gas
Genko Tour Bureau JSC	31.79	221,126	Hotel & Tourism
Global Gold Corporation	53.16	1,102	Gold
Juniper Oil Inc	45.64	–	Oil & Gas
Khot Infrastructure Holdings, Ltd.	52.32	9,136	Construction
Khukh Gan JSC	15.50	119,159	Iron Ore
Myanmar Energy Inc.	37.95	–	Oil & Gas
National Investment Bank of Mongolia	9.50	409,774	Banking
Roseheartly Energy Inc.	35.88	75,541	Gold
Sharyn Gol JSC	71.43	6,483,690	Coal
Vanoil Energy Ltd.	44.57	280,154	Oil & Gas

All investments in the above companies are carried at fair value, as discussed in Note 2.

In 2014, the Master Fund purchased \$220,535 secured convertible debentures in Caspian Energy Inc., a joint stock company incorporated under the laws of Canada, which are payable on February 28, 2015. These convertible debentures are at a commercial rate of interest and have been recorded at December 31, 2014, at carrying amount plus accrued interest, which approximates fair value.

During 2014, SHG Holdings 2 S.à r.l., a 100% owned subsidiary of the Master Fund, provided a \$334,000 loan to Sharyn Gol JSC, a Mongolian company. The loan is at a commercial rate of interest and has been recorded at December 31, 2014, at carrying amount plus accrued interest, which approximates fair value.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

10. Investment Risks

The Master Fund's investments are based principally in emerging and frontier economies. Therefore, they are subject to the risks inherent in those economies including, but not limited to:

- the ability to find a buyer in order to sell security positions owned by the Master Fund;
- the risk that until the system of ownership and transfer of ownership is fully centralized, custodian shares held on behalf of the Master Fund may be improperly deleted from companies' shareholder registers;
- the risk that brokers which hold shares for the Master Fund may become insolvent, which may result in a loss of such shares;
- uncertainties regarding existing local laws and regulations that provide protection to owners of investment securities;
- uncertainties regarding the convertibility of local currencies into United States Dollars;
- private companies in which the Master Fund holds or will hold an interest will be returned to some form of state control or that the assets of such companies will be confiscated by the state without or with inadequate compensation to investors;
- the risk of an economic or political catastrophe or renationalization that could result in a substantial or total loss of the value of the investments;
- a liquidity risk associated with restructuring of companies, during which time such securities may be frozen until registration has been completed; and
- the risk of restrictions being imposed by foreign governments on the repatriation of cash.

The above risks are not unique in the context of emerging markets investing.

The Master Fund could be affected, for the foreseeable future, by these risks and their consequences, and the effects could be significant. The accompanying consolidated financial statements do not include any adjustments that may result from the future clarification of these uncertainties. Such adjustments, if any, will be reported in the Master Fund's consolidated financial statements in the period when they become known and estimable.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

11. Indemnifications

The Master Fund enters into contracts that contain a variety of indemnifications. The Master Fund's maximum exposure under these arrangements is unknown. However, the Master Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

12. Financial Highlights

Financial highlights for the year ended December 31, 2014, were as follows:

	Class A-OF Unrestricted Share	Class A-OF Restricted Share
Per share operating performance		
Beginning net asset value	\$ 2,266.16	\$ 2,245.83
Change in net assets resulting from operations:		
Net investment expense	(74.91)	(74.58)
Net loss on investments, derivatives and foreign currency transactions	(1,080.10)	(1,070.06)
Net change in net assets resulting from operations	(1,155.01)	(1,144.64)
Ending net asset value prior to final redemption	\$ 1,111.15	\$ 1,101.19
 Total return		
Total return	(50.97)%	(50.97)%
 Ratios to average net assets		
Total expenses	(4.62)%	(4.64)%
Net investment expense	(4.62)%	(4.64)%

The above per share operating performance and total return are calculated for the Liquidating Class A-OF Unrestricted and Liquidating Class A-OF Restricted Shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

12. Financial Highlights (continued)

	Class A-ON Unrestricted Share	Class A-ON Restricted Share
Per share operating performance		
Beginning net asset value	\$ 3,033.30	\$ 3,039.08
Change in net assets resulting from operations:		
Net investment expense	(125.58)	(128.35)
Net loss on investments, derivatives and foreign currency transactions	(1,420.43)	(1,420.60)
Net change in net assets resulting from operations	(1,546.01)	(1,548.95)
Ending net asset value prior to final redemption	\$ 1,487.29	\$ 1,490.13
 Total return	 (50.97)%	 (50.97)%
 Ratios to average net assets		
Total expenses	(5.43)%	(5.81)%
Net investment expense	(5.43)%	(5.81)%

The above per share operating performance and total return are calculated for the Liquidating Class A-ON Unrestricted and Liquidating Class A-ON Restricted Shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

12. Financial Highlights (continued)

	Class C-OF Unrestricted Share	Class C-OF Restricted Share
Per share operating performance		
Beginning net asset value	\$ 2,563.00	\$ 2,553.53
Change in net assets resulting from operations:		
Net investment expense	(66.10)	(66.50)
Net loss on investments, derivatives and foreign currency transactions	(929.13)	(925.05)
Net change in net assets resulting from operations	(995.23)	(991.55)
Ending net asset value	\$ 1,567.77	\$ 1,561.98
 Total return	 (38.83)%	 (38.83)%
 Ratios to average net assets		
Total expenses	(3.36)%	(3.49)%
Net investment expense	(3.04)%	(3.14)%

The above per share operating performance and total return are calculated for the Continuing Class C-OF Unrestricted and Continuing Class C-OF Restricted Shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing performance allocation rates.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

12. Financial Highlights (continued)

	Class C-ON Unrestricted Share	Class C-ON Restricted Share
Per share operating performance		
Beginning net asset value	\$ 3,448.89	\$ 3,455.32
Change in net assets resulting from operations:		
Net investment expense	(93.91)	(94.10)
Net loss on investments, derivatives and foreign currency transactions	(1,245.32)	(1,247.62)
Net change in net assets resulting from operations	(1,339.23)	(1,341.72)
Ending net asset value	\$ 2,109.66	\$ 2,113.60
 Total return	 (38.83)%	 (38.83)%
 Ratios to average net assets		
Total expenses	(3.39)%	(3.39)%
Net investment expense	(3.22)%	(3.22)%

The above per share operating performance and total return are calculated for the Continuing Class C-ON Unrestricted and Continuing Class C-ON Restricted Shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing performance allocation rates.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

12. Financial Highlights (continued)

	Special Situation SS 0613
Per share operating performance	
Beginning net asset value	\$ 550.20
Change in net assets resulting from operations:	
Net investment expense	(1.73)
Net loss on investments, derivatives and foreign currency transactions	(483.85)
Net change in net assets resulting from operations	(485.58)
Ending net asset value	\$ 64.62
 Total return	 (88.26)%
 Ratios to average net assets	
Total expenses	(0.74)%
 Net investment expense	 (0.74)%

The above per share operating performance and total return are calculated for the Special Situation Shares. The ratios to average net assets are calculated for each class taken as a whole. An individual investor's per share operating performance, total return and ratios to average net assets may vary from these amounts and ratios based on the timing of capital transactions and differing performance allocation rates.

13. Subsequent Events

Management has evaluated events subsequent to year-end and through March 27, 2015, the date the consolidated financial statements were available to issue. During this period, the Master Fund recorded redemptions of \$106,015 in relation to the Fund and Partnership expenses paid by the Master Fund.

Also since the year end, Pershing LLC has been appointed as a custodian and Deutsche Bank (Cayman) Limited the principal bankers of the Master Fund.

Firebird Global Master Fund Holdings, Ltd.

Notes to Consolidated Financial Statements (continued)

13. Subsequent Events (continued)

On March 17, 2015, the Board of Directors of the Master Fund and the Fund, together with the general partner of the Partnership resolved to wind down the Master Fund, the Fund and the Partnership by implementing the following steps:

- Given the illiquid nature, reduced size and limited scope of the Master Fund's remaining investments, the Board of Directors of the Master Fund and the Fund, together with the general partner of the Partnership resolved to collapse the existing master-feeder structure into a single fund structure. All investors will become direct investors in the Master Fund and the Fund and the Partnership feeders will be eliminated resulting to significant savings in administration, audit and other operating costs.
- In continued effort to reduce operating costs, net asset value calculations will be changed to quarterly, although the Investment Manager will continue to provide the investors with monthly performance estimates.
- The Master Fund will make its first winding down distribution effective March 31, 2015, pro-rata to all Class C and Class B shareholders representing approximately 31% of each investor's estimated net asset value as of February 28, 2015. The distribution will be paid not later than April 30, 2015.
- Going forward, the Master Fund will be managed with the sole intention of returning cash to the investors on a pro-rata basis as and when its assets are realized.