

Fund Overview

This is a wine investment Fund that aims to achieve above average investment returns over the medium to long term. Medium term is defined as 3 - 5 years.

The Fund will trade in a diverse portfolio of fine and rare Bordeaux wines. The Managers will seek to strike a balance of holding stock long term and taking gains for re-investment / additional diversification. The Managers unrivalled network of specific buying opportunities will be identified for the benefit of the Fund.

Market Commentary

We continue to see the volatility with both currencies and world stock markets and the continuing pressure on both sterling and the dollar has delivered a significant impact during the 2007 En Primeur campaign. Buyers in these currency areas have been notable by their absence, compared to previous years.

The demand for older more mature wines has been somewhat muted during the En Primeur campaign as is the norm, each year. This is due to the focus of both buyers and traders plus the negociants of Bordeaux, devoting their energies on moving the latest vintage release between April and June. This distracts them from the broader market thus leaving the prices generally on hold for other wines.

With regard to the Fund, we have made a purchase and these wines are being incorporated into the next Fund valuation. This latest purchase continues the objective of creating a spread of holdings as detailed in the Investment Rationale. As monies are invested, we continue to search for the best deals and opportunities that will continue this policy.

The En Primeur campaign has all but ended and we expect a period of dealing in the 2007's as the market assesses the release prices and what effect this will have on the wider market.

During this period, we have reassessed the Fund holdings with the Independent Valuer and as a result of rationalising some prices; there has been a small fall in the share price by one penny to £1.34

We expect the returns to pick up as we move through the summer period as general trading once again resumes.

We have experienced some issues regarding the previously advised potential change of valuer. As a result of issues arising from the first valuation under the new regime which was not known prior to the valuation. It has been decided to retain the original valuer, with changes put in place to cover the concerns that lead us to review this valuer originally. Further and more detailed information is being emailed later.

10.04.08 - 30.04.08

NAV
1.34

Growth
-0.7%

Since inception
+34%

Investment Rationale

The managers will maintain a policy of diversification across key investment criteria:

- Vintages
- Chateaux
- Communes
- Bottle format

As stated the Managers will ensure that exposure to any single criteria on investment is diluted with a wide range of appropriate and judicious purchases.

The Specialist Wine Advisor continues to research older vintages for undervalued stock which arises due to the general increase in the value of wine. Parcels of such wines offer the prospect of gains from the growth in their value. This is in line with the Fund objective.

The objective of the Managers is to hold long term and not be a regular trader, other than to purchase as new monies flow in. When appropriate, profits will be taken to create liquidity and allow other opportunities to be accessed.

Contact

Specialist Wine Advisor	Vinum Fund Managers
Managing Co	AOS Fund Services Limited
Website	www.vinumfinewinefund.com
Telephone	+44 (0) 1732 455931
Admin Tel	+44 (0) 1481 711822
Address	2 The Mews, 16 Holly Bush Lane, Sevenoaks, Kent TN13 3TH
Custodian	Butterfield Bank (Guernsey) Ltd
Legal Advisors	O. A. Hall
Auditors	BDO Novus (Guernsey)
Identifiers	SEDOL B1W6L98 ISIN GG00B1W6L987

Fees and Expenses

Front Load	5%
Withdrawal	potentially subject up to 3 months notice
Management Fee	1.5%
Performance Fee	20% of growth subject to hurdle rate
Hurdle	Euribor
Min investment	£10,000
Min addition	£5,000