All Star Nomura China Fund

July 2010 - Fact Sheet

The All Star Nomura China Fund aims to provide long-term capital growth from exposure to a portfolio of actively managed equity securities listed in China or Hong Kong. Suggested minimum timeframe is 5+ years.

Market Commentary

While global economic growth starts to slow, the portfolio manager believes a double-dip recession will be avoided. The Chinese economy has continued to drive the global economy, being the first to bottom out during the GFC and the first to consolidate. China could also be a leader in the second stage of the bull market. The medium-term outlook for China remains positive given the ample growth opportunities in economic reforms and political stability. The Chinese economy slowed slightly in July, as indicated by a decline in the Purchasing Manager's Index (PMI) to 51.2, from June's 52.1. Short-term economic activity could continue to decelerate in the coming months to a more sustainable level, suggesting an easing of monetary policy as government focus shifts back to growth.

The manager remains optimistic about the medium term buoyancy of the Chinese economy. However, CPI inflation could remain high due to rising food prices and accelerating wage inflation.

The medium term outlook for Hong Kong remains positive given the acceleration in estimated economic growth in China to 10.0% for 2010, combined with abundant liquidity in Hong Kong.

Macroeconomic data for Hong Kong indicates continued stability, with unemployment remaining at low levels (around 4.6% between April and June) and improvements in the construction sector.

Retail sales continued to grow in June, backed by strong tourist inflows especially from Mainland China. June trade numbers were stronger than expected and the low interest rate environment should continue to support the Hong Kong market. With the EU's sovereign debt issues now largely under control and the positive macroeconomic numbers, the manager is increasingly confident of ongoing improvement in the overall economy in the second half of 2010.

Portfolio Commentary

The Fund outperformed the benchmark by net 16 bps for the month of July. The overall value decreased by 1.79% for the month, due to depreciation of the Hong Kong (HK) dollar relative to the Australian dollar (AUD). The benchmark Index (50% MSCI China and 50% MSCI Hong Kong) depreciated by 1.95% in base currency terms. Equity markets in China and Hong Kong posted small gains in HK dollar terms, attributed to unexpectedly strong interim results of China A-share companies, and the relaxation of tightening policies.

Asset allocation added value, including an overweight position in the Materials sector and underweight in Health Care. Stock selection in Consumer Staples also generated positive results. Information Technology and Energy stocks detracted from the Fund's relative performance.

The purchase of Bank of Communications and China Minsheng Banking, due to their relatively low valuations, added to the Fund's Financials position. The purchase of China National Materials, currently trading at an attractive valuation, increased the materials sector position. Massive infrastructure spending and property development is providing a positive outlook for the China cement industry. Exposure to Utilities was reduced through the sale of Cheung Kong Infrastructure, which was trading at full valuation. Exposure to China Life Insurance was reduced due to its slower growth rate for life premiums relative to its peers.

Cash levels for the Fund were reduced to 1.6% at the end of July from 2.3% June end. The largest overweight positions are currently in Industrials and Materials, with underweight positions in the Utilities and Information Technology sectors. The medium-term investment strategy for the portfolio will remain focused on bottom-up stock selection.

Summary

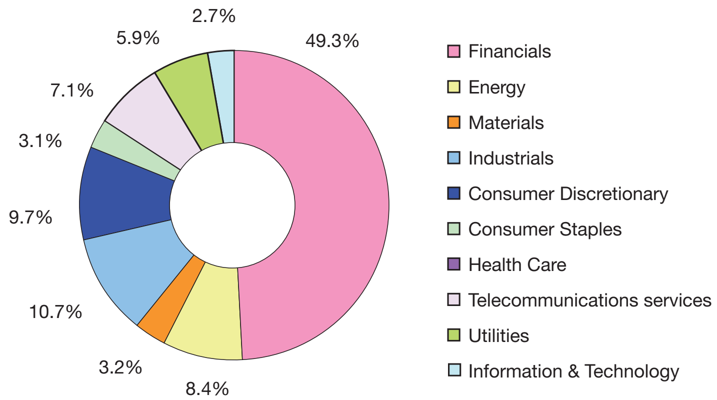
- Provides access to one of the world's fastest growing economies
- Well resourced investment process in place since 1981
- Local market expertise with a team which is experienced and close to markets and culture

Performance of the Fund as at 31/07/10

	Fund %	Index %	Variance %
1 mth	-1.61	-1.95	0.34

NB: Performance results are net of all fees. Inception date 21 April 2010

Composition of the Fund as at 31/07/10



Manager Profile

Nomura Asset Management Singapore Limited ('Nomura').

Nomura Asset Management Singapore Limited is part of Nomura Asset Management (NAM), a wholly-owned subsidiary of Nomura Holdings Inc. NAM currently has over A$260 billion in funds under management globally, including A$4.5 billion in Chinese assets (30 September

2009). NAM believes that they differentiate themselves from others for a number of key reasons. These include: their disciplined investment process that has been tested through different market periods; locally based managers and analysts enabling them to identify opportunities at an early stage; and a dedicated team of more than 20 portfolio managers and analysts based in Hong Kong, Singapore and Malaysia covering the Asia Pacific ex-Japan region, of which five portfolio managers are based in Hong Kong.

The Fund will invest predominantly in shares listed, or expected to be listed, on the Chinese or Hong Kong stock exchanges. Nomura utilises a combination of a top-down and bottom-up approach, with a bias towards bottom up stock selection. A relative value approach is used. Nomura forms a view on whether the price of a stock is fair, by comparing its valuation relative to market.

Their philosophy is to identify stocks that are relatively undervalued through the use of proprietary stock ranking quantitative models. Stocks are filtered and ranked on relative attractiveness and then undergo more in-depth analysis by the portfolio managers and analysts.

Investment Objective

To provide long-term capital growth from exposure to a portfolio of actively managed equity securities listed in China or Hong Kong. The Fund aims to outperform a composite of the 50% MSCI China Index and 50% MSCI Hong Kong Index.

Investment Strategy

The Fund invests predominantly in shares or unit trusts listed or expected to be listed on the Chinese or Hong Kong Securities Exchanges. A top down view is taken by the investment manager using proprietary models, which is then combined with bottom up detailed stock analysis.

The portfolio generally results in 60 - 90 securities, with a bias to larger companies. The target tracking error range is 3-7% p.a.

Portfolio Construction

Asset sector ranges	Min %	Max %
Chinese & Hong Kong securities	90	100
Cash	0	10

About All Star

The All Star Funds provide retail investors with exclusive access to a select group of investment managers. Each All Star Fund has a single specialist manager appointed to manage its assets.

These managers would not otherwise be available to Australian retail investors, as they are typically available only to institutional and similar investors. The All Star process identifies these managers and brings them to market.

The All Star manager selection process incorporates the following four important criteria:

1. Active management of investments
2. An investment process which seeks to consistently outperform the relevant index or perform on an absolute basis, regardless of market cycle or conditions
3. A proven investment process and performance track record, with a strong focus on risk management
4. A highly experienced and stable team of investment managers.

Preference is also generally given to managers whose interest is aligned to those of investors either through the charging of performance fees or through investment or ownership in the investment managers business.

The responsible entity for the All Star Funds is Ventura Investment Management Limited, a special purpose funds management company established to offer professionally managed investments for investors.

Type of Product:	Wholesale China Equity Fund
APIR Code:	VEN0012AU
Minimum Investment:	$20,000
Minimum Additional Investment:	$5,000
Regular Investment Plan:	$10,000 initial & $500pm
Transaction Costs:	+/-0.20%
Expense Recoveries:	Not expected to exceed 0.10%
Management Fee	1.20%
Performance Fee	10% of the return in excess of the hurdle
Benchmark:	50% MSCI China Index and 50% MSCI Hong Kong Index
Frequency of Distributions:	Annually