

Premier RENN Entrepreneurial Fund Limited

Annual Report & Audited Financial Statements
for the year ended 31 March 2011

Premier RENN Entrepreneurial Fund Limited

Investment Objective

The investment objective of the Premier RENN Entrepreneurial Fund Limited (the "Company") is to outperform the Russell 2000 Index.

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Company Information

Incorporation Date	23 February 2006
Launch Date	13 April 2006
Accounting Dates	Final: 31 March (audited)
Registered in Guernsey	Number: 44404

At the annual general meeting of the members of the Company held on 30 September 2008 it was resolved that the name of the Company be changed from Premier RENN US Emerging Growth Fund Limited to Premier RENN Entrepreneurial Fund Limited with effect from 30 October 2008.

Premier RENN Entrepreneurial Fund Limited

Manager, Investment Adviser, Financial Adviser and Administrator

Manager: Premier Asset Management (Guernsey) Limited

Premier Asset Management (Guernsey) Limited is a subsidiary of Premier Asset Management Limited which has over £1.4 billion of funds under management. Premier Asset Management Limited, via its regulated subsidiaries and business partners, manages a range of authorised UK and offshore open and closed-ended funds as well as providing bespoke discretionary management services to private individuals, institutions and charities.

Investment Adviser: RENN Capital Group, Inc.

RENN Capital Group Inc. is an investment management company based in Dallas, Texas, with over 30 years of investing principally in US smaller companies and gaining an enviable track record in this sector. Russell Cleveland is the founder and president of RENN Capital Group.

Financial Adviser: RP&C International Inc.

RP&C International Inc. is an investment banking firm, which provides specialist advisory services to public and private companies internationally. Their offices are located in London and New York.

Administrator: Anson Fund Managers Limited

Anson Fund Managers Limited is a subsidiary of Anson Group Limited, a privately owned company which through its subsidiaries provides share registration, fund administration and custodian services. An Administration Agreement between Anson Fund Managers Limited and the Company was signed on 1 September 2009.

Premier RENN Entrepreneurial Fund Limited

Financial Highlights

	31 March 2011	31 March 2010	% change
Number of shares in issue	1,301,249	1,616,066	-19.48%
Net Assets (for investment purposes)*	\$11,167,032	\$19,137,314	-41.65%
Net Assets (accounting)*	\$11,025,403	\$17,776,697	-37.98%
Net Asset Value per share (for investment purposes)*	\$8.58	\$11.84	-27.53%
Net Asset Value per share (accounting)*	\$8.47	\$11.00	-23.00%
Russell 2000 Index (total return)	3,778.03	3,003.36	+25.79%

*The net asset value for investment purposes exceeds the accounting net asset value for two reasons:

1. For accounting purposes all formation costs are written off in the first period whereas the net asset value for investment purposes amortises these costs over five years.
2. For accounting purposes the investments are valued at their bid prices, whereas for the net asset value for investment purposes they are valued at their closing prices as required by the Company's Articles of Association and Scheme Particulars. Closing prices are defined as the last trade prices on the relevant date. For further details on accounting policies, see note 2 to the financial statements on pages 16-17 and note 13 to the financial statements on page 21.

Premier RENN Entrepreneurial Fund Limited – US\$
Performance Since Inception (13 April 2006 to 31 March 2011)



13/04/2006 - 31/03/2011 © Financial Express 2011

Premier RENN Entrepreneurial Fund Limited

Financial Highlights (continued)

Premier RENN Entrepreneurial Fund Limited – US\$
Performance 31 March 2010 to 31 March 2011



Source: Financial Express Analytics Data taken on 24 May 2011. Past performance is not a guide to future returns.

Share Price and Performance Information

Daily net asset values and information on the Company are available on the Professional Adviser section of www.premierassetmanagement.co.uk. Any enquiries can be emailed to premier@premierfunds.co.uk or telephone 01483 400400.

Share Dealing

Shares can be purchased by telephone (01481 722260), fax (01481 729829) or by post by no later than 5.00 p.m., Guernsey time, at least two business days prior to the relevant dealing day. Applications made by telephone must be followed by confirmation in writing.

The dealing day for shares is the last business day of each week. Funds must be cleared by 3.00 p.m. at least one business day prior to the relevant dealing day.

The dealing day for redemptions is the last business day of each month. Notice of redemptions must be served at least 30 calendar days prior to the relevant dealing day.

Premier RENN Entrepreneurial Fund Limited

Investment Adviser's Report

The Fund's NAV declined 27.53% during the year. The decrease was largely attributable to our Chinese holdings. As at 31 March 2011, US-listed Chinese companies represented 58% of the portfolio, down from 77% the prior year. During the year, a number of US-listed Chinese companies became targets for short sellers. In some cases, fraud was detected. In other cases, false accusations were levied. In the end, the market did not distinguish between the good and the bad. The market painted all US-listed Chinese companies with a broad brush.

Quality companies were simply not being recognized as such. For the purpose of this discussion, let us define quality as growth in earnings per share (EPS). For the year ended 31 March 2011, the median US-listed Chinese company in the portfolio showed increased EPS of 26%. During that same time period, the price decreased 35%, a 61% variance.

Despite the current market as it pertains to US-listed Chinese companies, we still believe in China and its entrepreneurs. The median price-to-earnings (P/E) ratio of our Chinese portfolio companies is 3.63, which we think is unsustainably low. China's GDP growth continues to outpace almost every other country in the world. Last year, China ranked 6th worldwide on that measure, compared to 117th for the US and 147th for the UK. Furthermore, China's growth is being driven by the private sector, which accounts for 70% of China's GDP. Perhaps more importantly, the return on equity (ROE) is much higher for private companies than it is for state-owned entities (SOEs).

We still believe not only in China, but in entrepreneurship both in and out of China. In the United States, the official unemployment rate is still 9%, but we are reminded of a well-known study which showed that two-thirds of all net new job creation comes from new businesses. We are encouraged by the entrepreneurial spirit that continues in the US and China because we know that growth will come from small, entrepreneurial companies.

As at 31 March 2011, the portfolio contained 19 companies. We started the year with 25 companies, but sold 6 of them. We added to a few of our existing portfolio companies, but did not add any new companies.

We sold China Greenscape, a privately-held Chinese industrial landscaping company. We had hoped to remain with the company through its initial public offering (IPO), but that proved difficult given the company's desire to go public in China rather than the US. Given the uncertainty of going public in China and the likely delay in doing so (potentially 2-3 years), we decided to cash out at a 42% gain. Orient Paper, a company that makes industrial grade paper, was also sold for a significant gain. Duoyuan Printing, which makes commercial printing machines and Silverleaf, which is in the resort/timeshare business were all sold at losses.. HeySpace, which operates in the social media/gaming industry and Riptide, a software company have been written down to zero.

Premier RENN Entrepreneurial Fund Limited

Investment Adviser's Report (continued)

We made partial sales of Hollysys Automation Technologies, Ltd., a company that develops automation systems for high-speed trains, subways, power plants and industrial installations; Points International, Ltd., a company that provides a mechanism by which customers can buy, sell or otherwise exchange loyalty points, e.g., mileage from airlines; Shengtai Pharmaceutical, Inc., a company that makes pharmaceutical-grade glucose and corn starch, which is the primary raw material used to make glucose; SkyPeople Fruit Juice, Inc., a company that makes fruit juice and concentrate and Skystar Bio Pharmaceutical Company, a company that makes veterinary medicines, vaccines, etc. We took gains in Hollysys, SkyPeople and Skystar. We took losses on Points and Shengtai.

We added to Bovie Medical Corporation and SinoHub. Bovie makes medical devices primarily for surgeons. Actually, we sold 25,000 shares of Bovie in July 2010, but bought 45,242 shares in March 2011 for a net addition of 20,242 shares. We also added to SinoHub, a manufacturer of cell phones. We participated in SinoHub's registered direct offering in March. The offering came in the form of common stock with 30% warrant coverage.

Some of the portfolio company highlights this year included:

- Hambrecht Asia Acquisition Corporation, a special purpose acquisition corporation, acquired SGOCO Group, Ltd., a Chinese company that makes LED screens for use in television sets, computers, etc. The company raised \$6.67MM in December 2010 and was listed on Nasdaq. In 2010, the company earned \$19.9MM on revenue of \$217.3MM.
- In March 2011, SinoHub raised \$11.0MM for the purpose of expanding its manufacturing capacity. The company also received an order from one of the Big 3 Chinese telecoms.
- In November 2010, Access Plans, Inc. announced that it was considering strategic alternatives, including M&A and go-private options.
- Points International listed its stock on Nasdaq. The stock has a dual listing in Toronto.
- Fushi Copperweld announced a plan to go-private at \$11.50 per share.
- SkyPeople raised \$25.9MM in order to increase capacity.
- PetroHunter entered into an agreement with Hess Corporation, a \$26 billion company, whereby Hess is expected to help PetroHunter exploit its 7MM acres of oil and gas properties in Australia.

As stated above, we remain believers in entrepreneurship. We are willing to invest alongside founder-owners, wherever they may reside. It just so happens that 79% of such people reside in the United States and Canada. Sixteen percent reside in Asia and the Pacific. No other part of the world has as many as 4% of these people. Furthermore, of the world's publicly-traded companies run by founder-owners, 71% are traded in the United States. This is why your portfolio is focused on US and US listed Chinese companies.

Premier RENN Entrepreneurial Fund Limited

Directors

Christopher Hill (Chairman)

Christopher is an Associate of the Chartered Institute of Bankers and a non-executive director of a number of financial institutions and investment funds. He is Chairman of UK Commercial Property Trust Limited, listed in London, in addition to being a non-executive director of other investment funds which maintain listings of their shares on the stock exchanges of London, Netherlands, Luxembourg or the Channel Islands. He was formerly Managing Director of Guernsey International Fund Managers Limited, part of the Barings Financial Services Group, for eight years prior to its sale to Northern Trust in 2005. He has more than thirty five years' experience in the field of Offshore Banking and Fund Administration.

Christopher is a past Chairman of the Guernsey Investment Funds Association and a resident of Guernsey.

Nigel Sidebottom

Nigel joined Premier Asset Management plc as Investment Director in 2005 following six years with BFS Investments plc. Prior to that he was Managing Director of the asset management division of Greig Middleton. Nigel has been in stock broking and fund management for over 24 years and is regarded as an expert on the investment companies sector. He was commissioned by the AIC to write the Handbook for Directors of Investment Trusts, published in 2000. He has been a frequent commentator on the investment trust sector in the press and as a speaker at investment conferences. He is also a non-executive director of JP Morgan Elect plc.

Richard Borg

Richard is a director of RP&C International Limited, a London-based investment banking boutique. He was previously a solicitor at Norton Rose in London where he was a member of the Corporate Finance department specialising in investment funds.

Constance Helyar-Wilkinson

Connie is the former CEO, Chairman and co-founder of International Private Equity Services Limited, a leading specialist administrator to the private equity industry based in 4 jurisdictions. She is an Associate of the Chartered Institute of Bankers, a member of the Securities Institute, and a Chartered Director of the Institute of Directors. Prior to becoming involved with Private Equity in the early 1990s, Connie spent over 25 years in senior offshore private banking and investment roles. She has been appointed to a number of private equity general partner boards. Connie was recently elected a Jurat of the Royal Court of Guernsey.

Nigel Ward

Nigel has over 35 years investment and banking experience and has several non-executive directorships including listed and unlisted investment funds and companies. His wide experience of international investment markets, private and retail banking, compliance and also of the managed funds industry was gained during a 20 year career at Barings, where he was a Director of Guernsey based Baring Asset Management (CI) Limited and before that at TSB Bank and National Westminster Bank. In January 2008 he joined a former colleague to establish an asset management business for Bank Sarasin (CI) Limited in Guernsey.

Premier RENN Entrepreneurial Fund Limited

Directors (continued)

Nigel holds the Institute of Directors Diploma in Company Direction, is an Associate of the Chartered Institute of Bankers, member of the Institute of Directors and a Founder member of the Guernsey Police Complaints Commission. Nigel has been a resident of Guernsey for 27 years.

Premier RENN Entrepreneurial Fund Limited

Directors' Report

The directors present their Annual Report & Audited Financial Statements of the Company for the year ended 31 March 2011.

The Company

The Company is an open-ended investment company registered in Guernsey on 23 February 2006 and commenced business on its first dealing day on 13 April 2006. The Company has been authorised as a Class 'B' Collective Investment Scheme by the Guernsey Financial Services Commission under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).

At the annual general meeting of the members of the Company held on 30 September 2008 it was resolved that the name of the Company be changed from Premier RENN US Emerging Growth Fund Limited to Premier RENN Entrepreneurial Fund Limited with effect from 30 October 2008.

Due to the reduced size of the Company, the Board has resolved to appoint Anson Fund Managers Limited as Manager in place of Premier Asset Management (Guernsey) Limited with effect from 31 August 2011 or such later date as the Guernsey Financial Services Commission approval permits. The composition of the Board is also expected to change. No other material changes to the operation of the Company will be made, except that, at the forthcoming annual general meeting a proposal will be made to change the name of the Company to RENN Entrepreneurial Fund Limited.

Investment Objective and Policies

The investment objective of the Company is to outperform the Russell 2000 Index. The Company invests primarily in private placements and secondary market issues by US smaller companies, although it may also acquire securities through secondary market purchases.

The US smaller companies in which the Company invests may be listed in Canada as well as the United States. Some of these companies operate global businesses. The Company may invest up to 10% of its assets (at the time of investment) in unlisted securities. At the time of the investment in such unlisted securities, the investee companies may not be domiciled in North America, although future North American listings will be expected.

Distribution Policy

It is the intention of the Company to distribute substantially all net income for the year by way of an annual dividend. Realised and unrealised gains on investments are not distributed and form part of the assets of the Company. Considering the investment objectives and policies of the Company, it is not anticipated that net income will be sufficient for the payment of dividends.

Results

The results for the year are set out in the Statement of Total Return on page 13.

Directors' Interests

Richard Borg is an officer and shareholder of RP&C International Inc., the Financial Adviser of the Company.

Premier RENN Entrepreneurial Fund Limited

Directors' Report

Nigel Sidebottom is a director and employee of Premier Fund Managers Limited, a company in the same group as Premier Asset Management (Guernsey) Limited, the Manager of the Company.

The directors are entitled to receive an annual fee of US\$20,000, with the exception of the Chairman who is entitled to an annual fee of US\$30,000, and to be reimbursed for all travel and other costs incurred as a direct result of carrying out their duties as directors.

Richard Borg and Nigel Sidebottom have waived their entitlement to directors' fees.

Premier RENN Entrepreneurial Fund Limited

Directors' Report (continued)

Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with UK generally accepted accounting principles, applicable UK accounting standards and applicable Guernsey law. Guernsey law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period, and are in accordance with applicable laws. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008 (the "Companies Law") and The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Section 249 of the Companies Law, each of the persons who is a director at the date of approval of the financial statements confirms that:

- a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) they have taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution for the re-appointment of Grant Thornton Limited as auditors will be proposed at the next general meeting to be held pursuant to section 199 of the Companies Law.

Christopher Hill

Constance Helyar-Wilkinson

14 July 2011

Premier RENN Entrepreneurial Fund Limited

Custodian's Report

The following is the text of a report received from BNP Paribas Trust Company (Guernsey) Limited, the current custodian of the Company.

Dear Shareholders

In respect of the period 1 April 2010 to 31 March 2011 we state that, in our opinion, Premier Asset Management (Guernsey) Limited (the "Manager"), has managed Premier RENN Entrepreneurial Fund Limited (the "Fund"):

- a) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the principal documents, by the scheme particulars and by the Protection of Investors (Bailiwick of Guernsey) Law, 1987; and
- b) in accordance with the provisions of the principle documents and the Collective Investment Schemes (Class B) Rules 1990.

BNP Paribas Trust Company (Guernsey) Limited
as Custodian of
Premier RENN Entrepreneurial Fund Limited

15 July 2011

Premier RENN Entrepreneurial Fund Limited

Independent Auditor's Report to the Members of Premier RENN Entrepreneurial Fund Limited

We have audited the consolidated financial statements of Premier RENN Entrepreneurial Fund Limited for the year ended 31 March which comprise the Statement of Total Return, the Balance Sheet, the Statement of Changes in Shareholders' Net Assets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 9 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit for the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

Premier RENN Entrepreneurial Fund Limited

Independent Auditor's Report to the Members of Premier RENN Entrepreneurial Fund Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where The Companies (Guernsey) Law, 2008 requires us to report to you, if in our opinion:

- the company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations, which to the best of our knowledge and belief, are necessary for the purpose of our audit.

Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey, Channel Islands

14 July 2011

Premier RENN Entrepreneurial Fund Limited

Statement of Total Return For the year ended 31 March 2011

	Notes	Year ended 31 Mar 2011 Total US\$	Year ended 31 Mar 2010 Total US\$
Net (losses) / gains on investments during the year	5	<u>(3,402,271)</u> (3,402,271)	<u>7,837,629</u> 7,837,629
Income	2 & 6	100,196	99,652
Expenditure	7	<u>(533,895)</u>	<u>(632,870)</u>
Net loss for the year		(433,699)	(533,218)
Total net (expense) / income for the year before taxation		(3,835,970)	7,304,411
Withholding tax	4	<u>-</u>	<u>-</u>
Total return		<u>(3,835,970)</u>	<u>7,304,411</u>
Finance costs: Distributions	2	<u>-</u>	<u>-</u>
Net (decrease) / increase in net assets attributable to holders of Participating Shares		<u>(3,835,970)</u>	<u>7,304,411</u>

The above results relate to the continuing operations of the Company.

The notes on pages 16 to 26 form an integral part of these financial statements.

Premier RENN Entrepreneurial Fund Limited

Balance Sheet As at 31 March 2011

	Notes	31 Mar 2011 US\$	31 Mar 2010 US\$
Investments (Cost – 2011: US\$13,286,749; 2010: US\$16,647,293)	2 & 8	<u>10,530,007</u>	<u>17,488,100</u>
Assets			
Current Assets			
Debtors	9	193,630	146,235
Cash at bank		<u>520,116</u>	<u>1,191,921</u>
Total current assets		<u>713,746</u>	<u>1,338,156</u>
Total Assets		<u><u>11,243,753</u></u>	<u><u>18,826,256</u></u>
Liabilities and Equity			
Liabilities falling due within one year			
Creditors	10	218,249	1,049,459
Net Assets attributable to participating Shareholders	11, 12 & 13	<u>11,025,403</u>	<u>17,776,697</u>
Total Liabilities		11,243,653	18,826,156
Equity	11	<u>100</u>	<u>100</u>
Total Liabilities and Equity		<u><u>11,243,753</u></u>	<u><u>18,826,256</u></u>
Net asset value per Participating Share	12 & 13	<u><u>8.47</u></u>	<u><u>11.00</u></u>
Initial issue price of Participating Shares		<u><u>10.00</u></u>	<u><u>10.00</u></u>
Net asset value per Management Share	12	<u><u>1.00</u></u>	<u><u>1.00</u></u>

The financial statements on pages 16 to 26 were approved by the Board of Directors on 14 July 2011 and signed on its behalf by:

Director

Director

The notes on pages 16 to 26 form an integral part of these financial statements.

Premier RENN Entrepreneurial Fund Limited

Statement of Changes in Shareholders' Net Assets

For the year ended 31 March 2011

	Notes	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Net assets attributable to shareholders at the start of the year		17,776,797	14,795,617
<i>Movement due to issue and redemption of Participating Shares:</i>			
Issue of Participating Shares	14	-	159,659
Redemption of Participating Shares	14	(2,915,324)	(4,482,890)
		<u>(2,915,324)</u>	<u>(4,323,231)</u>
Net (decrease) / increase in net assets attributable to shareholders from investing activities		<u>(3,835,970)</u>	<u>7,304,411</u>
Net assets attributable to Shareholders at the end of the year		<u>11,025,503</u>	<u>17,776,797</u>

The notes on pages 16 to 26 form an integral part of these financial statements.

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements

For the year ended 31 March 2011

1 The Company

Premier RENN Entrepreneurial Fund Limited (formerly Premier RENN US Emerging Growth Fund Limited) (the "Company") is an open ended investment company with variable capital, registered in Guernsey on 23 February 2006, and commenced business on its first dealing day, 13 April 2006. The Company has been authorised as a Class "B" Collective Investment Scheme by the Guernsey Financial Services Commission in accordance with The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).

At the annual general meeting of the members of the Company held on 30 September 2008 it was resolved that the name of the Company be changed from Premier RENN US Emerging Growth Fund Limited to Premier RENN Entrepreneurial Fund Limited with effect from 30 October 2008.

2 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the Company's financial statements:

Basis of Accounting

The financial statements have been prepared under the historical cost convention adjusted to take account of the revaluation of investments and in accordance with applicable United Kingdom generally acceptable accounting principles, applicable UK accounting standards, The Companies (Guernsey) Law, 2008 (as amended), The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in November 2008, and the principal documents.

Investments

Investments which are traded on stock exchanges or are dealt on any other regulated markets are valued using quoted bid prices at the balance sheet date. Investments which are not traded on stock exchanges or are dealt on any other regulated markets are valued by reference to the most recent valuation or sales price. When there has not been an independent value established for an extended period, the Directors will determine fair value based on appraisal procedures established in good faith.

Income

Dividend income from equity investments is brought into account when the investment is quoted ex-dividend. Investment income is included gross of withholding tax. Bond interest is accounted for using the effective interest rate method. Other income is accounted for on an accruals basis.

Formation Costs

Formation costs are expensed as incurred. However, for the purpose of calculating the dealing prices of the Company shares, formation costs are amortised on a straight-line basis over five years from the date of funding. Formation costs of US\$225,742 were incurred in previous years, of which \$106,037 was expensed and \$119,705 capitalised. Therefore US\$24,734 (2010: US\$24,006) of formation costs were amortised during the year.

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

2 Principal Accounting Policies (continued)

Foreign Exchange

The financial statements are presented in US Dollars (US\$), the Company's functional and presentation currency.

Foreign currency assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currency have been translated at the rate of exchange ruling at the date of transaction. Foreign exchange differences are included in the Statement of Total Return.

Distributable Income

It is the intention of the Company to distribute substantially all net income for the year. Realised and unrealised gains on investments are not distributed and form part of the assets of the Company. Distributions are presented in the Statement of Total Return as finance costs.

No distributions were made during the year.

Cash Flow Statement

Under Financial Reporting Standard No.1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the Company is an open-ended fund and these financial statements include a change in shareholders' assets.

Going concern

The directors have made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the ongoing concern basis.

3 Material Agreements

Management fee

Under the terms of the Management Agreement dated 15 March 2006, the Company appointed Premier Asset Management (Guernsey) Limited as Manager. The Manager is paid a fee at an annual rate of 1.75% of the net assets of the Company, calculated and payable monthly in arrears by reference to the last valuation point of that month. The Manager is entitled to reimbursement of any actual out-of-pocket expenses incurred on behalf of the Company. The Manager pays advisory fees to the Investment Adviser and to the Financial Adviser, out of the management fee it receives from the Company. In addition, the Manager is entitled to receive a preliminary charge on the issue of shares. At present the preliminary charge is 5% of the creation price or such lesser amount as the Manager may determine.

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

3 Material Agreements (continued)

Performance fee

Under the terms of the Management Agreement dated 15 March 2006, the Manager is entitled to receive a performance fee calculated at a rate of 20% of the outperformance of the Russell 2000 Index by the net asset value of the Company. A performance fee will be payable only if the net asset value per share on the last day of a particular performance period exceeds the net asset value per share on the last day of the previous period. The performance fee (if any) will be calculated and accrued as at each valuation day and paid at the end of the financial year of the Company.

Custodian fee

Under the terms of a Custodian Agreement dated 30 June 2009, the Company appointed BNP Paribas Trust Company (Guernsey) Limited as Custodian. The Custodian is paid an annual fiduciary fee at a rate of 0.07% per annum of the net asset value of the Company (subject to a minimum fee of £12,000 per annum) calculated, accrued and paid monthly in arrears. In addition, the Custodian shall also receive an annual custody fee of 0.04% of the Net Asset Value (subject to a minimum fee of £6,000 per annum) calculated and paid monthly in arrears and a fee of £125 for each transaction.

Administration fee

Under the terms of an Administration Agreement dated 1 September 2009, the Company appointed Anson Fund Managers Limited as Administrator, Secretary and Designated Manager. The Administrator was paid an annual fee based on the net asset value of the Company, accrued at each valuation day in the month and at the rate of 0.1% of the net asset value, subject to a minimum fee of US\$72,000 per annum, accrued at each valuation point in the month and paid monthly in arrears. In addition, the Administrator is entitled to be reimbursed for out-of-pocket expenses incurred in the course of carrying out its duties as Administrator, and is paid £37.50 per daily valuation.

4 Taxation

The amounts disclosed as withholding tax in the Statement of Total Return of the Company relate solely to withholding tax suffered at source on income. The Company is exempt from Guernsey income tax under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. Exemption under the above mentioned ordinance entails payment by the Company of an annual fee of £600 (US\$953).

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

5 Net Gains / (Losses) on Investments

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
The net gains / (losses) on investments during the year comprise:		
Proceeds from sales of investments during the year	4,132,094	4,148,246
Original cost of investments sold during the year	<u>(3,550,939)</u>	<u>(4,721,190)</u>
Net gain / (loss) on investments sold during the year	581,155	(572,944)
Impairment loss recognised during the year	(385,877)	(2,209,883)
(Increase) / decrease in unrealised gains for the year	<u>(3,597,549)</u>	<u>10,620,456</u>
	<u>(3,402,271)</u>	<u>7,837,629</u>

6 Income

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Bank Interest income	2	5
Bond interest income	<u>100,194</u>	<u>99,647</u>
	<u>100,196</u>	<u>99,652</u>

7 Expenditure

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
<i>Payable to the Manager, associates of the Manager and agents of either of them:</i>		
Management fee (note 3)	243,773	337,691
Performance fee (note 3)	<u>-</u>	<u>-</u>
	243,773	337,691
<i>Payable to the Custodian, associates of the Custodian and agents of either of them:</i>		
Custodian fee (note 3)	34,740	27,071
<i>Other expenses</i>		
Investment commissions and charges	35,387	54,431
Administration fee (note 3)	83,229	78,078
Annual fees	5,695	5,496
Legal & Professional fees	33,798	876
Bank Interest and charges	4,298	3,030
Directors' fees	70,000	70,000
Directors' and Officers' insurance	9,501	-
Audit fee	17,501	18,916
Board meeting expenses	2,729	1,022
Foreign exchange gain	(351)	(516)
General expenses	<u>(6,405)</u>	<u>36,775</u>
	<u>255,382</u>	<u>268,108</u>
	<u>533,895</u>	<u>632,870</u>

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

8 Investments

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Market value at start of the year	17,488,100	11,351,504
Purchase of investments during the year	576,272	2,447,213
Proceeds from sale of investments during the year	(4,132,094)	(4,148,246)
Loss realised on investments sold during the year	581,155	(572,944)
Impairment losses	(385,877)	(2,209,883)
Increase / (decrease) in unrealised appreciation of investments during the year	(3,597,549)	10,620,456
Market value at end of year	<u>10,530,007</u>	<u>17,488,100</u>

9 Debtors

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Due from Broker	100,605	129,696
Interest receivable	82,927	16,539
Other debtors	10,098	-
	<u>193,630</u>	<u>146,235</u>

10 Creditors

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Due to Manager	145,886	977,017
Accrued expenses:		
Management fee payable	17,070	30,007
Administration fee payable	6,115	6,115
Audit fee payable	17,507	17,500
Legal and professional fees payable	24,042	-
Custodian fee payable	7,629	9,034
Other expenses payable	-	9,786
	<u>218,249</u>	<u>1,049,459</u>

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

11 Net Assets Attributable to Shareholders

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$
Net assets attributable to equity shareholders		
Management share capital	<u>100</u>	<u>100</u>
Net assets attributable to participating shareholders		
Participating share premium (note 14)	17,473,274	20,388,598
Reserves attributable to Participating Shareholders (note 15)	<u>(6,447,871)</u>	<u>(2,611,901)</u>
	<u>11,025,403</u>	<u>17,776,697</u>
Net asset value per the financial statements	<u>11,025,503</u>	<u>17,776,797</u>

12 Net Asset Value per Participating Share and per Management Share

The net asset value per Participating Share is calculated by dividing the net assets attributable to Participating Shareholders at 31 March 2011 of US\$11,025,403 (31 March 2010: US\$17,776,697) by the number of Participating Shares in issue at 31 March 2011 of 1,301,249 (31 March 2010: 1,616,066).

The net asset value per Management Share is calculated by dividing the net assets attributable to Management Shareholders at 31 March 2011 of US\$100 (31 March 2010: US\$100) by the number of Management Shares in issue at 31 March 2011 of 100 (31 March 2010: 100).

13 Reconciliation of Net Asset Value per Valuation to Net Asset Value per Financial Statements

	31 Mar 2011 Total NAV US\$	31 Mar 2011 NAV per Share US\$	31 Mar 2010 Total NAV US\$	31 Mar 2010 NAV per Share US\$
Net Asset Value as per Valuation	11,167,032	8.58	19,137,314	11.84
Adjustment to accruals / prepayments	-	-	2,379	-
Adjustment to formation costs	-	-	(24,800)	(0.02)
Adjustment to valuation of investments*	(141,529)	(0.11)	(496,809)	(0.31)
Investment written off	-	-	(841,387)	(0.51)
Adjustment to Management Shares	<u>-</u>	<u>-</u>	<u>100</u>	<u>-</u>
	<u>(141,529)</u>	<u>(0.11)</u>	<u>(1,360,517)</u>	<u>(0.84)</u>
Net Asset Value as Per Financial Statement	<u>11,025,503</u>	<u>8.47</u>	<u>17,776,797</u>	<u>11.00</u>

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

13 Reconciliation of Net Asset Value per Valuation to Net Asset Value per Financial Statements (continued)

*For accounting purposes, investments are valued at their bid market prices, whereas for valuation purposes investments are valued at their last traded prices.

14 Issued Share Capital and Share Premium

	Year ended 31 Mar 2011 US\$	Year ended 31 Mar 2010 US\$	
Authorised Share Capital			
Unlimited number of Participating Shares of No Par Value	-	-	
100 Management Shares of US\$1 each	<u>100</u>	<u>100</u>	
	<u>100</u>	<u>100</u>	
	Year ended 31 Mar 2011 No. of Shares	Year ended 31 Mar 2011 Share Capital US\$	Year ended 31 Mar 2011 Share Premium US\$
Management Shares	<u>100</u>	<u>100</u>	<u>-</u>
Participating Shares in issue at start of year	1,616,066	-	20,388,598
Issue of shares	-	-	-
Redemption of shares	<u>(314,817)</u>	<u>-</u>	<u>(2,915,324)</u>
In issue at end of year	<u>1,301,249</u>	<u>-</u>	<u>17,473,274</u>
Total as at 31 March 2011	<u>1,301,349</u>	<u>100</u>	<u>17,473,274</u>
	Year ended 31 Mar 2010 No. of Shares	Year ended 31 Mar 2010 Share Capital US\$	Year ended 31 Mar 2010 Share Premium US\$
Management Shares	<u>100</u>	<u>100</u>	<u>-</u>
Participating Shares in issue at start of year	2,019,279	-	24,711,829
Issue of shares	19,618	-	159,659
Redemption of shares	<u>(422,831)</u>	<u>-</u>	<u>(4,482,890)</u>
In issue at end of year	<u>1,616,066</u>	<u>-</u>	<u>20,388,598</u>
Total as at 31 March 2010	<u>1,616,166</u>	<u>100</u>	<u>20,388,598</u>

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

14 Issued Share Capital and Share Premium (continued)

Management Shares do not carry a right to vote at general meetings of the Company unless there are no Participating Shares in issue at the time. They do not carry the right to receive dividends. In winding-up, Management Shares rank 'pari passu inter se' but only for the return of the nominal amount of paid-up capital.

Preference Shares may be issued and redeemed at prices based on the value of the Company's net asset as determined in accordance with the Articles of Association. Preference Shares carry the right to vote at general meetings of the Company and to receive dividends and, in a winding-up, may participate in surplus assets remaining after settlement of any outstanding liabilities of the Company.

15 Reserves Attributable to Participating Shareholders

	Total US\$	Realised Investment Reserve US\$	Unrealised Investment Reserve US\$	Unrealised Exchange Losses	Revenue Reserve US\$
31 March 2011					
Balance at start of year	(2,611,901)	302,533	1,261,093	-	(4,175,527)
Gain on disposal of investments	581,155	581,155	-	-	-
Impairment loss	(385,877)	(385,877)	-	-	-
Decrease in unrealised reserve	(3,597,549)	-	(3,597,549)	-	-
Revenue reserve	(433,699)	-	-	-	(433,699)
Balance at end of year	<u>(6,447,871)</u>	<u>497,811</u>	<u>(2,336,456)</u>	<u>-</u>	<u>(4,609,226)</u>

	Total US\$	Realised Investment Reserve US\$	Unrealised Investment Reserve US\$	Unrealised Exchange Losses	Revenue Reserve US\$
31 March 2010					
Balance at start of year	(9,916,312)	3,085,360	(9,359,363)	-	(3,642,309)
Losses on disposal of investments	(572,944)	(572,944)	-	-	-
Impairment loss	(2,209,883)	(2,209,883)	-	-	-
Decrease in unrealised reserve	10,620,456	-	10,620,456	-	-
Revenue reserve	(533,218)	-	-	-	(533,218)
Balance at end of year	<u>(2,611,901)</u>	<u>302,533</u>	<u>1,261,093</u>	<u>-</u>	<u>(4,175,527)</u>

16 Financial Instruments and Risk Profile

In accordance with its investment objectives and policies, the Company holds financial instruments which at any one time may comprise the following:

- securities held in accordance with the investment objectives and policies;
 - cash and short-term debtors and creditors arising directly from operations;
- and

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

16 Financial Instruments and Risk Profile (continued)

- derivative transactions including investment in warrants and forward currency contracts.

The financial instruments held by the Company comprise principally of investments made through private placements, secondary market issues and secondary market purchases and are thus subject to risk factors greater than those typically encountered in investing in securities of companies listed on the major securities markets.

The main risks arising from the Company's financial instruments are market price risk (price risk and interest rate risk), liquidity risk and credit risk. The Company's exposure to foreign currency risk is presently minimal as the functional and presentation currency of the Company is US Dollars and throughout the year the Company has invested solely in US Dollar funds.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held, being the holdings shown in the Portfolio Statement on page 27. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Investment Adviser actively monitors market prices and reports to the Board as to the appropriateness of the prices used for valuation purposes. The Investment Adviser also attempts to minimise market price risk by undertaking a detailed analysis of the risk/reward relationship of each investee company prior to any investment being made.

Details of the Company's Investment Objective and Policy are given earlier in this report.

The Company's exposure to market price risk comprises mainly of movements in the value of the Company's investments. The Company invests mostly in securities which are traded on stock exchanges or are dealt with on any other regulated markets. For investments in securities which are not traded on stock exchanges and are not dealt with on any other regulated markets, the Company relies on net asset values of the investee companies as supplied by the fund managers or fund administrators, or the cost of the investments. As at 31 March 2011, the carrying value of the investments approximates to market value. The Directors have no reason to suppose that any such valuations are unreasonable.

Price sensitivity

At 31 March 2011, if market prices had been 10% higher with all other variables held constant, the return attributable to shareholders for the year would have been \$1,053,001 (2010: \$1,748,810) greater, due to the increase in fair value of financial assets at fair value through profit or loss. This would represent an increase in net assets of 9.37% (2010: 9.29%).

If market prices had been 10% lower with all other variables held constant, the return attributable to shareholders for the year would have been \$1,053,001 (2010: \$1,748,810) lower, due to the decrease in fair value of

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

16 Financial Instruments and Risk Profile (continued)

Market Price Risk (continued)

financial assets at fair value through profit or loss. This would represent a decrease in net assets of 9.37% (2010: 9.29%).

10% has been chosen as this is considered to be the sensitivity rate used when reporting price risk internally to key management personnel and representing management's assessment of the possible change in market prices.

Credit Risk

The Company will be exposed to credit risk on parties with whom it trades and may also bear the risk of settlement default. In addition, market practices in relation to the settlement of securities transactions and the custody of assets could result in increased risks.

The Company has no significant concentration of risk, with exposure spread over a large number of counterparties. At 31 March 2011 the Company's largest exposure to a single investment was £1,642,698 (2010: £2,475,392), 14.9% (2009: 13.92%) of net assets.

Liquidity Risk

The Company does not anticipate that there will be an active secondary market for Participating Shares and it is not expected that such a market will develop. Further, a shareholder's ability to redeem its shares may be limited by the deferred redemption provisions. The Company may invest in illiquid assets for which there is no established resale market, therefore exposing itself to the risk of meeting monthly shareholder redemptions. The Company might only be able to liquidate these assets at disadvantageous prices, should the Investment Advisor determine, or it become necessary to do so.

As at 31 March 2011, the Company's financial liabilities relate to short term creditors arising from investing activity and the liability to redeem the participating shares. All of these liabilities are due within 3 months.

Interest Rate Risk Profile of Financial Assets and Liabilities

Substantially all of the Company's assets are non-interest bearing investments. The Company's exposure to interest rate risk arises through investments in debentures which are interest bearing. 4.58% (31 March 2010: 5.51%) of the portfolio is represented by investments in debentures. Therefore, it is the opinion of the Board that interest rate risk is not material.

Interest receivable on bank accounts on bank deposit will be affected by fluctuations in interest rates. Average interest rates for the year for GBP, EUR, USD bank accounts are 0.00%, 0.00%, 0.00% respectively (31 March 2010: 0.50%, 0.50%, 0.50%).

17 Ultimate Controlling Party

The ultimate controlling party is Mavuli Caboose Establishment, which owns 85% (2010: 69%) of the Company's shares. The remaining 15% (2010: 31%) are widely held.

Premier RENN Entrepreneurial Fund Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2011

18 Related Party Transactions

During the year, management fees of US\$243,773 (31 March 2010: US\$337,691) were payable to the Manager, Premier Asset Management (Guernsey) Limited, with US\$17,070 (31 March 2010: US\$30,007) outstanding at the year end.

Richard Borg is an officer and shareholder of RP&C International Inc, the Financial Adviser of the Company.

During the year, administration fees of US\$0 (31 March 2010: US\$36,259) were payable to the previous Administrator, Northern Trust International Fund Administration Services (Guernsey) Limited, with US\$0 (31 March 2010: US\$0) outstanding at the year end.

During the year, administration fees of US\$83,229 (31 March 2010: US\$41,819) were payable to the Administrator, Anson Fund Managers Limited, with US\$6,115 (31 March 2010: US\$6,115) outstanding at the year end.

Custodian fees of US\$0 (31 March 2010: US\$3,805) were payable to the previous Custodian, Northern Trust (Guernsey) Limited, with US\$0 (31 March 2010: US\$0) outstanding at the year end.

Custodian fees of US\$34,740 (31 March 2010: US\$23,266) were payable to the Custodian, BNP Paribas Trust Company (Guernsey) Limited, with US\$7,629 (31 March 2010: US\$9,034) outstanding at the year end.

Nigel Sidebottom is a director and employee of Premier Fund Managers Limited, a company in the same group as Premier Asset Management (Guernsey) Limited, the Manager of the Company.

The directors are entitled to receive an annual fee of US\$20,000, with the exception of the Chairman who is entitled to an annual fee of US\$30,000, and to be reimbursed for all travel and other costs incurred as a direct result of carrying out their duties as directors. Nigel Sidebottom and Richard Borg have waived their entitlement to such fees.

19 Subsequent Events

There were no subsequent events.

Premier RENN Entrepreneurial Fund Limited

Portfolio Statement

As at 31 March 2011

	Holding at 31 Mar 2011	Value US\$	% of Total Net Assets
Securities which are traded on Stock Exchanges or are dealt on any other Regulated Markets			
Access Plans USA Inc	417,306	834,611	7.57
Aurasound Inc	83,333	-	0.00
Bovie Medical Corp	122,842	379,582	3.44
BPO Management Services Inc	842,947	-	0.00
Cogo Group Inc	50,000	403,500	3.66
Fushi Copperweld Inc	50,000	400,500	3.63
Hemobiotech Inc	603,571	-	0.00
Hollysys Automation Technologies Limited	92,000	1,219,000	11.06
Petrohunter Energy Corp	404,222	10,914	0.10
PHC Inc-CI A (Mass)	624,600	1,642,698	14.91
Points International Limited	75,000	668,250	6.06
Searchmedia Holdings Limited	75,000	137,250	1.24
SGOCO Group Limited	62,500	203,125	1.84
Shengtai Pharmaceutical Inc	194,283	437,137	3.96
Sinohub Inc	865,293	1,635,404	14.84
Skypeople Fruit Juice	39,649	174,852	1.59
Skystar Bio Pharmaceutical Company	173,212	995,969	9.03
Wonder Auto Technology Inc	162,498	882,364	8.00
		<u>10,025,156</u>	<u>90.93</u>
Warrants			
Aurasound Inc Warrants	83,333	-	0.00
Duoyuan Printing Warrants	15,924	-	0.00
Hemobiotech Inc Warrants	78,571	-	0.00
Petrohunter Energy Corp Warrants	3,800,000	-	0.00
Shengtai Pharmaceutical Inc Warrants	62,500	-	0.00
SinoHub Inc Warrants Class B	207,058	-	0.00
Symbollon Pharmaceutical Warrants	607,143	-	0.00
		<u>-</u>	<u>0.00</u>
Debt Securities			
Petrohunter Energy Corporation Convertible Debenture	3,333,333	135,000	1.22
Pipeline Data Inc Non Convertible Debenture	569,000	369,850	3.36
		<u>504,850</u>	<u>4.58</u>
Value of Investments		10,530,006	95.51
Cash and other net current liabilities		<u>495,497</u>	<u>4.49</u>
Total Value of Company		<u>11,025,503</u>	<u>100.00</u>

Premier RENN Entrepreneurial Fund Limited

Portfolio Statement (continued)

As at 31 March 2010

	Holding at 31 Mar 2010	Value US\$	% of Total Net Assets
Securities which are traded on Stock Exchanges or are dealt on any other Regulated Markets			
Access Plans USA Inc	417,306	429,825	2.42
Aura Sound Inc	83,333	30,833	0.17
Bovie Medical Corp	102,600	659,718	3.71
BPO Management Services Inc	842,947	59,006	0.33
Cogo Group Inc	50,000	348,500	1.96
Duoyuan Printing Inc	86,806	865,456	4.87
Fushi Copperweld Inc	50,000	561,000	3.16
Hambrecht Asia Acquisition Corp	62,500	420,625	2.37
Hemobiotech Inc	603,571	126,750	0.71
Hollysys Automation Technologies Limited	153,000	1,761,030	9.91
Orient Paper Inc	125,000	1,031,250	5.80
Petrohunter Energy Corp	404,222	16,573	0.09
PHC Inc-CI A (Mass)	624,600	793,242	4.46
Points International Limited	1,000,000	440,000	2.48
Riptide Worldwide Inc	500,000	1,500	0.01
Searchmedia Holdings Limited	100,000	470,000	2.64
Shengtai Pharmaceutical Inc	388,567	532,337	2.99
Silverleaf Resorts Inc	200,000	240,000	1.35
Sinohub Inc	665,293	2,115,632	11.90
Skypeople Fruit Juice	82,799	317,682	1.79
Skystar Bio Pharmaceutical Company	213,212	2,475,392	13.92
Wonder Auto Technology Inc	162,499	1,719,239	9.67
		<u>15,415,590</u>	<u>86.71</u>
Securities which are neither traded on Stock Exchanges nor dealt on any Regulated Markets			
China Greenscape Co Limited	14,560	1,000,000	5.63
		<u>1,000,000</u>	<u>5.63</u>
Warrants			
Aurasound Inc Warrants	83,333	-	0.00
Duoyuan Printing Warrants	15,924	67,040	0.38
Hemobiotech Inc Warrants	78,571	-	0.00
Petrohunter Energy Corp Warrants	3,800,000	-	0.00
Riptide Worldwide Inc Warrants	1,500,000	-	0.00
Shengtai Pharmaceutical Inc Warrants	125,000	-	0.00
SinoHub Inc Warrants Class B	147,058	26,470	0.15
Symbollon Pharmaceutical Warrants	607,143	-	0.00
		<u>93,510</u>	<u>0.53</u>

Premier RENN Entrepreneurial Fund Limited

Portfolio Statement (continued)

As at 31 March 2010

	Holding at 31 Mar 2010	Value US\$	% of Total Net Assets
Debt Securities			
Petrohunter Energy Corporation Convertible Debenture	3,333,333	410,000	2.31
Pipeline Data Inc Non Convertible Debenture	569,000	569,000	3.20
		<u>979,000</u>	<u>5.51</u>
Value of Investments		17,488,100	98.38
Cash and other net current liabilities		<u>288,697</u>	<u>1.62</u>
Total Value of Company		<u>17,776,797</u>	<u>100.00</u>

Premier RENN Entrepreneurial Fund Limited

Summary of Material Portfolio Changes

As at 31 March 2011

	US\$
Total cost of purchases for the year	576,272
Purchases	Cost US\$
Bovie Medical Corp	116,272
Sinohub Inc	460,000
	US\$
Total proceeds of sales for the year	4,132,094
Sales	Proceeds US\$
Bovie Medical Corp	66,325
Duoyuan Printing Inc	105,826
Hollysys Automation Technologies Limited	864,277
Orient Paper Inc	555,206
Points International Limited	147,500
Searchmedia Holdings Limited	72,348
Silverleaf Resorts Inc	492,000
Skypeople Fruit Juice	74,339
Skystar Bio Pharmaceutical Company	341,002
China Greenscape Co Limited	1,413,271

*Summary of materials portfolio changes discloses all purchases and all sales during the year.

Transaction costs incurred on purchases and sales of the portfolio are presented in Note 7 Investment commissions and charges.

Premier RENN Entrepreneurial Fund Limited

Management and Administration

Directors

Christopher Hill (chairman)
Richard Borg
Constance Helyar-
Wilkinson
Nigel Sidebottom
Nigel Ward

Manager

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