EFG HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
BERMUDA

REVIEW REPORT AND INTERIM CONDENSED FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 31, 2014

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
BERMUDA

Chairman	Mr. Samuel Hayes
Deputy Chairman	Mr. Amr Seif
Directors	Mr. Mark Taborsky Mr. Ziad Al Tunisi Mr. Amr El Sawaf Mr. Amr Diyab
Registered Office	6 Front Street Hamilton HM11 Bermuda
Investment Manager	EFG-Hermes Financial Management (Egypt) Limited Building No. B129, Phase 3, Smart Village, Km 28 Cairo Alexandria Desert Road, Egypt.
Administrator & Custodian	HSBC Bank Middle East Limited P. O. Box 57, Manama, Kingdom of Bahrain.
Principal Banker	HSBC Bank Middle East Limited
Auditor	Deloitte & Touche P.O. Box 421 Manama, Kingdom of Bahrain

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Deloitte.

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REVIEW REPORT TO THE UNITHOLDERS

EFG-Hermes Middle East and Developing Africa Fund Limited
Bermuda.

Introduction

We have reviewed the accompanying interim statement of financial position of EFG-Hermes Middle East and Developing Africa Fund Limited (the "Fund") as at December 31, 2014 and the related interim statement of profit or loss and other comprehensive income, interim statement of changes in net assets and interim statement of cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche

Manama, Kingdom of Bahrain
May 16, 2015

Deloitte & Touche - Middle East
Partner Registration No. 135

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2014

	Notes	December 31, 2014 USD (Unaudited)	June 30, 2014 USD (Audited)
Assets			
Current assets			
Cash at banks		4,214,993	8,963,724
Financial assets at fair value through profit or loss	5	71,251,132	76,394,845
Other assets		1,949,368	2,751,486
Total assets		77,415,493	88,110,055
Liabilities			
Current liabilities			
Due to related parties	6.2	477,392	3,641,161
Accrued fees and other payables		3,688,812	2,102,852
Total liabilities		4,166,204	5,744,013
Net assets attributable to holders of redeemable units		73,249,289	82,366,042
Analysis of net assets			
Capital	7	406,073,238	418,230,379
Net cumulative realised loss		(342,714,473)	(350,067,828)
Change in fair value of financial assets at fair value through profit or loss		9,890,524	14,203,491
Net Assets		73,249,289	82,366,042
Number of units	7	2,153,846	2,485,589
Net asset value per units		34.01	33.14

The interim condensed financial information from page 2 to 9 was approved and authorised for issue by the Directors on May 16, 2015 and signed by:

Mr. Amr Diyab
Director

Mr. Amr Seif
Deputy Chairman

The attached notes form part of this interim condensed financial information

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2014

	Notes	Six-Month Period Ended December 31, 2014 USD	2013 USD
Revenue			
Dividend income		998,482	521,288
Interest income		158	57,227
Net realised gain on disposal of financial assets at fair value through profit or loss		7,425,715	12,031,208
Net unrealised (loss) / gain on financial assets at fair value through profit or loss		(4,312,967)	5,604,294
Other operating income		36	44
Net foreign exchange gain / (loss)		521	(26,319)
Total operating income		4,111,945	18,187,742
Expenses			
Management fees	6	(625,055)	(556,915)
Administration fees		(46,540)	(45,000)
Custody fees		(60,000)	(60,000)
Registrar fees		(9,885)	(9,665)
Board of Directors' fees	6	(22,685)	(30,000)
Performance fees	6	(182,412)	(2,128,466)
Other expenses		(124,980)	(81,759)
Total operating expenses		(1,071,557)	(2,911,805)
Profit for the period		3,040,388	15,275,937
Increase in net assets attributable to holders of redeemable units		3,040,388	15,275,937

The interim condensed financial information from page 2 to 9 was approved and authorised for issue by the Directors on May 16, 2015 and signed by:

Mr. Amr Diyab
Director

Mr. Amr Seif
Deputy Chairman

The attached notes form part of this interim condensed financial information

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
INTERIM STATEMENT OF CHANGES IN NET ASSETS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2014

	Six-Month Period Ended December 31,	
	2014 USD	2013 USD
Net assets attributable to holders of redeemable units at the beginning of period	82,366,042	70,793,669
Issue of redeemable units	2,692,449	3,343,181
Redemption of redeemable units	(14,849,590)	(11,111,845)
Increase in net assets attributable to holders of shares	3,040,388	15,275,937
Net assets attributable to holders of redeemable units at the end of period	73,249,289	78,300,942

The attached notes form part of this interim condensed financial information

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2014

	Six-Month Period Ended December 31,	
	2014 USD	2013 USD
Cash flows from operating activities		
Profit for the period	3,040,388	15,275,937
Adjustments for:		
Net gain on financial assets at fair value through profit or loss	(3,112,748)	(17,635,502)
Interest income	(158)	(57,227)
Dividend income	(998,482)	(521,288)
	(1,071,000)	(2,938,080)
Changes in operating assets and liabilities:		
Decrease / (increase) in other assets	764,114	(21,560)
(Decrease) / increase in due to related parties	(3,163,769)	142,969
Decrease in accrued fees and other payables	15,965	(2,755)
	(3,454,690)	(2,819,426)
Purchases of financial assets at fair value through profit or loss	(68,529,515)	(53,421,004)
Proceeds from disposal of financial assets at fair value through profit or loss	76,206,106	58,854,881
Interest received	33,457	57,227
Dividend received	1,134,271	521,288
Net cash from operating activities	5,389,629	3,192,966
Cash flows from financing activities		
Proceeds from issue of redeemable shares	2,722,489	6,295,456
Payments on redemption of redeemable shares	(12,860,849)	(12,096,312)
Net cash used in financing activities	(10,138,360)	(5,800,856)
Net decrease in cash and cash equivalents	(4,748,731)	(2,607,890)
Cash and cash equivalents at the beginning of the period	8,963,724	5,839,423
Cash and cash equivalents at the end of the period	4,214,993	3,231,533
Comprising:		
Cash at banks	4,214,993	3,231,533

The attached notes form part of this interim condensed financial information

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2014

1. STATUS AND ACTIVITIES:

The EFG- Hermes Middle East and Developing Africa Fund (the "Fund") was incorporated in Bermuda as an exempted mutual fund company on June 30, 1998 with limited liability and unlimited duration. Its registration number is 25155. The address of the Fund's registered office is at No. 6 Front Street, Hamilton HM11, Bermuda.

The Fund's objective is to achieve long term capital appreciation through investment in equity and equity related securities in Middle East and Developing Africa; the Fund's shares are listed in Dubai Financial Market for information purpose.

The Fund does not have any employees and utilises the services of the Investment Manager, Administrator and Custodian to operate the Fund.

2. BASIS OF PREPARATION:

The interim condensed financial information has been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34").

The interim condensed financial information does not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards. For more details, please refer to the audited financial statements for the year ended June 30, 2014.

In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period are not necessarily indicative of the results that may be expected for the financial year ending June 30, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES:

The interim condensed financial information has been prepared under the historical cost convention except for the valuation of securities designated at fair value through profit or loss.

The same accounting policies, presentation and methods of computation are followed in this interim condensed financial information as were applied in the preparation of the Fund's financial statements for the year ended June 30, 2014, except for the impact of the adoption of the Standards and Interpretations described below:

Standards affecting the disclosures and presentation in the current period

None of the revised Standards that have been adopted in the current period which are effective for annual periods beginning on or after the current period have affected the disclosures and presentations in the financial information.

EFG-HERMES MIDDLE EAST AND DEVELOPING AFRICA FUND LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2014

6. RELATED PARTIES:

Transactions with companies in which the Investment Manager and its parent company, EFG Group have control, joint control and significant influence and transactions with key management personnel of the Fund are classified as transactions with related parties. These transactions are approved by the Directors.

6.1 The transactions with the related parties during the period are as follows:

Related Party	Nature of Transaction	Amount incurred Six-month period ended December 31, 2014 USD (Unaudited)	2013 USD (Unaudited)
EFG Hermes Financial Management (Egypt) Limited	Management fees	625,055	556,915
EFG Hermes Financial Management (Egypt) Limited	Performance fees	182,412	2,128,466
EFG Hermes Securities	Broker Commission	52,435	28,717
Directors	Directors' fees	22,685	30,000

6.2 Balances with related parties:

Amounts due to:	December 31, 2014 USD (Unaudited)	June 30, 2014 USD (Audited)
EFG-Hermes Financial Management (Egypt) Limited:		
Management fee payable	295,850	309,638
Performance fee payable	113,857	3,286,523
Manager/Directors fees:		
Non-executive Directors' fees	67,685	45,000
	477,392	3,641,161

6.3 The Fund has invested in 837,843 equity shares (June 30, 2014: 994,697 equity shares) of EFG-Hermes Holding with a fair value of USD 1,820,978 as at December 31, 2014 (June 30, 2014: USD 2,131,280).

7. CAPITAL:

The capital of the Fund consists of redeemable shares with a par value of USD 0.01 per share, which do not carry voting rights. They are entitled to dividends and to a proportionate share of the Fund's net assets attributable to holders of redeemable shares.

All issued redeemable shares are fully paid. The Fund's capital is represented by these redeemable shares.

Each share issued confers upon the shareholder an equal interest in the Fund, and is of equal value. A share does not confer any interests in any particular asset or investment of the Fund.

A Class Ordinary Shares which may be issued by the Fund shall be subject, at the discretion of the Investment Manager, to a Front End Charge.

In relation to C Class Ordinary Shares which may be issued, the Investment Manager is also entitled to receive from the Fund a distribution fee accruing monthly at an annual rate of 1 percent of the Net Asset Value attributable to C Class Ordinary Shares on each Valuation Day and payable quarterly in arrears.

Change in the number of redeemable shares outstanding can be reconciled as follows:

	No. of shares	
	December 31, 2014 (Unaudited)	June 30, 2014 (Audited)
Class A		
Opening balance	2,485,589	2,980,987
Subscriptions of redeemable units	75,660	223,147
Redemptions of redeemable units	(407,403)	(718,545)
Ending balance	2,153,846	2,485,589

8. FAIR VALUE MEASUREMENTS:

Financial assets at fair value through profit or loss are measured based on quoted bid prices in an active market. These are categorised within Level 1 in the fair value hierarchy.

The carrying values of financial assets and liabilities at amortised cost approximate their fair value due to their short term nature.

There are no financial liabilities at FVTPL at the reporting dates.