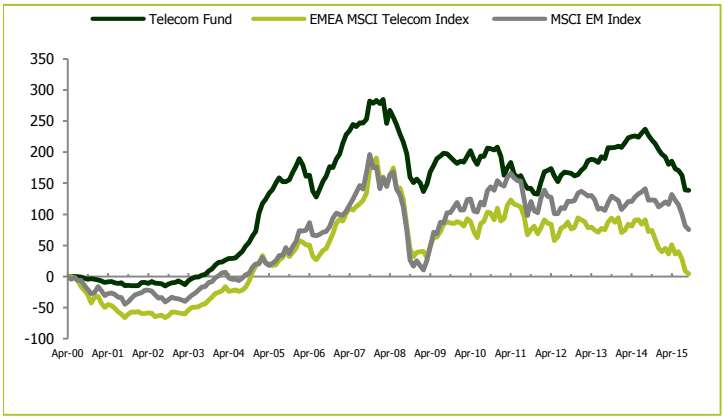
The EFG-Hermes Middle East & Africa Telecom Fund
September 2015

Fund Manager's Strategy & Outlook

The EFG-Hermes lost a marginal 0.2% during September to bring its YTD returns to -21.5%. The MSCI EMEA Telecom services index has lost 3.9% and 28.2% for the month and YTD, respectively. During an eventful month, volatility carrying over from August looked set to continue unabated. However, the US Federal Reserve's decision to hold off on raising interest rates provided relief for most markets and improved sentiment – for now at least. With regards to our investable universe, it was a largely uneventful month that was driven more by sentiment than anything else. With a calmer back-drop and Q3 earning release on the horizon, it is hoped that fundamentals will come back into the frame. Unfortunately, given the current environment it is risky to assume this otherwise rational logic.

As we continue to seek portfolio and holding rebalancing, we are being patient in these uncertain times. Many exogenous headwinds continue to obscure the operational and fundamental case for the regional TMT space. In addition to nervous investors with an investment outlook that is shorter by the day, currency pressures, regulatory intervention and general malaise in sentiment are compressing valuations. As we have mentioned in many previous notes, blocking out this noise and focusing on fundamentals is the only course.

As we enter the final quarter of the year, our goal will be to rebalance with a view towards 2016. New countries and companies are being researched while we keep a close eye on the existing universe to spot any mispriced assets with solid prospects. Valuations remain compelling, but are lacking the short term catalysts needed. Long term, growth and value with have the final say.



* Line Graph is as of September 2015

EFG-Hermes Asset Management

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Objective

Long-term capital appreciation through investing in listed and unlisted equities and equity-related securities of telecommunications, media, entertainment, information technology, internet and e-commerce companies and related infrastructure companies established or operating in the Middle East and Africa.

Fund Performance

Returns	Telecom Fund
Month to Date*	-0.21%
Year to Date	-21.5%
2014	-2.0%
2013	17.3%
2012	13.5%
2011	-24.5%
2010	9.2%
2009	9.9%
2008	-33.1%
2007	32.5%
2006	4.0%
2005	60.6%

Returns	Telecom Fund
1 year	-27.1%
3 year	-10.6%
5 year	-22.2%
Since Inception	138.4%

* MTD figures reflect performance between August 31, 2015 and September 30, 2015.

Fund Characteristics

No. of Holdings	7
Wtd. Market Cap	USD 21.4 billion
Dividend Yield*	2.1%
P/E Ratio 15	8.0

*Figure reflects the weighted average yield of a dividend-bearing security in the fund

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	13.4%
Annualized Information Ratio	26.1%

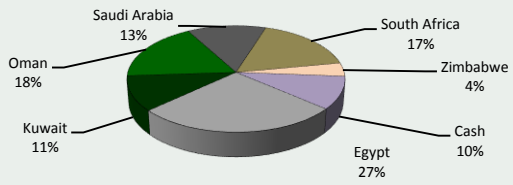
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Telecom Egypt	Egypt	16.1%
Omani Qatari Telecom	Oman	13.2%
MTN Group	South Africa	12.6%
Saudi Telecom	Saudi Arabia	9.7%
VIVA Kuwait Telecom	Kuwait	7.9%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 23.84
No. of Share Certificates	611,358
Launch Date	April 2000
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	2.4%
Minimum Subscription	USD 10,000
Subscription / Redemption	Monthly

Fund Identifiers

ISIN	BMG294021073
Bloomberg Ticker	EFGHTEL BH

This update does not constitute an offer of shares and should not be relied upon by any person acquiring or otherwise dealing in shares of the company. Subscription of shares in the company may only currently be made on the terms of the Placing Memorandum of the company. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in The EFG-Hermes Telecom Fund Limited and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of shares and the income from them to fluctuate and you may get back less than you invested when you decide to sell your share.