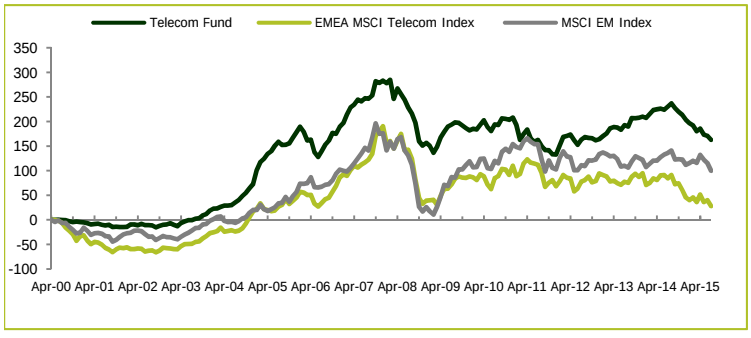
The EFG-Hermes Middle East & Africa Telecom Fund
July 2015

Fund Manager's Strategy & Outlook

Another volatile month for global markets saw the EFG-Hermes Telecom Fund lose 3% during July. Emerging markets in particular bore the brunt of this renewed wave of increased volatility, as a meltdown in the Chinese markets continued unabated. Despite a systematic intervention by Chinese authorities, retail punters continued to wreak havoc with that market, sparking a volatile month for most developing markets. Closer to home, an 18% decline in oil prices during July rattled local investors, amplified by the lower liquidity which is prevalent during the summer/Ramadan period. Finally, all these events continued to increase volatility across emerging market currencies -particularly in South Africa – which adversely affected the fund's performance.

During the month, our African holdings suffered price declines compounded by currency translation losses. In South Africa, MTN reported that first half profits declined by 15% on the bank of currency translation losses and a "difficult regulatory environment" in some of its largest markets. Africa's largest telecom operator, which has 231 million subscribers across 22 markets, is actually being hurt by its diversified operating portfolio, as currency weakness exacerbated a challenging macro environment. As we have repeatedly highlighted, our bias in this environment has been towards single country operators as means of hedging against currency moves. MTN is the only holding in our portfolio that does not fit this profile, as our view is that the quality of its assets and the increasing dividend warrants the risk. We turned buyers as the valuation became more compelling, sticking to our long term thesis on the stock. In the short term though, our pain was compounded by a 4% decline in the currency during July.

As fund managers, a big part of our job has been to shut out noise during what has been a challenging eleven months. Concentrating on our buy side research and fundamentals remains our focus. It is certainly harder to do during a month like July and during what August is shaping up to be. At current valuations and given the quality of our names, we view the opportunity set as compelling.



* Line Graph is as of July 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*	-3.0%
Year to Date	-13.5%
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	-20.5%
3 year	-0.1%
5 year	-10.6%
Since Inception	162.7%

* MTD figures reflect performance between June 30, 2015 and July 31, 2015.

Fund Characteristics

No. of Holdings	9
Wtd. Market Cap	USD 14.2 billion
Dividend Yield*	3.5%
P/E Ratio 15	10.9

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

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	13.2%
Annualized Information Ratio	23.2%

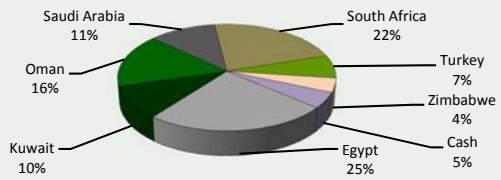
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Telecom Egypt	Egypt	15.3%
MTN Group	South Africa	12.8%
Omani Qatari Telecom	Oman	12.7%
Saudi Telecom	Saudi Arabia	8.6%
VIVA Kuwait Telecom	Kuwait	7.7%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 26.27
No. of Share Certificates	612,973
Launch Date	April 2000
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	3.5%
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.