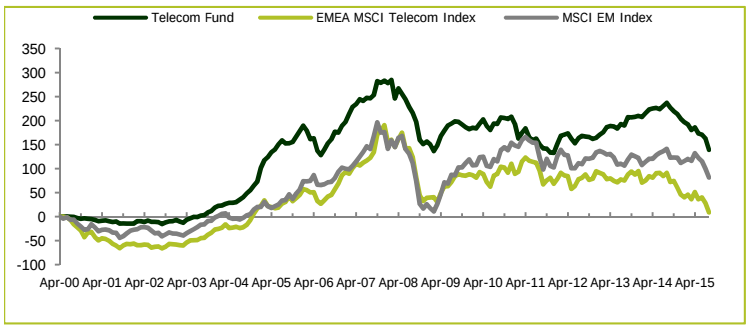
The EFG-Hermes Middle East & Africa Telecom Fund
August 2015

Fund Manager's Strategy & Outlook

August was the nadir of what is turning out to be an extremely challenging year for investors globally, and in developing markets specifically. The EFG-Hermes Telecom Fund lost 9.1% as plunging Chinese equities and a surprise Yuan devaluation sent global markets into a nervous tailspin. The knock on effect on most asset classes- commodities in particular- was brutal. Emerging and regional market equities, tracking the plunge in oil, bore the brunt of the sell-off, with markets in our investable universe particularly bruised. The S&P Pan Arabia and the MSCI EMEA Telecom services indices were down 11.4% and 14.9% respectively. Despite the relative resilience of companies included in our holdings, indiscriminate selling dragged performance down.

During the month, all our holdings were down as market beta proved too strong a current to swim against. Hindsight being 20/20, it is now clear that the weakness across emerging market currencies witnessed during the past 12 months foretold volatility and general sentiment malaise. As mentioned previously, our focus these past 6 months has been to focus on the fundamentals, with a strategic bias towards companies insulated from FX volatility. In the short term, and in a month like August, even this prudent strategy will be susceptible to market skittishness.

As we approach the final four months of the year, we ae doubling down on our fundamental views. Companies trading below book value, operators yielding north of 5% and increasing their dividends remain the target. As we raise our standards for selection, you will notice that we are now holding fewer names. While this concentrated approach may be painful in the near term, in the long term it will pay off as value always wins.



* Line Graph is as of August 2015

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*	-9.1%
Year to Date	-21.3%
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	-29.1%
3 year	-10.9%
5 year	-18.5%
Since Inception	138.9%

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

Fund Characteristics

No. of Holdings	7
Wtd. Market Cap	USD 13.4 billion
Dividend Yield*	2.4%
P/E Ratio 15	9.9

*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	25.0%

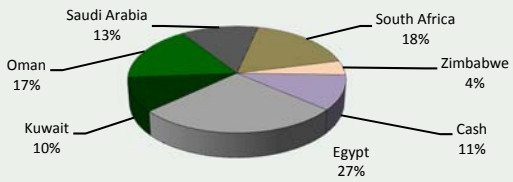
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Telecom Egypt	Egypt	16.0%
MTN Group	South Africa	13.0%
Omani Qatari Telecom	Oman	12.5%
Saudi Telecom	Saudi Arabia	9.5%
VIVA Kuwait Telecom	Kuwait	7.7%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 23.89
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	3.8%
Minimum Subscription	USD 10,000
Subscription / Redemption	Monthly

Fund Identifiers

ISIN	BMG294021073
Bloomberg Ticker	EFGHTEL BH

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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.