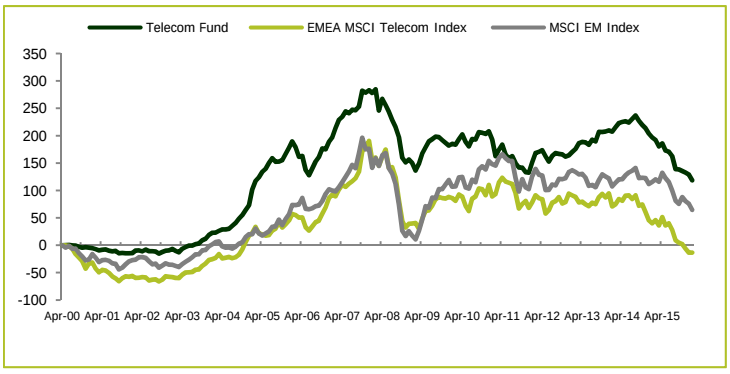
The EFG-Hermes Middle East & Africa Telecom Fund
January 2016

Fund Manager's Strategy & Outlook

The EFG-Hermes Telecom Fund lost 4.6% during the month as regional and global markets made one of the worst starts to a new year. Plunging commodity prices and Chinese equities rattled investors during January, leading to a cross asset retreat reminiscent of the 2008 crisis. Within our region, Saudi Arabia and Egypt were the hardest hit, losing around 13.5% during the month. The TMT sector was certainly affected, but showed resilience on a relative basis, which is encouraging. While we acknowledge that there are certainly risks that must be considered, we reiterate our view that sentiment continues to trump fundamental reality.

Our strategy in this volatile environment is to keep a cool head and continue with our long term strategy of focusing on fundamentals. Differentiating between what is transitory and what is structural will be the primary determinant of success in this environment. Looking at our investable universe, we see attractive opportunities that warrant exposure irrespective of the environment. Valuations are compelling, dividends are rising and demand is resilient. Drilling down further, we find balance sheets that are not stretched and that can fund growth targets. In this environment, picking the right names is obviously key. During this month, we have stress tested our holdings and continue to see value. In fact we used the volatility as an opportunity to add to some attractive names. We are confident that we will reap the benefits of this strategy over the medium term.



* Line Graph is as of January 2016

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*	-4.6%
Year to Date	-4.6%
2015	-24.6%
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	-26.4%
3 year	-19.2%
5 year	-25.4%
Since Inception	118.4%

* MTD figures reflect performance between December 31, 2015 and January 31, 2016.

Fund Characteristics

No. of Holdings	6
Wtd. Market Cap	USD 8.6 billion
Dividend Yield*	7.5%
P/E Ratio 16	9.9p

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

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	13.3%
Annualized Information Ratio	28.6

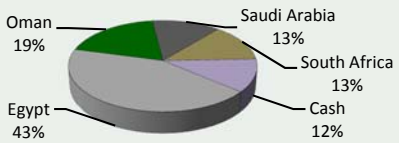
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Telecom Egypt	Egypt	17.8%
Ooreedo Oman	Oman	13.4%
MTN Group	South Africa	9.4%
Saudi Telecom	Saudi Arabia	9.3%
Global Telecom Holding	Egypt	8.2%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 21.84
No. of Share Certificates	610,412
Launch Date	April 2000
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	2.5%
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.