

Hermes Linder Fund SICAV
(formerly HERMES LINDER FUND
SICAV PLC)

SV 100

Report and financial statements

Period ended 26 November 2020

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Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Directors, officers and other information

<i>Directors:</i>	Ms Antonia Zammit (appointed on 27 November 2020) Ms Caroline Nabbe (appointed on 27 November 2020) Ms Jane Wilkinson (appointed on 27 November 2020) Mr Charles Muller (appointed on 27 November 2020) Mr Tom Anastasi Pace (resigned on 27 November 2020) Mr Claudio Palladini (resigned on 27 November 2020) Mr Ivan Fsadni (resigned on 27 November 2020) Mr David Galea Souchet (resigned on 27 November 2020)
<i>Secretary:</i>	RBC Investor Services Bank S.A. (appointed on 27 November 2020) Mr. Maximilian Galea (resigned on 27 November 2020)
<i>Registered office:</i>	14, Porte de France, (since 27 November 2020) L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg Level 14 (up to 27 November 2020) Portmaso Business Tower Portomaso St. Julians Malta
<i>Country of incorporation:</i>	Luxembourg (since 27 November 2020) Malta (up to 27 November 2020)
<i>Company registration number:</i>	B249446 (since 27 November 2020) SV 100 (up to 27 November 2020)
<i>Auditor:</i>	Deloitte Audit Limited Deloitte Place Triq L-Intornjatur, Zone 3 Central Business District, CBD 3050 Birkirkara Malta
<i>Investment manager:</i>	Praude Asset Management Limited Level 14 Portomaso Business Tower Portomaso St. Julians, STJ4011 Malta
<i>Custodian:</i>	RBC Investor Services Bank S.A. (appointed on 27 November 2020) 14, Porte de France L-4360 Esch-sur-Alzette Grand Duchy of Luxembourg

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Directors, officers and other information

Custodian (continued): BOV Fund Services Limited
(terminated on 27 November 2020)
58, Zachary Street
Valletta, VLT 1130
Malta

Administrator and registrar: RBC Investor Services Bank S.A.
(appointed on 27 November 2020)
14, Porte de France
L-4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

Bank of Valletta p.l.c.
(terminated on 27 November 2020)
58, Zachary Street
Valletta, VLT 1130
Malta

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Directors' report

Period ended 26 November 2020

The directors present their report and the audited financial statements of the Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC) (the "Company") for the period ended 26 November 2020.

Significant changes to the Company Documents

There were no significant changes to the Company's document in the period under review.

Description of the Company

Hermes Linder Fund is an open-ended collective investment scheme organised as a multi-fund limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the Laws of Malta). The Company qualifies as a "Maltese UCITS" in terms of the Investment Services Act (Marketing of UCITS) Regulations 2011 (Legal Notice 241 of 2011).

Redomiciliation to Luxembourg

On 8th May 2020, a general meeting of the Company's Shareholders was held and the redomiciliation of the Company to Luxembourg was approved by way of an extraordinary resolution in accordance with the constitutional documents of the Company.

The redomiciliation was finalised on 27th November 2020. Accordingly, as from that date, the Fund is registered with the Luxembourg Register of Commerce and Companies under number B249446, an undertaking for collective investment in transferable securities (UCITS) in the form of an open-ended investment company with variable share capital (société d'investissement à capital variable) subject to the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended.

Principal activities

The principal activity of the Company is to achieve its investment objectives as defined in its prospectus. The Company has one sub-fund, the Hermes Linder Fund, (the "sub-fund") which has three share classes: Class A, Class B and Class C. The investment objective of the Hermes Linder Fund is to achieve long-term appreciation principally through value investing mainly in the major equity markets. There is no guarantee that the sub-fund will achieve its investment objectives.

Performance review

In the period under review, that is from 1 September 2020 to 26 November 2020, the Hermes Linder Fund had subscriptions (including transfers in) of EUR 771,367 (year ended 31 August 2020: EUR 11,592,893) from investors with redemptions (including transfers out) amounting to EUR 2,000,098 (year ended 31 August 2020: EUR 44,010,984). The Company registered a gain of EUR 24,958,020 (year ended 31 August 2020 loss of – EUR 16,713,333). Net assets attributable to holders of redeemable shares at the end of the year amounted to EUR 241,919,018 (year ended 31 August 2020: EUR 218,189,729).

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Directors' report (continued)

Period ended 26 November 2020

Results and distribution

The results for the period ended 26 November 2020 are shown in the statement of profit or loss and other comprehensive income on page 7. No dividend is paid out as the entire net income of the Company is accumulated within the sub-fund and reflected in the net asset value.

Significant events

The recent global outbreak of the coronavirus ("COVID-19") has caused significant volatility within the economic markets, for which the duration and spread of the outbreak and the resultant economic impact is uncertain and cannot be predicted. As the situation is fluid and rapidly evolving, the Investment Manager does not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company's financial statements and activities. This will continue to be monitored as the situation progresses.

Likely future developments

The directors consider that the Company is well placed to sustain the present level of activity in the foreseeable future.

Directors

The directors who served during the period were:

Ms. Antonia Zammit (appointed on 27 November 2020)

Ms. Caroline Nabbe (appointed on 27 November 2020)

Ms. Jane Wilkinson (appointed on 27 November 2020)

Mr. Charles Muller (appointed on 27 November 2020)

Mr. Tom Anastasi Pace (resigned on 27 November 2020)

Mr. Claudio Palladini (resigned on 27 November 2020)

Mr. Ivan Fsadni (resigned on 27 November 2020)

Mr. David Galea Souchet (resigned on 27 November 2020)

The directors remained in office until the Company was redomiciled to Luxembourg, with the new directors being appointed on the same date.

Regulatory breaches

In accordance with the Standard Licence Conditions ('SLCs'), the Directors confirm that during the reporting period there were no regulatory sanctions imposed on the Company and no regulatory breaches of the SLCs.

Approved by the board of directors and signed on 9 June 2021 by:

Ms Caroline Nabbe
Director

Ms Antonia Zammit
Director

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of directors' responsibilities

The directors are required by the Companies Act (Cap. 386) to prepare financial statements in accordance with generally accepted accounting principles and practices, which give a true and fair view of the state of affairs of the Fund at the end of each financial year and of the profit or loss of the Fund for the year then ended. In preparing the financial statements, the directors should:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Fund will continue in business as a going concern.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Fund and which enable the directors to ensure that the financial statements comply with the Companies Act (Cap. 386). This responsibility includes designing, implementing and maintaining internal control as the directors determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are also responsible for safeguarding the assets of the Fund, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Additionally, the directors of a multi-fund Company are responsible for ensuring that such separate records, accounts, statements and other records are kept as may be necessary to evidence the liabilities and assets of each sub-fund as distinct and separate from the assets and liabilities of other sub-funds in the same Company.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of profit or loss and other comprehensive income

Period ended 26 November 2020

		01.09.2020 – 26.11.2020	01.09.2019 – 31.08.2020
	Note	EUR	EUR
Investment income/(loss)			
Dividend income		59,789	3,344,714
Interest income		86,445	426,256
Net profit/(loss) on financial instruments at fair value through profit or loss		25,474,101	(16,577,832)
Net investment income/(loss)		25,620,335	(12,806,862)
Administrator fees	5	38,073	173,076
Audit fees		5,000	6,154
Custodian fees	5	34,017	170,866
Directors' fees		7,234	30,082
Legal fees		3,666	9,397
Management fees	5	535,979	2,621,271
Other expenses		12,462	64,137
Transaction costs		25,158	139,641
Disbursement and commissions		726	30,392
Operating expenses		662,315	3,245,016
Change in net assets attributable to holders of redeemable shares before withholding tax		24,958,020	(16,051,878)
Withholding tax paid on behalf of holders of redeemable shares		-	(661,455)
Change in net assets attributable to holders of redeemable shares		24,958,020	(16,713,333)

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of financial position

26 November 2020

	<i>Note</i>	26.11.2020 EUR	31.08.2020 EUR
Assets			
Financial assets at fair value through profit or loss	6	241,333,888	217,548,842
Accrued income	7	144,015	560,198
Receivables	8	-	402,083
Cash and cash equivalents	11	758,876	309,272
Total assets		242,236,779	218,820,395
Liabilities			
Trade and other payables	9	317,761	530,765
Redemptions payable		-	99,901
Total liabilities (excluding net assets attributable to holders of redeemable shares)		317,761	630,666
Net assets attributable to holders of redeemable shares		241,919,018	218,189,729

These financial statements were approved by the board of directors, authorised for issue on 9 June 2021 and signed on its behalf by:

Ms Caroline Nabbe
Director

Ms Antonia Zammit
Director

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of changes in net assets attributable to holders of redeemable shares

Period ended 26 November 2020

	01.09.2020 – 26.11.2020 EUR	01.09.2019 – 31.08.2020 EUR
At the beginning of the period/year	218,189,729	267,321,153
Creation of redeemable shares	771,367	11,592,893
Redemption of redeemable shares	(2,000,098)	(44,010,984)
Change in net asset attributable to holders of redeemable shares	24,958,020	(16,713,333)
Net assets attributable to holders of redeemable shares	241,919,018	218,189,729

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of cash flows

Period ended 26 November 2020

	01.09.2020 – 26.11.2020 EUR	01.09.2019 – 31.08.2020 EUR
Cash flows used in operating activities		
Bond and bank interest received	21,281	421,526
Dividend income received	540,376	2,864,128
Operating expenses paid	(849,401)	(2,980,118)
Income taxes paid	-	(661,455)
<i>Net cash flows used in operating activities</i>	(287,744)	(355,919)
Cash flows from investing activities		
Payment to acquire financial instruments at fair value through profit or loss	(18,262,435)	(81,012,792)
Receipts from disposal of financial instruments at fair value through profit or loss	20,328,415	111,079,410
<i>Net cash flows from investing activities</i>	2,065,980	30,066,618
Cash flows used in financing activities		
Amounts received on creation of redeemable shares	771,367	11,592,893
Amounts paid on redemption of redeemable shares	(2,099,999)	(43,911,083)
<i>Net cash flows used in financing activities</i>	(1,328,632)	(32,318,190)
Net movements in cash and cash equivalents	449,604	(2,607,491)
Cash and cash equivalents at the beginning of the period/year	309,272	2,916,763
Cash and cash equivalents at the end of the period/year (note 11)	758,876	309,272

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

1. Company information and basis of preparation

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC) (“the Fund”) has constituted one sub-fund which is a segregated patrimony and is represented by different classes of shares. These financial statements comprise the financial statements of the Fund which include the following sub-fund licensed at 26 November 2020: Hermes Linder Fund (“the sub-fund”).

The Fund was re-domiciled to Malta from the British Virgin Islands on 25 March 2009 and registered as a Professional Investor Fund licensed by the Malta Financial Services Authority as a multi-fund limited liability company with variable share capital targeting experienced investors pursuant to the Companies Act (Cap. 386), with registration number SV100 and registered office is level 14, Portomaso Business Tower, St Julians, Malta.

With effect from 1 September 2010, the Fund was converted to a qualifying ‘Maltese UCITS’ scheme in terms of the Council directive for Undertakings for Collective Investment in Transferable Securities 85/611/EEC (as amended) and Management Companies Regulations, 2004 (as amended). On 8 May 2020, a general meeting of the Company’s Shareholders was held and the re-domiciliation of the Company to Luxembourg was approved by way of an extraordinary resolution in accordance with the constitutional documents of the Company. The date of migration is effective 27 November 2020. Consequently these financial statements cover the period 1 September 2020 to 26 November 2020.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are stated at their fair values and in accordance with International Financial Reporting Standards as adopted by the EU. The significant accounting policies adopted are set out below.

2. Significant accounting policies

Financial instruments

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognised at their fair value plus directly attributable transaction costs for all financial assets or financial liabilities not classified at fair value through profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Fund has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or when the entity transfers the financial asset and the transfer qualifies for derecognition.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expires.

(i) Receivables

Receivables are classified with assets and are stated as their nominal value unless the effect of discounting is material, in which case receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

(ii) Financial assets at fair value through profit or loss

Classification

The Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below. In applying that classification, a financial asset or financial liability is considered to be held-for-trading if these are acquired principally for the purpose of selling in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorised as held for trading. The Company does not classify any derivatives as hedges in a hedging relationship.

(a) *Financial assets*

The Company classifies its financial assets as subsequently measured at amortised cost or measured at FVTPL on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost include debt securities, accrued income, other receivables (representing amounts receivable for transactions contracted for but not yet delivered by the end of the period) and cash and cash equivalents.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Financial instruments (continued)

(a) Financial assets

Financial assets at fair value through profit or loss

A financial asset is measured at FVTPL if it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell or its contractual terms do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL when doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company includes in this category, derivative contracts in an asset position and equity and debt instruments classified as held for trading. Financial assets managed, evaluated and reported on a fair value basis in accordance with the Fund's documented investment strategy are mandatory measured at FVTPL.

(b) Financial liabilities

Financial liabilities measured at amortised cost

Financial liabilities that are not classified at FVTPL are classified at amortised cost. Financial liabilities measured at amortised cost include other payables (representing amounts payable for transactions contracted for but not yet delivered by the end of the period) and overdrawn bank balances.

Financial liabilities measured at FVTPL

A financial liability is measured at FVTPL if it meets the definition of held for trading. The Company includes in this category, derivative contracts in a liability.

Recognition, derecognition and measurement

Regular purchases and sales of financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the asset. Financial assets or financial liabilities are initially recognised at fair value, and transaction costs for all financial instruments carried at FVTPL are expensed as incurred. Financial assets are derecognised when the rights to receive cash flows expire or the Company has transferred substantially all risks and rewards of ownership.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Financial instruments (continued)

(b) Financial liabilities (continued)

Financial liabilities measured at FVTPL (continued)

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities at FVTPL category are included in the Statement of Comprehensive Income in the period in which they arise. Interest and dividends earned or paid on these instruments are recorded separately in 'other net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss' and 'dividend income' in the Statement of Comprehensive Income.

Debt instruments, other than those classified as at FVTPL, are measured at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Comprehensive Income. Any gain or loss on derecognition is recognised in the Statement of Comprehensive Income. Financial liabilities, other than those classified as at FVTPL, are measured at amortised cost using the effective interest method.

The fair value of financial instruments listed or dealt on a regulated market, is based on the latest available dealing price, appearing to the Directors. The fair values of unquoted investments are established by using valuation techniques. These include reference to recent financial statements and similar financial instruments as well as option pricing models.

Impairment

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Financial instruments (continued)

Impairment (continued)

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Debt securities that are determined to have a low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. In this regard, the Company has an internal credit scoring system in place that analyses the credit quality of the counterparties accordingly. Such credit scoring system takes into consideration both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, and also considers the counterparties' macroeconomic context. The Company has elected the rebuttable presumption from IFRS 9 by assuming that the credit risk on a financial asset has increased significantly if the financial asset is more than 30 days past due.

Moreover, if the counterparty becomes downgraded by two notches (or more) based on the credit score assessment, the Company deems the financial asset's credit risk to have increased significantly.

Moreover, the Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- The financial asset is more than 90 days past due.

The maximum period considered when estimated ECLs is the maximum contractual period over which the Company is exposed to credit risk.

(iii) Payables

Payables are stated at their nominal value unless the effect of discounting is material, in which case trade payables are measured at amortised cost using the effective interest method.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Financial instruments (continued)

(iv) Realised and unrealised gains and losses

Investment transactions are recorded on a trade date basis. Realised gains or losses on investments are calculated on a weighted average cost and are disclosed within net (loss)/gain on financial instruments at fair value through profit or loss in the statement of profit or loss and other comprehensive income.

(v) Net assets attributable to shareholders

The liability to participating shareholders is presented in the statements of financial position as “net assets attributable to holders of redeemable shares” and is determined based on the residual assets of the Fund after deducting all other liabilities.

(vi) Margin account

Margin accounts represent cash deposits held with brokers as collateral against open futures and option contracts and are included as a component of cash and cash equivalents. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its statement of financial position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the collateral provided is made in the notes to the financial statements.

Revenue recognition

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Fund and these can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

2. Significant accounting policies (continued)

Revenue recognition (continued)

(ii) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established. Dividend income relating to exchange-traded equity securities and dividend expense relating to exchange-traded equity securities sold short are recognised in the statement of profit or loss and other comprehensive income on the ex-dividend date.

Taxation

The taxation of collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in accordance with the Collective Investment Schemes (Investment Income) Regulations, 2001.

The Fund qualifies as a non-prescribed fund in terms of these regulations on the basis that the value of the fund's assets situated in Malta are less than eighty-five per cent of the value of its total assets. Accordingly the income and capital gains of the Fund are not subject to Malta income tax pursuant to the provisions of the Income Tax Act (Cap. 123).

Foreign tax withheld on dividend income is accounted for when the Fund recognises the related dividend or interest in the statement of profit or loss and other comprehensive income.

Currency translation

As allowed by sub-legislation 386.02 of the Companies Act (Investment Companies with Variable Share Capital) Regulations, a company with sub-funds whose capital is denominated in different currencies may elect to present its financial statements in any one of these currencies. Consequently, the financial statements of the Fund are presented in Euro being the currency in which the sub-fund's share capital is denominated.

Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year-end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt within the statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, fiduciary deposits and margin deposits held in respect of open future and option contracts.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the Fund's accounting policies, management has made no judgements which can significantly affect the amounts recognised in the financial statements. At the reporting date, there were no key assumptions concerning the future, or any other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Initial application of an International Financial Reporting Standard

IAS 1 & IAS 8 Amendment – Definition of material

The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS Standards. These amendments are effective for annual periods beginning on or after 1 January 2020.

5. Fees

(i) Management fees

Hermes Linder Fund - The Investment Manager, Praude Asset Management Limited, receives an Investment Management Fee as follows:

Class A Voting Shares: 1% per annum of the net asset value after accruing for any performance fees which may be due by the Fund in respect of the sub-fund.

Class B Voting Shares: 2% per annum of the net asset value after accruing for any performance fees which may be due by the Fund in respect of the sub-fund.

Class C Voting Shares: Nil.

The investment management fee borne by the Fund during the financial period ended 26 November 2020 was that of EUR 535,979 (financial year ended 31 August 2020: EUR 2,621,271).

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

5. Fees (continued)

(ii) Performance fees

Hermes Linder Fund - The Investment Manager, Praude Asset Management Limited, receives a performance fee calculated on the basis of the net asset value per share as per the audited financial statements of the sub-fund. The performance fee shall be equal to 15% in the case of Class A Voting Investor Shares and 25% in the case of Class C Voting Investor Shares of the amount by which the net asset value per share (before the deduction of the performance fee) has exceeded the NAV target per share during the performance period, multiplied by the average number of Investor Shares in issue, taken at each valuation point, during that annual accounting period. A performance fee is not charged on Class B Voting Investor Shares.

The NAV target per share is equal to the highest of: (i) highest NAV per share as at the end of any previous accounting period on which a performance fee was paid, or (ii) the initial offer price.

There was no performance fee borne by the Fund during the financial period ended 26 November 2020 and financial year ended 31 August 2020.

(iii) Administrator fees

Hermes Linder Fund - The Administrator, BOV Fund Services Limited receives a fee which varies between 0.05% and 0.10% per annum of the net asset value of the Fund and is subject to a minimum fee of EUR 42,000.

The administrator fee borne by the Fund during the financial period ended 26 November 2020 was that of EUR 38,073 (financial year ended 31 August 2020: EUR 173,076).

(iv) Custodian fees

Hermes Linder Fund - The Custodian, Bank of Valletta plc, receives a fee which varies between 0.025% and 0.04% per annum of the net asset value of the Fund, subject to a minimum fee of EUR 30,000 per annum.

Custodian fees for the period ended 26 November 2020 amounted to EUR 34,017 (financial year ended 31 August 2020: EUR 170,866).

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

6. Financial assets and liabilities at fair value through profit or loss

	26 November 2020 Fair Value EUR	% of net assets	% of total assets
Financial assets designated at fair value through profit or loss			
- Equity instruments	232,585,502	96.14	96.02
- Debt instruments	8,726,760	3.61	3.60
- Fair value of Warrants	21,626	0.01	0.01
	241,333,888	99.76	99.63

	31 August 2020 Fair Value EUR	% of net assets	% of total assets
Financial assets designated at fair value through profit or loss			
- Equity instruments	207,834,534	95.25	94.98
- Debt instruments	9,657,333	4.43	4.41
- Fair value of Warrants	56,975	0.03	0.03
	217,548,842	99.71	99.42

Further details on the other financial instruments are provided in note 14.

7. Accrued income

	26.11.2020 EUR	31.08.2020 EUR
Accrued interest	144,015	79,611
Dividend receivable	-	480,587
	144,015	560,198

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

8. Receivables

	26.11.2020 EUR	31.08.2020 EUR
Amounts due on securities sold	-	402,083

9. Payables

	26.11.2020 EUR	31.08.2020 EUR
Accruals	317,761	530,765
	317,761	530,765

Included in accruals are management and performance fees payable which are due to related parties. The terms and conditions of these related parties payables are disclosed in note 12.

10. Share capital

Authorised share capital

The Fund may issue up to a maximum of five billion one thousand fully-paid up shares without any nominal value assigned to them.

Issued share capital

The initial share capital of the Fund is one thousand US dollars, with no nominal value, representing 1,000 founder shares issued at an initial price of USD1.

The share capital of the Fund shall have no nominal value and shall be equal to the value, for the time being, of the issued share capital of the Fund. Each sub-fund shall constitute a separate class of shares in the Fund, except for the founder shares, which shall not constitute a separate sub-fund. Each sub-fund shall be constituted by separate classes of shares.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

10. Share capital

Issued share capital (continued)

Founder shares shall be the only class of shares in the Fund carrying voting rights and shall rank pari passu among themselves in all respects. All other classes of shares shall not, unless the terms under which they are issued provide otherwise, be entitled to vote. The Founder Shares do not carry a right to participate in any dividends or other distributions of the Fund or in the assets of the Fund on a winding up (other than the return of the paid up capital after payment of all amounts due to the Investor Shares).

Investor shares may be issued and redeemed at prices based on the value of the sub-fund's net asset value as determined in accordance with the articles of association.

The Fund's obligations in connection with the redemption of the investor shares are disclosed in the liquidity risk section of note 14. The directors do not envisage that the contractual obligations disclosed in that note will be representative of the actual cash outflows. The Investor Shares of each sub-fund participate in the assets of the respective sub-fund and in any dividends, and distributions of the Fund relating to the respective sub-fund, upon liquidation.

Redeemable shares

	Numbers of Shares Class A	Numbers of Shares Class B
Balance as at 1 September 2020	44,635.47	3,179.84
Issue of redeemable shares during the period	156.82	-
Redemption of redeemable shares during the period	(398.56)	(59.04)
Balance as at 26 November 2020	44,393.73	3,120.80

	Numbers of Shares Class A	Numbers of Shares Class B
Balance as at 1 September 2019	48,225.26	12,174.11
Issue of redeemable shares during the year	1,621.39	2,286.13
Redemption of redeemable shares during the year	(5,211.18)	(11,280.40)
Balance as at 31 August 2020	44,635.47	3,179.84

The amounts received and paid on the creation and redemption of shares are disclosed in the statement of changes in net assets attributable to holders of redeemable shares on page 9.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

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11. Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise bank balances, fiduciary deposits as well as margin deposits held in respect of open future and option contracts. The following statement lists the financial position amounts:

	26.11.2020	31.08.2020
	EUR	EUR
Cash and cash equivalents held in banks	758,876	309,272
	<u>758,876</u>	<u>309,272</u>

Cash at bank earns interest at floating rates based on bank deposit rates. The Fund did not hold any open future contracts as at 26 November 2020 and 31 August 2020.

12. Related party disclosures

During the period, the Fund entered into transactions with key management personnel as set out below:

Mr. Claudio Palladini is a director and founder member of the Fund. Mr. Tom Anastasi is both director of the Fund and director of Praude Asset Management Limited, the investment manager of the Fund. During the period under review, the Fund incurred management fees amounting to EUR 535,979 (year ended 31 August 2020: EUR 2,621,271) and no performance fees. Directors' fees amounting to EUR 7,234 (year ended 31 August 2020: EUR 30,082) were incurred during the period.

The fund secretary of the Fund, Mr. Maximilian Galea, is also a corporate executive of Praude Asset Management Limited. During the period under review, the Fund incurred secretarial fees amounting to EUR 717 (year ended 31 August 2020: EUR 3,235).

13. Fair values of financial assets and financial liabilities

At 26 November 2020 and 31 August 2020, the fair value of listed investments is based on quoted prices in an active market at the end of the reporting period. Pursuant to the adoption of IFRS 13 "Fair Value Measurement", the quoted market price used for financial assets and liabilities held by the Fund is the price within the bid-ask spread that is most representative of the fair value in the circumstances to be used to measure fair value. The fair values of derivative contracts are valued by reference to the price at which a new contract of the same size and maturity could be undertaken at valuation date. At 26 November 2020 and 31 August 2020 the carrying amounts of other financial assets and financial liabilities classified with assets and liabilities respectively approximated their fair values due to short-term maturities of these assets and liabilities.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

13. Fair values of financial assets and financial liabilities (continued)

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets and financial liabilities measured at fair value for 26 November 2020 and 31 August 2020.

Financial assets and financial liabilities at fair value as at 26 November 2020

	Total EUR	Level 1 EUR	Level 2 EUR	Level 3 EUR
Financial assets held for trading				
- Equity instruments	232,585,502	232,585,502	-	-
- Debt instruments	8,726,760	8,726,760	-	-
- Derivative financial instruments	21,626	21,626	-	-
	241,333,888	241,333,888	-	-

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

13. Fair values of financial assets and financial liabilities (continued)

Financial assets and financial liabilities at fair value as at 31 August 2020

	Total EUR	Level 1 EUR	Level 2 EUR	Level 3 EUR
Financial assets held for trading				
- Equity instruments	207,834,534	207,834,534	-	-
- Debt instruments	9,657,333	9,657,333	-	-
- Derivative financial instruments	56,975	56,975	-	-
	<u>217,548,842</u>	<u>217,548,842</u>	<u>-</u>	<u>-</u>

The following table analyses within the fair value hierarchy the Fund's assets and liabilities not measured at fair value for which fair value is disclosed:

26.11.2020	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Receivables	-	144,015	-	144,015
Cash and cash equivalents	758,876	-	-	758,876
Total	<u>758,876</u>	<u>144,775</u>	<u>-</u>	<u>902,891</u>
Liabilities				
Payables	-	317,761	-	317,761
Net assets attributable to holders of redeemable shares	-	241,919,018	-	241,919,018
Total	<u>-</u>	<u>242,236,779</u>	<u>-</u>	<u>242,236,779</u>

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

13. Fair values of financial assets and financial liabilities (continued)

31.08.2020	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Assets				
Receivables	-	962,281	-	962,281
Cash and cash equivalents	309,272	-	-	309,272
Total	309,272	962,281	-	1,271,553
Liabilities				
Payables	-	630,666	-	630,666
Net assets attributable to holders of redeemable shares	-	218,189,729	-	218,189,729
Total	-	218,720,494	-	218,820,395

The fair values of other financial assets and financial liabilities are not materially different from their carrying amounts.

Cash and cash equivalents include deposits held with banks.

The fees payable and accruals represent the contractual amounts and obligations due by the Fund for settlement of expenses.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Sub-Fund in accordance with the offering documents. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Sub-Fund at any dealing date for cash equal to a proportionate share of the Sub-Fund's net asset value attributable to the share class. The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management

Risk management

Where possible, the Fund aims to reduce and control risk concentrations. Concentrations of financial risk arise when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of the risk exposure associated with financial instruments sharing similar characteristics is disclosed in more detail in the notes to the financial statements. The activities of the Fund expose it to a variety of financial risks: market risk (including price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Market risk

The Fund trades in financial instruments, taking positions in traded instruments including derivatives. All securities present a risk of loss of capital. The Fund moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's overall market positions are monitored on a regular basis by the Fund's investment manager. The Fund's exposure to the different types of investments is summarised in note 6 to the financial statements.

At the period-end, the Fund's market risk is affected by three main components: changes in actual market prices, interest rates and foreign currency movements, all of which are covered below.

Price risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices whether caused by factors specific to an individual investment, its issuer or all other factors affecting all instruments traded in the market.

The Fund's equity, debt instruments and trading derivative financial instruments are susceptible to price risk arising from uncertainties about future prices of the instruments.

As all of the Fund's financial instruments are carried at fair value with fair value changes recognised in the statement of comprehensive income, all changes in market price will directly affect net investment income as shown in the statement of profit or loss and other comprehensive income on page 7.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Price risk (continued)

Price risk is mitigated by the Fund's investment manager by constructing a diversified portfolio of instruments traded on various markets. In addition, price risk may be hedged using derivative financial instruments such as forwards, futures and options. The Fund may employ various techniques and enter into hedging transactions to attempt to mitigate a portion of the risks inherent to its investment strategies. The Fund did not use derivative financial instruments for speculative purposes and had not designated any of its derivative financial instruments in a hedging relationship for accounting purposes.

The following is an analysis of the Fund's industry diversification as at the reporting date:

	26.11.2020	31.08.2020
	% of net assets	% of net assets
Financial Services Industry	23.06	21.83
Basic material	11.38	8.95
Industrials	33.59	37.84
Consumer services	12.52	12.86
Telecommunications	9.95	9.12
Consumer goods	6.47	7.16
Other	2.80	1.94

Interest rate risk

Interest rate risk represents the accounting loss that would be recognised should changes in interest rates adversely affect the value of the Fund's investments.

At the statement of financial position date, only 3.62% (31 August 2020: 4.44%) of the financial assets of the Fund are interest bearing.

Except as mentioned above, the financial instruments of the Fund are non-interest bearing except for cash at bank which earns interest at floating rates based on bank deposit rates. Investment in equity instruments and derivative financial instruments are not exposed to interest rate risk.

The carrying amounts of the Fund's financial instruments carrying a rate of interest at the reporting date are disclosed in the notes to the financial statements.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Currency risk

Currency fluctuations between the base currency of the Fund, and the currency of the underlying investments of the Fund, may adversely affect the portion of the value of investments and the income derived there from. The currency denomination of the Fund's net asset excluding positions in forward foreign exchange contracts is as follows:

	26.11.2020	31.08.2020
	% of net assets	% of net
	EUR	assets
		EUR
- denominated in EUR	89.81	88.52
- denominated in CHF	8.61	9.43
- denominated in SGD	-	0.00
- denominated in CAD	-	0.00
- denominated in SEK	-	0.00
- denominated in PLN	1.65	1.90
- denominated in SEK	-	0.00
	100.07	99.85

There were no open forward contracts as at 26 November 2020 and 31 August 2020.

The risk arising from foreign currency transactions is managed by regular monitoring of the relevant rates and management's reactions to material movement thereto.

Sensitivity analysis

For financial instruments held or issued, the Fund has used sensitivity analysis techniques that measure the change in the fair value of the Fund's financial instruments at the reporting date for hypothetical changes in the relevant market risk variables.

The sensitivity of profit or loss due to changes in the relevant risk variables are set out below.

The amounts generated from the sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets. The sensitivity analysis is for illustrative purposes only, as in practice market rates rarely change in isolation and are likely to be interdependent.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Sensitivity analysis (continued)

The estimated change in fair values for changes in exchange rates is based on an instantaneous increase or decrease of 10%, with all other variables remaining constant. The estimated change in fair values for changes in financial instruments prices is based on an instantaneous increase or decrease of 10% at the reporting date, with all other variables remaining constant.

The estimated change in fair values for changes in market interest rates are based on an instantaneous increase or decrease of 200 basis points at the reporting date, with all other variables remaining constant.

	Profit or loss	Profit or loss
	26.11.2020	31.08.2020
	EUR	EUR
Currency exchange risks	+/-2,483,566	+/-2,472,811
Financial instruments prices	+/-24,133,389	+/-21,754,884
Market interest rates – fair value	+/-189,713	+/-197,334

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the period-end exposure does not reflect the exposure during the period.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with its financial liabilities. The Fund's offering documents provide for the creation and cancellation of shares, and are therefore exposed to the liquidity risk of meeting shareholders' redemptions at any time.

The Fund is exposed to daily cash redemptions of redeemable shares. Redeemable shares are redeemed on demand at the holder's option. Notwithstanding, the Fund has the option to limit the number of investor shares redeemed on any redemption day to 5 % of the total NAV of the Fund on that redemption day. In addition the directors have the right to suspend the calculation of the net asset value and no redemptions shall take place during such period. All other liabilities are due within one to three months.

A portion of the Fund's assets is maintained as cash and cash equivalents in order to meet unexpected redemptions and other liabilities. In addition the majority of the Fund's listed securities are considered to be readily realisable as they are listed on recognised stock exchanges.

The following tables show the contractual, undiscounted cash flows of the Fund's financial liabilities at 26 November 2020 and 31 August 2020.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Liquidity risk (continued)

26.11.2020	Less than 1 month EUR	1-3 months EUR	Total EUR
Financial liabilities			
Custodian fee payable	-	-	-
Redemption payable	-	-	-
Other fees payable	110,856	206,905	317,761
Net assets attributable to participating shareholders	241,919,018	-	241,919,018
31.08.2020	Less than 1 month EUR	1-3 months EUR	Total EUR
Financial liabilities			
Custodian fee payable	-	13,527	13,527
Redemption payable	99,901	-	99,901
Other fees payable	508,683	8,555	517,238
Net assets attributable to participating shareholders	218,189,729	-	218,189,729

In accordance with the Fund's policy, the investment manager monitors the Fund's liquidity position on a regular basis.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Fund. The Fund has policies that limit the amount of credit exposure to any single issuer. Accordingly, the investment manager monitors the Fund's credit position on a regular basis. Financial assets, which potentially subject the Fund to credit risk, consist principally of trade and other receivables, cash and cash equivalents and debt instruments.

Trade and other receivables mainly constitute accrued income and preplaced transactions.

These receivables are all short-term. Accordingly, the Fund has no significant credit risk in respect of accounts receivable.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Credit risk (continued)

Cash and cash equivalents and derivative instruments are respectively held and entered into with reputable counterparties, with a Standard & Poor's credit rating of BBB- (2019: BBB).

Credit risk arising on other debt instruments held in November 2020 and August 2020 is shown below:

26.11.2020	Credit rating	Market value 2020	% of net assets
Greenyard Fresh NV 3.75% 2021	Not rated	8,726,760	3.61
31.08.2020	Credit rating	Market value 2019	% of net assets
Greenyard Fresh NV 3.75% 2021	Not rated	9,657,333	4.43

Offsetting financial assets and liabilities

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

	Related amounts not set off in the financial statements					
	Gross financial assets	Gross financial liabilities off-set	Net amount of presented financial assets	Financial instruments	Financial collateral received	Net amount
	EUR	EUR	EUR	EUR	EUR	EUR
26.11.2020						
Financial assets						
Cash and cash equivalents	758,876	-	758,876	-	-	758,876

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

14. Financial risk management (continued)

Credit risk (continued)

Offsetting financial assets and liabilities (continued)

				Related amounts not set off in the financial statements		
	Gross financial assets	Gross financial liabilities off-set	Net amount of presented financial assets	Financial instruments	Financial collateral received	Net amount
	EUR	EUR	EUR	EUR	EUR	EUR
31.08.2020						
Financial Assets						
Cash and cash equivalents	209,371	-	209,371	-	-	209,371

Capital risk management

The Fund's capital is represented by redeemable shares with no par value and with no voting rights. They are entitled for payment of a proportionate share based on the Fund's net asset value per share on the redemption date.

The Fund has the option to limit the number of Investor Shares in any sub-fund repurchased on any redemption day to 5% of the total net asset value of that sub-fund on that redemption day. The relevant movements are shown in the statement of changes in net assets attributable to holders of redeemable shares. The sub-fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of listed securities where necessary.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Notes to the financial statements

26 November 2020

15. Events after the reporting year

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC) started operating from Luxembourg on 27 November 2020.

For the period from 1 September 2020 to the latest available published NAV, there have been subscription submissions of EUR 9,946,879 and redemption requests of EUR 4,090,712.

In the first quarter of 2020, the World Health Organization declared a global health pandemic due to the spread of the “COVID-19” virus. COVID-19 is causing significant market volatility. The effects of this pandemic are still on-going and the situation continues to evolve subsequent to year end.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Portfolio Statement

Period ended 26 November 2020

	Market Value 26.11.2020 EUR	% of Net Assets
QUOTED EQUITIES		
ANDRITZ	1,841,282	0.76
FLUGHAFEN WIEN	7,913,975	3.27
PALFINGER	436,931	0.18
ROSENBAUER INTL.	1,508,189	0.62
VIENNA INSURANCE GROUP A	2,851,296	1.18
BUCHER INDUSTRIES	2,529,664	1.05
FLUGHAFEN ZURICH	4,410,118	1.82
HELVETIA HOLDING N	4,580,042	1.89
JUNGFRAUBAHN 'R'	2,446,288	1.01
SWISS LIFE HOLDING	2,041,452	0.84
VAUDOISE 'B'	4,827,094	2.00
ADESSO	10,336,607	4.27
HAMB.HAFEN UD.LOGISTIK	2,854,767	1.18
KINGHERO AG	-	0.00
KOENIG & BAUER	1,397,705	0.58
KRONES	3,050,732	1.26
OHB	4,696,650	1.94
SCHALTBAU HOLDING N	9,455,402	3.91
TECHNOTRANS (XET)	1,416,377	0.59
WACKER NEUSON	7,575,102	3.13
WUESTENROT & WUERTT.	10,627,188	4.39
GRUPO CATALANA OCCIDENTE	4,083,355	1.69
NH HOTEL GR	1,798,737	0.74
TALGO	1,407,117	0.58
CNP ASSURANCES	3,034,160	1.25
SAVENCIA	3,084,154	1.27
HELLENIC EXCHANGES HDG.	1,183,202	0.49
PROFILE SYS.&SOFTWARE	948,462	0.39
PUBLIC POWER	1,303,075	0.54
CPL RESOURCES	6,826,465	2.82
DALATA HOTEL GROUP	3,482,654	1.44
FBD HOLDINGS	2,169,970	0.90
IRISH CONT.GP.UNT.	1,134,774	0.47
TOTAL PRODUCE	5,515,541	2.28
A2A	128,900	0.05
AUTOSTRADA MERIDIONALI	5,669,793	2.34
AVIO	4,118,953	1.70
BASICNET	1,209,872	0.50
BUZZI UNICEM RSP	10,941,562	4.52
CATTOLICA ASSICURAZIONI	8,483,232	3.51
CEMENTIR HOLDING N.V.	8,902,399	3.68
EL EN	4,295,037	1.78

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Portfolio Statement

Period ended 26 November 2020

	Market Value 26.11.2020	% of Net Assets
QUOTED EQUITIES (Continued)	EUR	
FNM	3,683,302	1.52
GPI	642,067	0.27
ITAL WINE BRANDS	6,639,962	2.74
LABOMAR SPA	1,026,000	0.42
LUVE	6,220,321	2.57
NB AURORA SICAF- RAIF A	310,246	0.13
OPENJOBMETIS SPA AGENZIA	348,869	0.14
OPENJOBMETIS SPA AGENZIA	5,940,000	2.46
ORSERO	6,317,099	2.61
PITECO	793,615	0.33
SESA	9,328,631	3.86
SITI-B&T GR	358,842	0.15
SOL	7,683,474	3.18
SOMEK	496,968	0.21
ASR NEDERLAND	5,813,273	2.40
BRUNEL INTL.	911,745	0.38
DPA GROUP	1,764,996	0.73
ICT GROUP	2,001,644	0.83
NN GROUP	1,785,168	0.74
WARSAW STOCK EXCHANGE	4,001,005	1.65
	232,585,502	96.14
Quoted Corporate Bonds		
GREENYARD 3.75% 2021	8,726,760	3.61
	8,726,760	3.61
Derivatives – Equity warrants		
D AMICO 2022 WTS	10,382	0.00
GPI 2021 CVD.WT	11,244	0.01
	21,626	0.01

Due to the cut-off required for the redomiciliation to take place, the NAV for value date 26 November 2020 was based on the prices as of 11:45am of that date rather than on the end of day closing prices.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Statement of Changes in the Composition of the Portfolio

Period ended 26 November 2020

The composition of the portfolio, detailed in the Portfolio Statement on pages 35 to 36, in comparison with the Portfolio Statement as at 31 August 2020 stood as follows:

	% of net assets 26.11.2020	% of net assets 31.08.2020
Quoted Equities	96.14	95.25
Quoted Convertible Bonds	3.61	4.43
Warrants	0.01	0.03

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Salient statistics and information about the Fund

Period ended 26 November 2020

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC) ("the Fund") was originally re-domiciled to Malta from the British Virgin Islands on 25 March 2009 and registered as a Professional Investor Fund licensed by the Malta Financial Services Authority as a multi-fund limited liability company with variable share capital targeting experienced investors.

With effect from 1 September 2010, the fund was converted to a qualifying 'Maltese UCITS' scheme in terms of the Council directive for Undertakings for Collective Investment in Transferable Securities 85/611/EEC (as amended) and Management Companies Regulations, 2004 (as amended).

On 8 May 2020, a general meeting of the Company's Shareholders was held and the re-domiciliation of the Company to Luxembourg was approved by way of an extraordinary resolution in accordance with the constitutional documents of the Company. The date of migration is effective 27 November 2020. Consequently these financial statements cover the period 1 September 2020 up to 26 November 2020.

The Fund, to date, has established one sub-fund – Hermes Linder Fund.

Net Asset Value per investor share

The Net Asset Value per share is determined by dividing the net asset value of investor shares by the shares in issue at the statement of financial position date.

	Hermes Linder Fund Class A Number of shares 2020	Hermes Linder Fund Class B Number of shares 2020	Hermes Linder Fund Total Number of shares 2020
Investor shares in issue as at 26 November 2020	44,393.72	3,120.80	47,514.52
Net asset value of investor shares as per statement of financial position	236,058,812	5,860,206	241,919,018
Temporary differences	-	-	-
Net asset value of investor shares as at official valuation date 26 November 2020	236,058,812	5,860,206	241,919,018
Net asset value of investor shares as at official valuation date 26 November 2020	5,317.391	1,877.787	-

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Salient statistics and information about the Fund (continued)

Period ended 26 November 2020

	Hermes Linder Fund Class A Number of shares 2020	Hermes Linder Fund Class B Number of shares 2020	Hermes Linder Fund Total Number of shares 2020
Investor shares in issue as at 31 August 2020	44,635.47	3,179.84	47,815.31
Net asset value of investor shares as per statement of financial position	212,822,820	5,366,909	218,189,729
Temporary differences	(115,897)	(2,923)	(118,820)
Net asset value of investor shares as at official valuation date 31 August 2020	212,706,923	5,363,986	218,070,909
Net asset value of investor shares as at official valuation Date 31 August 2020	4,765.424	1,686.871	-

Independent auditor's report

to the members of

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC) (the Fund), set out on pages 7 to 34, which comprise the statement of financial position as at 26 November 2020, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the period then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 26 November 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and have been properly prepared in accordance with the requirements of the Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive* (Maltese Code) that are relevant to our audit of the financial statements in Malta, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Maltese Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and the Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the Fund Information on pages 2 to 3, the Statement of Directors' responsibilities on page 6 and the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

Except for our opinion on the Directors' Report in accordance with the Companies Act (Cap. 386), our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Independent auditor's report (continued)

to the members of

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Information Other than the Financial Statements and the Auditor's Report Thereon (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

With respect to the Directors' Report, we also considered whether the Directors' Report includes the disclosure requirements of Article 177 of the Companies Act (Cap. 386).

In accordance with the requirements of sub-article 179(3) of the Companies Act (Cap. 386) in relation to the Directors' Report on pages 4 to 5, in our opinion, based on the work undertaken in the course of the audit:

- The information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Fund and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities of the Directors for the Financial Statements

As explained more fully in the Statement of Directors' responsibilities on page 6, the directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Companies Act (Cap.386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

This report, including the opinions set out herein, has been prepared for the Fund's members as a body in accordance with articles 179 and 179A of the Companies Act (Cap. 386).

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions in accordance with articles 179 and 179A of the Companies Act (Cap. 386). Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report (continued)

to the members of

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In terms of article 179A(4) of the Companies Act (Cap. 386), the scope of our audit does not include assurance on the future viability of the Fund or on the efficiency or effectiveness with which the directors have conducted or will conduct the affairs of the Fund. The financial position of the Fund may improve, deteriorate, or otherwise be subject to change as a consequence of decisions taken, or to be taken, by the management thereof, or may be impacted by events occurring after the date of this opinion, including, but not limited to, events of force majeure.

As such, our audit report on the Fund's historical financial statements is not intended to facilitate or enable, nor is it suitable for, reliance by any person, in the creation of any projections or predictions, with respect to the future financial health and viability of the Fund, and cannot therefore be utilised or relied upon for the purpose of decisions regarding investment in, or otherwise dealing with (including but not limited to the extension of credit) the Fund. Any decision-making in this respect should be formulated on the basis of a separate analysis, specifically intended to evaluate the prospects of the Fund and to identify any facts or circumstances that may be materially relevant thereto.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern. Accordingly, in terms of generally accepted auditing standards, the absence of any reference to a material uncertainty about the Fund's ability to continue as a going concern in our auditor's report should not be viewed as a guarantee as to the Fund's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent auditor's report (continued)

to the members of

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

For the avoidance of doubt, any conclusions concerning the adequacy of the capital structure of the Fund, including the formulation of a view as to the manner in which financial risk is distributed between shareholders and/or creditors cannot be reached on the basis of these financial statements alone and must necessarily be based on a broader analysis supported by additional information.

We communicate with directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Under the Companies Act (Cap. 386), we have responsibilities to report to you if in our opinion:

- Proper accounting records have not been kept;
- Proper returns adequate for our audit have not been received from branches not visited by us;
- The financial statements are not in agreement with the accounting records and returns; or
- We have been unable to obtain all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

We have nothing to report to you in respect of these responsibilities.

Sarah Curmi as Director

in the name and on behalf of

Deloitte Audit Limited

Registered auditor

Central Business District, Birkirkara, Malta.

9 June 2021

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Investment Manager's Report

Period ended 26 November 2020

Introduction

Hermes Linder Fund SICAV (formerly Hermes Linder Fund SICAV plc) is an undertaking for collective investment in transferable securities (UCITS) in the form of an open-ended investment company with variable share capital (société d'investissement à capital variable) subject to the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended. The Fund is registered with the Luxembourg Register of Commerce and Companies under number B249446. The Fund was continued from Malta to Luxembourg on 26 November 2020. Before the said continuation the Fund was an open-ended collective investment scheme organised as a multi-fund limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the Laws of Malta). The Fund was a "Maltese UCITS" in terms of the Investment Services Act (Marketing of UCITS) Regulations 2011 (Legal Notice 241 of 2011).

Investment Objective

Hermes Linder Fund aims to achieve long-term appreciation principally through value investing in listed securities.

Strategy & Investment Policy

The policy adopted by the Fund has been that of investing most of its assets in securities quoted on the major exchanges of the developed world. The Fund focuses on value and is willing to withstand the added risks that are associated with small caps provided that the risk taken is adequately justified by prospective reward in the medium-long term. Positions are usually held, on average, for a number of years and the turnover is limited. On an ongoing basis, at least 20% of the assets are always invested in very liquid securities. Additionally, derivatives may be used mainly for efficient portfolio management and to a limited extent for investment purposes.

Report of the Investment Manager

For the period 1st September 2020 to 26th November 2020, Hermes Class A returned +11.58% and Class B returned +11.32%.

The Fund is not managed in accordance with any benchmark. Merely as a point of reference we can note that, during the period under review, the Euro Stoxx 50 returned +7.29% and the Stoxx Europe 600 returned +6.85%. The Bloomberg Barclays EuroAgg Total Return Index (consisting of investment grade, euro-denominated, fixed-rate bonds including treasuries, government-related, corporate and securitized issuers) returned +2.23% during this period. The Eurekahedge European Hedge Fund Index (made up of 256 constituent funds investing exclusively in Europe) returned +3.59% during the same period.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Investment Manager's Report (continued)

Period ended 26 November 2020

Report of the Investment Manager (continued)

After a stable performance from 1st September to mid-October, the Fund lost 5.75% (Class A) and 5.79% (Class B) in the second half of October as markets turned lower due to increasing COVID-19 cases and the implementation of new lockdowns. However, in November sentiment changed completely and Class A gained 19.82% up to the end of the period under review whilst Class B gained 19.73%.

This sentiment change was fuelled by a number of factors including the news of a largely effective vaccine against COVID-19 (the Pfizer vaccine) and later also the announcement of the Moderna vaccine, as well as the wrapping up of the US presidential election with a probable divided government, reducing the likelihood of major legislative change including corporate tax increases. Furthermore, we finally started to see value stocks outperforming growth stocks once again. In the Manager's Report for the Financial Year ending August 2020, we had noted that we expected the massive bifurcation between the performance of growth and value stocks to end and this came to fruition in November. In fact, the MSCI Europe Value Index gained 19.37% in November whilst the MSCI Europe Growth Index only gained 8.57%.

The biggest gain during the period under review came from the position in CPL Resources – an Irish recruitment and temporary work company. On 4th November, a cash offer for all CPL shares was announced at €11.25 per share by Outsourcing Talent Ireland Limited. The share price rose from €7.10 at the start of the period under review (with a 3.05% weighting in the Fund) to €11.10 at the end of the period because of the offer. The position in CPL was reduced by approximately one-third during the period at €11.125 in order to free up liquidity for new opportunities with larger upside potential.

In the Manager's Report for the Financial Year ended 31st August 2020, we had noted that certain stocks were benefitting from the increasing importance of digital transformation during the lockdown periods. This trend continued during the period under review and was notable in the share price movements of Adesso SE (which went up another 22% during the period, for a year-to-date performance of +67.85%) and Sesa SpA (which went up another 10.8% during the period, for a year-to-date performance of +74.4%).

Furthermore, on 9th October, the Board of Directors of Buzzi Unicem SpA – an Italian cement company - proposed the mandatory conversion of their savings shares into ordinary shares on the basis of a conversion ratio equal to 0.67 ordinary shares for each savings share. Considering the last closing prices of the savings and ordinary shares before the announcement, this implied a premium for the savings shares of 19.5%. Additionally, an extraordinary dividend of €0.75 was proposed to be distributed. Due to the fact that the position in Buzzi Unicem SpA savings shares was the largest position in the Fund at the start of the period under review (5% of the NAV), this position was the third best performer during the period.

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Investment Manager's Report (continued)

Period ended 26 November 2020

Report of the Investment Manager (continued)

On the negative side, the worst performer during the period was Avio SpA – an Italian aerospace company which develops space launchers and propulsion systems – whose share price declined 23.6% over the period under review. The downward pressure on the share price largely resulted from the failure of the Vega-17 launch on 17th November for which Avio is prime contractor. This was the second failure of a Vega launch in less than two years and therefore, the share price decline can be attributed to the resulting reputational damage. Consequently, the Manager began to reduce the Fund's position in Avio.

The Fund has always followed and will continue to follow the same strategy – investing in small- to mid-cap companies with a history of reliable profitability and cash generation, capable management and manageable leverage, with attractive valuations compared to their peers. As can be seen from the below graph, although value has outperformed growth in recent weeks, the difference between the performance of value and growth shares is still very close to its historical maximum. One can also note from the below that when in the past the difference was at extremes, the rebound was massive and therefore, the Manager believes that there is more upside potential to the Fund's performance due its intrinsic value nature.

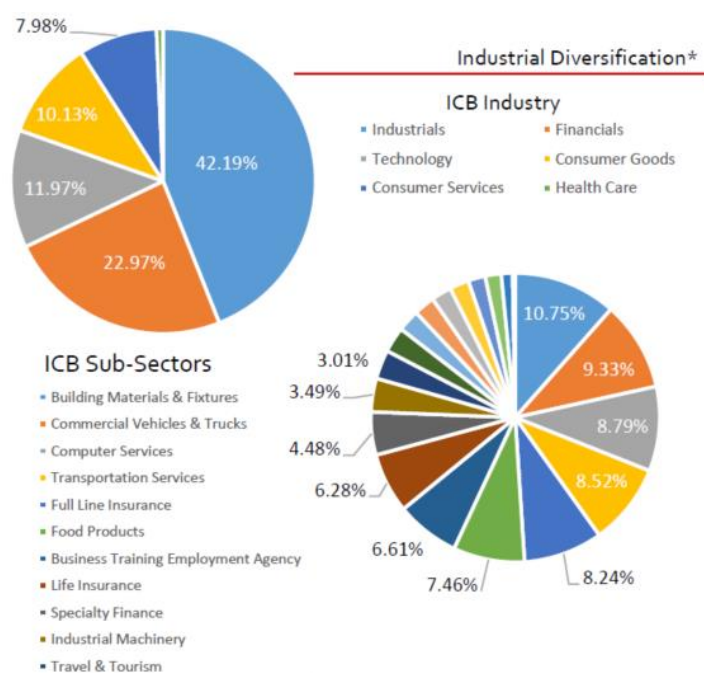


Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

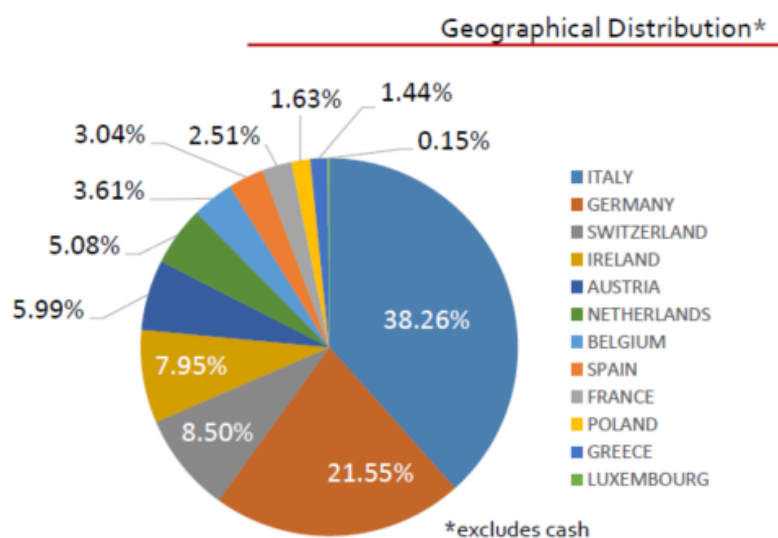
Investment Manager's Report (continued)

Period ended 26 November 2020

Report of the Investment Manager (continued)



Industrial diversification as at end November 2020



Geographical Diversification as at end November 2020

Hermes Linder Fund SICAV (formerly HERMES LINDER FUND SICAV PLC)

Investment Manager's Report (continued)

Period ended 26 November 2020

Report of the Investment Manager (continued)

Five largest holdings as at end November 2020

Rank	Security	Type	Country	Industry	Sub-Sector	% of Portfolio
1	Wuestenrot & Wuerttembergische	Equities	GERMANY	Financials	Specialty Finance	4.48%
2	Adesso SE	Equities	GERMANY	Technology	Computer Services	4.45%
3	Buzzi Unicem SpA	Equities	ITALY	Industrials	Building Materials & Fixtures	4.41%
4	Sesa SpA	Equities	ITALY	Technology	Computer Services	3.95%
5	Schaltbau Holding AG	Equities	GERMANY	Industrials	Commercial Vehicles & Trucks	3.87%

Asset Allocation as at end of November 2020

	% of NAV
Equities	96.1%
Bonds	3.61%
Cash	0.28%
Warrants	0.01%

Published Net Asset Value Per Share, Number of Shares and Net Asset Value

31st August 2020

Share Class	Net Asset Value per Share	Number of Shares in Issue	Net Asset Value
A	€4,765.424	44,635.466	€212,706,923.15
B	€1,686.871	3,179.842	€5,363,986.12
C	N/A	N/A	N/A

26th November 2020

Share Class	Net Asset Value per Share	Number of Shares in Issue	Net Asset Value
A	€5,317.391	44,393.722	€236,058,812.84
B	€1,877.787	3,120.804	€5,860,205.89
C	N/A	N/A	N/A

Note: The opinions expressed are given in good faith and should not be construed as investment advice.



Bank of Valletta

Finance

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02nd February 2021

Annual Report of the Custodian

Hermes Linder Fund SICAV p.l.c.

We, Bank of Valletta plc ("BOV"), as Custodians to the Hermes Linder Fund SICAV p.l.c ("the Company") hereby provide the following report for the period between 1st September 2020 to 27th November 2020 and confirm that having enquired into the conduct of the Manager it is our opinion that, during this period, the Company and its Fund have been managed:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of each Fund by the constitutional documents and by the Malta Financial Services Authority,
- (ii) otherwise in accordance with the provisions of the constitutional documents and the Fund's license conditions,



Kevin Portelli
Head –Custody Services
Bank of Valletta p.l.c.

Hermes Linder Fund

Société d'Investissement à Capital Variable (SICAV)

Semi-Annual Report and Financial Statements

As at February 28, 2021

Hermes Linder Fund SICAV

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Hermes Linder Fund SICAV

Management and Organisation

Registered Office of the Fund:

14, Porte de France
L-4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

Board of Directors of the Fund:

Ms. Antonia Zammit
Chief Executive Officer of Praude Asset Management Limited

Ms. Caroline Nabbe
Investment Analyst of Praude Asset Management Limited

Mr. Charles Muller
Independent Director

Ms. Jane Wilkinson
Independent Director

Management Company:

Praude Asset Management Limited
Level 14, Portomaso Business Tower
Portomaso
St Julians STJ4011
Malta

Legal Advisors:

Ganado SARL
15A, Boulevard Grande-Duchesse Charlotte
L-1331 Luxembourg
Grand Duchy of Luxembourg

Depository and Paying Agent:

RBC Investor Services Bank S.A.
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

Central Administration (Domiciliation Agent, Administrative Agent, Registrar and Transfer Agent):

RBC Investor Services Bank S.A.
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

Auditor:

Deloitte Audit
20, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Hermes Linder Fund SICAV - Hermes Linder Fund ("Hermes")

Statement of Net Assets as at February 28, 2021

	Hermes Linder Fund	
	Notes	EUR
ASSETS		
Investments in securities at market value	2	273,823,262
Cash at bank		1,713,343
Interest and dividend receivable, net		58,164
Amounts receivable on subscriptions		75,241
Amounts receivable on sale of investments		58,071
Other assets		18,385
TOTAL ASSETS		275,746,466
LIABILITIES		
Amounts payable on redemptions		49,341
Amounts payable on purchase of investments		342,572
Management fees payable		197,539
Depository bank fee payable		14,855
Taxes and expenses payable		110,753
Formation expenses payable		19,360
Other liabilities		38,739
TOTAL LIABILITIES		773,159
TOTAL NET ASSETS		274,973,307
Net asset value per share		
Class AR Shares		5,984.43
Class AI Shares		5,985.09
Class BR Shares		2,108.07
Class BI Shares		2,108.29
Number of shares outstanding		
Class AR Shares		29,107.96
Class AI Shares		15,746.06
Class BR Shares		1,507.68
Class BI Shares		1,593.13

The accompanying notes form an integral part of these financial statements.

Hermes Linder Fund SICAV - Hermes Linder Fund ("Hermes")

Statement of Operations and Changes in Net Assets for the period November 27, 2020 to February 28, 2021

	Hermes Linder Fund	
	Notes	EUR
NET ASSETS AT THE BEGINNING OF THE PERIOD		241,919,018
INCOME		
Dividend income on securities, net	2	546,433
Interest on bonds net		85,465
TOTAL INCOME		631,898
EXPENSES		
Management Company fees	3	665,235
Amortisation of formation expenses		975
Depositary fees	4	22,430
Directors fees		12,603
Central Administration fees		35,216
Audit fees		4,453
Subscription fees		24,025
Interest paid on bank liabilities		6,779
Bank charges and correspondent fees		71,587
Other expenses		13,213
TOTAL EXPENSES		856,516
NET LOSS FROM INVESTMENTS		(224,618)
Net realised profit on sale of investments	2	3,460,147
Net realised loss on foreign exchange		(1,665)
NET REALISED PROFIT		3,458,482
Change in net unrealised appreciation on investments	2	27,345,868
NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS		30,579,732
EVOLUTION OF CAPITAL		
Subscriptions of Shares		4,761,017
Redemptions of Shares		(2,286,460)
NET ASSETS AT THE END OF THE PERIOD		274,973,307

Hermes Linder Fund SICAV - Hermes Linder Fund ("Hermes")

Changes in the Number of Shares for the period November 27, 2020 to February 28, 2021

	Hermes Linder Fund
Class AR Shares	
Allotment of shares upon continuation of Fund	28,998.743
Number of shares subscribed	360.886
Number of shares redeemed	(251.668)
Shares in issue at the end of the period	29,107.961
Class AI Shares	
Allotment of shares upon continuation of Fund	15,394.979
Number of shares subscribed	497.019
Number of shares redeemed	(145.934)
Shares in issue at the end of the period	15,746.064
Class BR Shares	
Allotment of shares upon continuation of Fund	1,507.679
Number of shares subscribed	0.000
Number of shares redeemed	0.000
Shares in issue at the end of the period	1,507.679
Class BI Shares	
Allotment of shares upon continuation of Fund	1,613.125
Number of shares subscribed	0.000
Number of shares redeemed	(20.000)
Shares in issue at the end of the period	1,593.125

Statistics for the period November 27, 2020 to February 28, 2021

	Hermes Linder Fund EUR
28 February 2021	
Net asset value	274,973,307
Net asset value per share	
Class AR Shares	5,984.43
Class AI Shares	5,985.09
Class BR Shares	2,108.07
Class BI Shares	2,108.29
Number of shares in issue	
Class AR Shares	29,107.96
Class AI Shares	15,746.06
Class BR Shares	1,507.68
Class BI Shares	1,593.13

Hermes Linder Fund SICAV

Hermes Linder Fund ("Hermes")

Statement of Investments as at February 28, 2021

(expressed in EUR)

ISIN	Description	Number of shares/ Face Value	Currency	Cost	Market Value	%net assets
Transferable securities admitted to an official stock exchange listing						
Shares						
Austria						
AT0000730007	ANDRITZ AG GRAZ	53,479	EUR	2,454,163	2,124,186	0.77
AT0000758305	PALFINGER AG	39,318	EUR	1,130,270	1,218,858	0.44
AT0000A0E9W5	S&T AG	25,162	EUR	536,771	557,590	0.20
AT0000908504	VIENNA INSUR GR	145,921	EUR	2,852,132	3,246,742	1.18
AT00000VIE62	VIENNA INTERNATIONAL AIRPORT	234,095	EUR	5,899,904	7,303,764	2.66
AT0000922554	ROSENBAUER INTERNATIONAL AG	40,005	EUR	2,140,252	1,748,218	0.64
				15,013,492	16,199,358	5.89
Switzerland						
CH0014852781	SWISS LIFE HOLDING /NAM	5,467	CHF	1,637,797	2,250,277	0.82
CH0002432174	BUCHER INDUSTRIES AG/NAM	7,115	CHF	1,731,886	2,842,495	1.03
CH0319416936	FLUGHAFEN ZUERICH AG	30,497	CHF	2,440,146	4,457,208	1.62
CH0466642201	HELVETIA HOLDING LTD	60,796	CHF	2,494,742	5,516,078	2.01
CH0017875789	JUNGFRAUBAHN HLDG /NAM.AKT	20,771	CHF	2,257,224	2,748,414	1.00
CH0021545667	VAUDOISE ASSURANCES HLD NOM.	11,178	CHF	2,248,345	4,720,004	1.72
				12,810,140	22,534,476	8.20
Netherlands						
NL0010773842	NN GROUP N.V.	52,175	EUR	1,219,794	1,993,085	0.73
NL0011872643	ASR NEDERLAND NV	182,320	EUR	4,978,885	6,308,272	2.29
NL0013995087	CEMENTIR HLDG RG	1,450,494	EUR	8,153,574	11,516,922	4.19
NL0010776944	BRUNEL INTERNATIONAL N.V.	122,794	EUR	1,497,568	1,107,602	0.40
NL0000359537	ICT GROUP	188,400	EUR	2,157,472	1,931,100	0.70
NL0009197771	DPA GROUP NV	1,395,254	EUR	2,374,135	2,141,715	0.78
				20,381,428	24,998,696	9.09
Ireland						
IE0000669501	GLANBIA PLC /-A-	126,758	EUR	1,329,817	1,362,649	0.49
IE00BJMZDW83	DALATA HOTEL GROUP PLC	948,952	EUR	4,929,657	3,952,385	1.44
IE00BLP58571	IRISH CONTINENTAL GROUP PLC	260,568	EUR	1,283,774	1,125,654	0.41
IE0003290289	FBD HOLDINGS PLC	304,771	EUR	2,253,433	2,249,210	0.82
IE00B1HDWM43	TOTAL PRODUCE PLC /	3,946,759	EUR	5,500,720	8,248,726	3.00
				15,297,401	16,938,624	6.16
France						
FR0000120222	CNP ASSURANCES	223,100	EUR	2,082,368	3,326,421	1.21
FR0000120107	SAVENCIA ACT	54,976	EUR	4,297,648	3,386,522	1.23
FR0000031775	SA DES CEMENTS VICAT-VICAT	90,431	EUR	3,367,575	3,603,675	1.31
				9,747,591	10,316,618	3.75

Hermes Linder Fund SICAV

Hermes Linder Fund ("Hermes")

Statement of Investments (continued) as at February 28, 2021

(expressed in EUR)

ISIN	Description	Number of shares/ Face Value	Currency	Cost	Market Value	%net assets
Germany						
DE000WACK012	WACKER NEUSON SE /NAMEN	453,745	EUR	7,073,412	7,650,141	2.78
DE000A0S8488	HAMBURGER HAFEN UND LOGISTIK AG	150,966	EUR	2,539,836	3,177,834	1.16
DE0006335003	KRONES AG	51,598	EUR	3,991,334	3,604,120	1.31
DE0007193500	KOENIG + BAUER AG	58,165	EUR	3,512,237	1,436,676	0.52
DE000A0XYGA7	TECHNOTRANS --- NAMEN-AKT	60,854	EUR	1,211,306	1,703,912	0.62
DE000A0Z23Q5	ADESSO NACH KAPITAL	115,107	EUR	1,985,433	13,007,091	4.73
DE0005895403	GRAMMER AG	37,970	EUR	749,522	850,528	0.31
DE0005936124	OHB SE	119,280	EUR	2,621,034	4,180,764	1.52
DE0008051004	WUESTENROT & WUERTEMBERG./NAM	644,838	EUR	12,833,241	10,988,040	4.00
DE000A2NBTL2	SCHALTBAU HOLDING AG	313,612	EUR	10,048,138	9,941,500	3.61
				46,565,493	56,540,606	20.56
Italy						
IT0001347308	BUZZI UNICEM	529,235	EUR	8,316,369	11,087,473	4.03
IT0001206769	SOL SPA	653,451	EUR	7,470,992	9,834,438	3.58
IT0003683528	OPENJOBMETIS S.P.A.	52,859	EUR	531,867	407,014	0.15
IT0005119810	SPACE2 --- AZ NOM	342,613	EUR	4,526,102	4,145,617	1.51
IT0001033700	BASIC NET	331,699	EUR	1,798,637	1,389,819	0.51
IT0003027817	IREN S.P.A.	1,968,901	EUR	4,179,580	4,044,123	1.47
IT0004729759	SESA S.P.A.	27,883	EUR	686,028	3,139,626	1.14
IT0005107492	LU-VE S.P.A.	288,479	EUR	3,317,603	4,557,968	1.66
IT0005188336	EL.EN.SPA	190,988	EUR	3,493,099	5,280,818	1.92
IT0005171936	SITI - B & T GROUP S.P.A.	193,446	EUR	1,608,352	383,023	0.14
IT0005329815	SOMECE S.P.A.	29,105	EUR	500,321	602,474	0.22
IT0000060886	FNM S.P.A.	5,969,695	EUR	3,278,439	3,271,393	1.19
IT0000084043	AUTOSTRADA MERIDIONALI NAPOLI	306,890	EUR	6,570,038	8,562,231	3.11
IT0004997984	PIRELLA G.P.	90,492	EUR	472,212	990,887	0.36
IT0005075764	ITALIAN WINE BRANDS S.P.A.	374,610	EUR	3,083,889	9,140,484	3.32
IT0005138703	ORSERO S.P.A.	974,861	EUR	9,513,826	6,278,105	2.28
IT0005221517	GPI S.P.A.	35,194	EUR	275,748	325,896	0.12
IT0005244618	CELLULARLINE S.P.A.	250,000	EUR	962,981	1,107,500	0.40
IT0005421646	LABOMAR N	150,000	EUR	900,000	1,228,500	0.45
				61,486,083	75,777,389	27.56
Great Britain						
GB00BLY2F708	CARD FACTORY PLC	2,500,000	GBP	981,021	1,328,932	0.48
				981,021	1,328,932	0.48
Spain						
ES0116920333	GRUPO CATALANA OCCIDENTE SA	153,654	EUR	4,751,863	4,747,909	1.72
ES0161560018	NH HOTELES SA	469,644	EUR	2,073,674	1,944,326	0.71
ES0105065009	TALGO S.A.	422,008	EUR	2,399,440	1,839,955	0.67
				9,224,977	8,532,190	3.10
Poland						
PLGPW0000017	WARSAW STOCK EXCHANGE	413,109	PLN	3,572,114	4,070,639	1.48
				3,572,114	4,070,639	1.48

Hermes Linder Fund SICAV

Hermes Linder Fund ("Hermes")

Statement of Investments (continued) as at February 28, 2021

(expressed in EUR)

ISIN	Description	Number of shares/ Face Value	Currency	Cost	Market Value	%net assets
Greece						
GRS434003000	PUBLIC POWER CORP SA /REG.	481,744	EUR	3,163,587	4,287,521	1.56
GRS395363005	HELEX REG.SHS	368,886	EUR	1,009,621	1,359,345	0.50
GRS472003011	PROFILE SYSTEMS&SOFTW.SA/REG.	239,965	EUR	901,880	1,181,828	0.43
				5,075,088	6,828,694	2.49
Norway						
NO0010694029	KOMPLETT BANK REGISTERED SHS	2,005,325	NOK	1,661,322	1,630,618	0.59
				1,661,322	1,630,618	0.59
	Total - Shares			201,816,150	245,696,840	89.35
Warrants						
Italy						
IT0005221475	GPI 28.12.21 CW	125,000	EUR	10,010	52,500	0.02
				10,010	52,500	0.02
Luxembourg						
LU1588548724	D AMICO INT 30.06.22 CW /DIS	1,339,675	EUR	13,423	13,531	0.01
				13,423	13,531	0.01
	Total - Warrants			23,433	66,031	0.03
	Total - Transferable securities admitted to an official stock exchange listing			201,839,583	245,762,871	89.38
Transferable securities dealt in on other regulated markets						
Convertible Bonds						
Belgium						
BE6291563466	GREENYD 3.75% 16-22.12.21/CV	9,000,000	EUR	6,118,023	8,824,770	3.21
				6,118,023	8,824,770	3.21
	Total - Convertible Bonds			6,118,023	8,824,770	3.21
	Transferable securities dealt in on another regulated market			6,118,023	8,824,770	3.21
Other transferable securities						
Shares						
Germany						
DE000A2G8308	KINGHERO AG	15	EUR	1,326,846	0	0.00
				1,326,846	0	0.00

Hermes Linder Fund SICAV

Hermes Linder Fund ("Hermes")

Statement of Investments (continued) as at February 28, 2021

(expressed in EUR)

ISIN	Description	Number of shares/ Face Value	Currency	Cost	Market Value	%net assets
Italy						
IT0005155269	OPENJOBMETIS CUM VOTO	900,000	EUR	9,200,554	6,930,000	2.52
ZZ0U17838893	SESA SPA	85,899	EUR	2,059,095	9,672,228	3.51
ZZ0V81451226	LU-VE S.P.A. NPV	144,239	EUR	1,658,796	2,278,976	0.83
				12,918,445	18,881,204	6.86
	Total - Shares			14,245,291	18,881,204	6.86
Investment Funds						
Luxembourg						
LU1738384764	NB AURORA SA SICAF-RAIF-A- EUR	34,863	EUR	330,114	354,417	0.13
				330,114	354,417	0.13
	Total - Investment Funds			330,114	354,417	0.13
	Total - Other transferable securities			14,575,405	19,235,621	6.99
	Total Investments			222,533,011	273,823,262	99.58

Hermes Linder Fund SICAV

Notes to the Financial Statements as at 28 February 2021

NOTE 1 - GENERAL INFORMATION

The Fund is an open-ended investment company organised under the laws of Luxembourg as an investment company with variable share capital (société d'investissement à capital variable), registered with the Luxembourg Register of Commerce and Companies under number B249446. The Articles of Association were published on the Recueil électronique des sociétés et associations ("RESA") on 10 December 2020, the central electronic platform of the Grand-Duchy of Luxembourg.

The Fund was originally incorporated in the British Virgin Islands as an international business company on the 27 July 2000 as Hermes Global Fund Limited and was later registered as continuing in Malta as an open-ended multi-fund investment company with variable share capital on the 25 March 2009 under the name Hermes Linder Fund SICAV p.l.c. with registration number SV 100. The Fund was continued in Malta as a professional investor fund and was later converted to an undertaking for collective investment in transferable securities on 1 September 2010. On 27 November 2020, the Fund has been continued in Luxembourg and as a result, admitted to the official list of the CSSF as an undertaking for collective investment in transferable securities governed by Part I of the 2010 Law.

The Fund has been authorised by the Commission de Surveillance du Secteur Financier ("CSSF"). However, such authorisation does not require the CSSF to approve or disapprove either the adequacy or accuracy of this Prospectus or the portfolio of assets held by the Fund. Any declaration to the contrary should be considered as unauthorised and illegal.

There is no limit to the number of Shares which may be issued. Shares will be issued to subscribers in registered form.

Shares shall have the same voting rights and shall have no pre-emptive subscription rights. In the event of the liquidation of the Fund, each Share is entitled to its proportionate share of the Fund's assets after payment of the Company's debts and expenses, taking into account the Fund's rules for the allocation of assets and liabilities.

The minimum share capital of the Fund must at all times be at least of EUR1,250,000 which amount has to be attained within six months of the Fund's authorisation to operate as a UCI. The Company's share capital is at all times equal to its Net Asset Value. The Fund's share capital is automatically adjusted when additional Shares are issued or outstanding Shares are redeemed, and no special announcements or publicity are necessary in relation thereto.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund are prepared in accordance with Luxembourg regulations relating to undertakings for collective investments.

The value of each Sub-Fund's assets shall be determined as follows:

- a) Transferable securities and money market instruments which are quoted, listed or traded on an exchange or regulated market will be valued, unless otherwise provided below, at the last available market price or quotation prior to the time of valuation on the primary exchange on which such securities trade, provided that fixed income securities shall be valued on the basis of independent reputable pricing sources including composite valuation approaches and methodologies. Transferable securities and money market instruments for which the above market prices, quotations or sources are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, will be valued at their fair value estimated with care and in good faith as further outlined below.
- b) The value of any transferable security which is not quoted, listed or dealt in on a regulated market or which is so quoted, listed or dealt in but for which no such quotation or value is available or the available quotation or value is not representative shall be the fair value as estimated with care and good faith either by (i) the directors or (ii) the Valuation Committee or (iii) a competent person, firm or corporation selected and approved by the directors.
- c) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest/profit accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after a decision by the directors making such discount as may be considered appropriate in such case to reflect the true value thereof.
- d) Derivative contracts traded on a regulated market shall be valued at the settlement price on the relevant market and in line with paragraph A) above. If the settlement price is not available, the fair value shall be estimated with care and in good faith either by (i) the directors or (ii) the Valuation Committee or (iii) a competent person, firm or corporation selected and approved by the directors. Derivative contracts which are traded 'over-the-counter' will be valued at each Valuation Date either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is approved for the purpose by the directors and the depositary and who is independent of the counterparty; (ii) using an alternative valuation provided by a competent person selected and approved by the Directors (the "Alternative Valuation"). Where such Alternative Valuation method is used the Fund will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as the International Organisation of Securities Commissions or the Alternative Investment Management Association and will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise, these will be promptly investigated and explained.
- e) Forward foreign exchange contracts shall be valued in the same manner as derivatives contracts as mentioned in paragraph D) above.

Notes to the Financial Statements as at 28 February 2021 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- f) Units in collective investment schemes shall be valued at the latest available net asset value per unit as published by the relevant collective investment scheme or, if listed or traded on a regulated market, in accordance with paragraph A) above.
- g) Any value (whether of a security, derivative or cash) denominated other than in Euros will be converted into Euros as of the close of business on the relevant Valuation Day and WM Reuters or Bloomberg Terminal 'closing' quotes as of 1600GMT London will be used.
- h) Where the value of any investment is not ascertainable as described above, the value shall be the fair value estimated with care and in good faith either by (i) the directors; or (ii) the Valuation Committee; or (iii) by a competent person selected and approved for the purpose by the directors.
- i) The directors may adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.

The Board of Directors may at their discretion permit any other method of valuation to be used if they consider that such method of valuation better reflects value generally or in particular markets or market conditions and is in accordance with good practice.

NOTE 3 - MANAGEMENT COMPANY FEES

The Fund has appointed Praude Asset Management Limited (the "Management Company") as its management company in accordance with the provisions of the 2010 Law pursuant to the Management Company Agreement.

The Management Company is responsible, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Fund.

The Management Company has been incorporated on 3 December 2009 as a limited liability company under Maltese law and is registered with the Malta Business Register ("MBR") under number company registration number C48324. Its registered address is at Level 14, Portomaso Business Tower, Portomaso, St Julians STJ4011. Its fully paid-up share capital as at 31 December 2019 amounted to two hundred thousand Euros (EUR 200,000). The names and legal documents of all funds managed are available at the domicile of the Management Company and on the website www.praude.com.mt.

NOTE 4 - DEPOSITARY FEES

The Depositary is entitled to receive out of the assets of Hermes a fee calculated in accordance with customary banking practice in Luxembourg as a percentage per annum of the average quarterly Net Asset Value thereof during the relevant quarter and payable quarterly in arrears.

They are currently paid at the following rates:

First EUR500 million: 1 basis point per annum

Above EUR500 million: 0.70 basis points per annum

The above rates are subject to a minimum monthly fee of EUR 300. The depositary shall also charge cash flow monitoring fees, reconciliation fees and ad-hoc fees for services rendered and increase any amounts by any VAT payable thereon.

NOTE 5 - ADMINISTRATION FEES

The Administrator will be entitled to an annual fee as percentage of the average Net Asset Value of Hermes in accordance with the below:

First EUR 100 million: 2.25 basis points per annum

Next EUR 150 million: 1.75 basis points per annum

Next EUR 250 million: 1.25 basis points per annum

Above EUR 500 million: 1 basis point per annum

The above rates are subject to a minimum annual fee of EUR 24,000. The Administrator shall also charge fees for additional services provided which include but are not limited to registrar and transfer agency, investment and risk management compliance, KIID preparation, KYC, FATCA and CRS reporting.

The Administrator will accrue on each Valuation Day and will be payable quarterly in arrears. The Administrator will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

Other fees or charges which may accrue shall be allocated to Hermes and may be paid from time to time.

NOTE 6 - ITALIAN PAYING AGENT FEES

Societe Generale Securities Services (hereinafter referred to as "SGSS") has been appointed as Paying Agent in Italy for Hermes and, for this purpose, the following charges shall apply:

Investors through authorised distributors

Hermes Linder Fund SICAV

Notes to the Financial Statements as at 28 February 2021 (continued)

NOTE 6 - ITALIAN PAYING AGENT FEES (continued)

Each subscription / redemption placed in EUR: 0.15% of the amount, subject to a minimum of EUR 15.00 and a maximum of EUR 25.00

Each subscription / redemption placed in other currencies: 0.15% of the amount, subject to a minimum of EUR 15.00 and a maximum of EUR 25.00

Fund switches: Exempt from charges

NOTE 7 - TAXES

The Company is as a rule liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.01% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Company at the end of the relevant calendar quarter.

NOTE 8 - PERFORMANCE FEES

The Management Company shall, in addition to the Management Company Fee payable, be entitled to receive a fee based on the performance (the "Performance Fee") out of the assets of Hermes based on the high watermark and hurdle rate principle.

The performance period (the "Performance Period") shall run from the 1st September of one calendar year to the 31st August of the following calendar year coinciding with the Financial Year of the Fund and will be calculated separately for each Share Class.

The Performance Fee shall be calculated on the basis of the NAV per Share. The Performance Fee shall be equal to 15% in the case of Class AR Shares and Class AI Shares (Classes AR and AI retain the same HWM and Performance Fee % of the previous Class A Investor Shares before the Fund been re-domiciled into Luxembourg) and 25% in the case of Class C Shares of the amount by which the Net Asset Value per Share (before the deduction of the Performance Fee) has exceeded the:

- i) The High Watermark, plus
- ii) The Hurdle Rate of Return

during the Performance Period, multiplied by the outstanding number of Shares in that particular class as at the relevant Valuation Day. No Performance Fee is payable in the case of Class BR Shares and Class BI Shares.

The 'High Watermark' is:

For Class AI and AR Shares - the greatest of: (i) the NAV per Class A Investor Share as at 31 August 2020 and (ii) the NAV per Class A Investor Share or Class AI Shares or Class AR Shares as at the end of the last Performance Period at which a Performance Fee was paid.

For Class C Shares - the greatest of: (i) the initial offer price for the Class C Shares once this is launched and (ii) the NAV per Class C Shares as at the end of the last Performance Period at which a Performance Fee was paid.

The Hurdle Rate of Return means 1% plus 3-month Euribor taken as at the relevant Valuation Day, calculated on an annualised basis as follows:

$$(1\% + A) * B/365$$

Where:

A = 3-Month EURIBOR taken as at the relevant Valuation Day and

B = The number of calendar days elapse since the last day of the Performance Period at which a performance fee was paid

The Hurdle Rate of Return cannot be lower than 0%. The 3-month EURIBOR is being used solely for the purposes of calculating the Performance Fee and should not be considered as a benchmark, as no form of benchmark is used by the Fund.

An accrual in respect of the Performance Fee will be made on each Valuation Day if the High Watermark conditions (i) and (ii) referred to above are met. If condition (i) or (ii) is not met, no accrual will be made. At the end of the financial year, an amalgamation of the positive and the negative returns is performed. In case that the High Watermark condition (i) or (ii) referred to above is not met but there are positive returns or negative returns then they will be transferred to the next financial year. Where there is a positive cumulative net excess return (positive return) at the end of the year and the Performance Fee becomes payable, the High Watermark will be set to the Net Asset Value per Share on the last Business Day of the financial year. However, where the Share Class has underperformed over the full financial year, no additional Performance Fee will be paid and the High Watermark will remain unchanged from the prior financial year.

The Performance Fee will be calculated on the basis of the Net Asset Value per Share after deducting all expenses, fees (but not the Performance Fee) and adjusting it for subscriptions, redemptions and distributions during the relevant financial year so that these will not affect the additional variable fee payable ("Gross Asset Value").

In the event that a redemption is made prior to the end of the Financial year, any accrued but unpaid Performance Fee relating to those Shares shall be crystallised (as at the Redemption Day) and paid to the Management Company within four months from the end of the relevant financial year.

The Performance Fee shall be payable yearly in arrears and normally within four months from the end of the financial year to which it relates.

Hermes does not operate an equalisation account.

Hermes Linder Fund SICAV

Notes to the Financial Statements as at 28 February 2021 (continued)

NOTE 8 - PERFORMANCE FEES (continued)

If the Management Company is replaced before the end of any performance period, the Performance Fee in respect of such financial year will be calculated and paid as if the date of termination was the end of the relevant financial year.

The HWM for the current financial year of the Fund in respect of Class AI and AR was set at € 5,625.752 + hurdle rate, in accordance with the offering documents of the Fund.

It was proposed by the Management Company on 7th January 2021, and approved by the Board of Directors of the Fund on 5th February 2021, to renounce all performance fees due on Class AI and AR until the proposed new HWM of €6,250 + hurdle rate (which will restart being accrued once the NAV hits the €6,250) is reached.

The reason for this decision is that due to the disappointing performance of the Fund over the past three years, the Investment Manager feels that it is appropriate in the current circumstances to do this in favour of the Fund's investors.

NOTE 9 - TRANSACTION COSTS

The total amount of transaction costs is included in the Statement of Operations and Changes in Net Assets of the sub-fund and includes sub-depositary fees, correspondent's expenses and brokerage fees. For bonds, the transaction costs are included in the spread.

The following sub-funds incurred transaction costs relating to purchase or sale of transferable securities or derivative instruments as follows:

Sub-fund Name	Currency	Amount
Hermes Linder Fund ("Hermes")	EUR	50 334,72

NOTE 10 - EXCHANGE RATES

The exchange rates used as of February 28, 2021 are:

1 EUR =1.098853 CHF

1 EUR =0.868178 GBP

1 EUR =10.45325 NOK

1 EUR =4.521159 PLN

Remuneration policy (unaudited)

The Management Company has in place a remuneration policy in line with the Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions.

In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

- i) it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or Articles of Incorporation of the Fund;
- ii) if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- iii) it is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the Shareholders, and includes measures to avoid conflicts of interest;
- iv) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by the remuneration officer.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, are available on <http://www.praude.com.mt/en/remuneration-policy>, a paper copy will be made available free of charge upon request.

Transparency of Securities Financing Transactions and their Reuse

During the financial year of the fund no securities financing transactions and total return swaps in the sense of Regulation (EU) 2015/2365 of the European Parliament and the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation 648/2012 have taken place. As a consequence, no information according to article 13 of the afore mentioned Regulation need to be disclosed to the fund's investors.

Information for investors in Switzerland (unaudited)

As at 28 February 2021

Hermes a public limited liability company (*société anonyme*) organised as an investment company with variable capital (*société d'investissement à capital variable*) and registered under the laws of Luxembourg. It has appointed Société Générale, Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich, Switzerland, as representative and paying agent for Switzerland. The prospectus, the Key Investor Information Document (KIID), memorandum and articles of association and a list of the purchases and sales made on behalf of the Company can be obtained from the representative, Société Générale, at the address above, free of charge.

Investors should contact the Swiss representative at the above address should they require additional information, e.g. on performance including the composition of the relevant indices where applicable.

Total Expense Ratios – Unaudited

The TER ("Total Expense Ratio") is expressed as a percentage.

TER

		29.02.2020	31.08.2020
Hermes Linder Fund	Class AI	1.25%	1.20%
Hermes Linder Fund	Class AR	1.30%	1.20%
Hermes Linder Fund	Class BI	2.25%	2.20%
Hermes Linder Fund	Class BR	2.29%	2.20%

This index is calculated in accordance with the directive on the calculation and publication of the TER and PTR issued by the Swiss Funds and Asset Management Association ("SFAMA") on 16 May 2008. The TER indicates all fees and charges applicable retrospectively to the assets of the SICAV (operating expenses) as a percentage of the net assets of the SICAV itself. The TER does not include transaction costs or other costs arising from the hedging of currency risks.