

HERMES LINDER FUND SICAV PLC

Report and financial statements

31 August 2014

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HERMES LINDER FUND SICAV PLC

Directors, officers and other information

<i>Directors:</i>	Dr. Frank Chetcuti Dimech Mr. Tom Anastasi Pace Mr. Claudio Palladini
<i>Secretary:</i>	Valletta Fund Services Limited, TG Complex, Suite 2, Level 3, Brewery Street, Mriehel, Malta.
<i>Registered office:</i>	TG Complex, Suite 2, Level 3, Brewery Street, Mriehel, Malta.
<i>Country of incorporation:</i>	Malta
<i>Company registration number:</i>	SV 100
<i>Auditor:</i>	Deloitte Audit Limited, Deloitte Place, Mriehel Bypass, Mriehel, Malta.
<i>Investment manager:</i>	Praude Asset Management Limited, Level 14, Portomaso Business Tower, Portomaso, St Julians, Malta.

HERMES LINDER FUND SICAV PLC

Directors, officers and other information (continued)

Custodian: Bank of Valletta p.l.c.
BOV Centre,
Cannon Road,
Santa Venera SVR 9030,
Malta.

*Prime broker and
sub-custodian:* Axion Swiss Bank S.A,
Via Emilio Bossi 1,
6901 Lugano,
Switzerland.

Administrator and registrar: Valletta Fund Services Limited,
Suite 2, Level 3,
TG Complex,
Brewery Street,
Mriehel,
Malta.

Legal advisors: CDF Advocates,
13/23 Vincenti Buildings,
Strait Street,
Valletta,
Malta.

HERMES LINDER FUND SICAV PLC

Directors' report

Year ended 31 August 2014

The directors present their report and the audited financial statements of Hermes Linder Fund SICAV PLC (the "Company") for the year ended 31 August 2014.

Significant changes to the Company Documents

There were no significant changes to the company's documents in the period under review.

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, 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 the sub-fund attracted *EUR26,090,682* (2013 – *EUR10,121,769*) from investors with redemptions amounting to *EUR2,629,606* (2013 – *EUR4,862,501*).

The Company registered a gain of *EUR16,409,346* (2013 – *EUR9,528,516*). Net assets attributable to holders of redeemable shares at the end of the year amounted to *EUR133,723,561* (2013 – *EUR93,853,139*).

Results and distribution

The results for the year ended 31 August 2014 are shown in the statement of comprehensive income on page six. 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.

Standard licence conditions

The Company was not in breach of its licence conditions or subject to regulatory sanctions.

Directors

The directors who served during the period were:

Dr. Frank Chetcuti Dimech
Mr. Tom Anastasi Pace
Mr. Claudio Palladini

In accordance with the company's articles of association the directors are to remain in office.

HERMES LINDER FUND SICAV PLC


Directors' report

Year ended 31 August 2014


Auditors

A resolution to reappoint Deloitte Audit Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

Approved by the board of directors and signed on 19 December 2014 by:



Dr. Frank Chetcuti Dimech
Director



Mr. Tom Anastasi Pace
Director

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 International Financial Reporting Standards as adopted by the EU, which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss of the Company 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 company 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 company 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 Company, 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 PLC

Statement of comprehensive income

Year ended 31 August 2014

	Notes	2014 EUR	2013 EUR
Investment income			
Dividend income		3,351,000	2,100,610
Interest income		857,947	1,084,683
Net gain on financial instruments at fair value through profit or loss		16,963,864	8,564,114
Other income		33,516	-
Net investment income		21,206,327	11,749,407
Administrator fees	5	115,583	90,788
Audit fees		7,000	7,000
Custodian fees	5	117,066	98,115
Directors' fees		9,900	9,900
Legal fees		6,555	5,965
Management fees	5	1,490,241	1,109,130
Other expenses		20,763	12,953
Transaction costs		423,708	345,639
Disbursement and commissions		43,817	26,515
Performance fees	5	2,093,811	222,309
Operating expenses		(4,328,444)	(1,928,314)
Change in net assets attributable to holders of redeemable shares before withholding tax		16,877,883	9,821,093
Withholding tax paid on behalf of holders of redeemable shares		(468,537)	(292,577)
Change in net assets attributable to holders of redeemable shares		16,409,346	9,528,516

HERMES LINDER FUND SICAV PLC


Statement of financial position

31 August 2014

	Notes	2014 EUR	2013 EUR
Assets			
Financial assets at fair value through profit or loss	6	129,395,971	86,594,468
Accrued income	7	366,900	472,847
Receivables	8	4,782	601,666
Cash and cash equivalents	11	6,916,617	7,534,859
Total assets		136,684,270	95,203,840
Liabilities			
Financial liabilities at fair value through profit or loss	6	263,900	41,323
Trade and other payables	9	2,696,809	1,309,378
Total liabilities (excluding net assets attributable to holders of redeemable shares)		2,960,709	1,350,701
Net assets attributable to holders of redeemable shares		133,723,561	93,853,139

These financial statements were approved by the board of directors, authorised for issue on 19 December 2014 and signed on its behalf by:


Dr. Frank Chetcuti Dimech
Director


Mr. Tom Anastasi Pace
Director

HERMES LINDER FUND SICAV PLC

Statement of changes in net assets attributable to holders of redeemable shares Year ended 31 August 2014

	2014 EUR	2013 EUR
At the beginning of the year	93,853,139	79,065,355
Creation of redeemable shares	26,090,682	10,121,769
Redemption of redeemable shares	(2,629,606)	(4,862,501)
Change in net asset attributable to holders of redeemable shares	16,409,346	9,528,516
Net asset attributable to holders of redeemable shares	133,723,561	93,853,139

HERMES LINDER FUND SICAV PLC

Statement of cash flows

Year ended 31 August 2014

	2014 EUR	2013 EUR
Cash flows from operating activities		
Bond and bank interest received	959,072	1,154,891
Dividend income received	3,392,538	2,112,956
Operating expenses paid	(1,988,714)	(1,341,306)
Income taxes paid	(468,537)	(292,577)
<i>Net cash flows from operating activities</i>	<u>1,894,359</u>	<u>1,633,964</u>
Cash flows used in investing activities		
Payment to acquire financial instruments at fair value through profit or loss	(82,474,161)	(62,021,598)
Receipts from disposal of financial instruments at fair value through profit or loss	56,500,484	53,476,214
<i>Net cash flows used in investing activities</i>	<u>(25,973,677)</u>	<u>(8,545,384)</u>
Cash flows from financing activities		
Amounts received on creation of redeemable shares	26,090,682	10,121,769
Amounts paid on redemption of redeemable shares	(2,629,606)	(4,862,501)
<i>Net cash flows from financing activities</i>	<u>23,461,076</u>	<u>5,259,268</u>
Net movements in cash and cash equivalents	(618,242)	(1,652,152)
Cash and cash equivalents at the beginning of the year	7,534,859	9,187,049
Effect of exchange rate changes	-	(38)
Cash and cash equivalents at the end of the year (note 11)	<u>6,916,617</u>	<u>7,534,859</u>

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

1. Basis of preparation

Hermes Linder Fund SICAV PLC (“the Company”/“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 Company which include the following sub-fund licensed at 31 August 2014: Hermes Linder Fund (“the sub-fund”).

The Company 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 multifund limited liability company with variable share capital targeting experienced investors.

With effect from 1 September 2010, the Company 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).

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 Company 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 Company 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.

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

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

2. Significant accounting policies (continued)

Financial instruments (continued)

(i) Receivables

Receivables are classified with assets and are stated at 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 and liabilities at fair value through profit or loss

The Fund's investments are classified as financial assets and financial liabilities at fair value through profit or loss. Financial assets and financial liabilities at fair value through profit or loss are those that are held for trading purposes or those financial assets that are so designated by the company upon initial recognition.

After initial recognition, financial assets and financial liabilities at fair value through profit or loss are measured at their fair value. Prior to 1 January 2013, the quoted market price used for financial assets held by the fund was the current bid price; the quoted market price for financial liabilities was the current asking price. The Fund adopted IFRS 13, 'Fair value measurement', from 1 January 2013; it changed its fair valuation input to utilise the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Gains and losses arising from a change in fair value are recognised in profit or loss in the period in which they arise. Where applicable, dividend income and interest income on financial assets at fair value through profit or loss is disclosed separately in the statement of comprehensive income on page 6. Fair value gains and losses are recognised within net gain/(loss) on financial instruments at fair value through profit or loss.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

2. Significant accounting policies

Financial instruments (continued)

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

(a) Securities sold short

Securities sold short are those positions where the company has sold a security that it does not own. Short sales are used predominantly for hedging purposes. To enter a short sale, the Company may need to borrow the security for delivery to the buyer. On each day the short sale transaction is open, the liability to replace the borrowed security is marked to market and an unrealised gain or loss is recorded in the statement of comprehensive income. While the transaction is open the Company will incur an expense for any dividends that will be paid to the lender of the securities.

(b) Derivative financial instruments

Derivative financial assets and derivative financial liabilities are classified as held for trading unless they are designated as effective hedging instruments. During the year under review, the Company did not designate any of its derivative financial instruments in a hedging relationship for accounting purposes.

After initial recognition, derivative financial instruments are measured at their fair value. Gains and losses arising from a change in fair value are recognised in profit or loss in the period in which they arise.

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward foreign exchange contracts are valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price, and is recognised in the statement of comprehensive income.

A futures contract provides an investor the opportunity to buy or sell an asset or security at a specified price and settlement date in the future. To buy or sell a futures contract is a commitment to buy or sell the underlying asset or security at the specified price and settlement date. Investing in futures contracts carries high exposure to risk. Because of the leverage associated with trading futures, a relatively small movement in the market price of traded instruments may result in a disproportionately large profit or loss.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

2. Significant accounting policies (continued)

Financial instruments (continued)

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

(b) Derivative financial instruments (continued)

Options are derivative financial instruments that give the buyer, in exchange for a premium payment, the right, but not the obligation, to either purchase from (call option) or sell to (put option), the other party a specified underlying instrument at a specified price on or before a specified date. The Company enters into exchange traded and over the counter option contracts to meet the requirement of its risk management and trading activities.

(c) Convertible bond

The convertible bond represents a hybrid contract with an embedded derivative. The Company does not account for the embedded derivative separately and designates the entire instrument as at fair value through profit or loss upon initial recognition and is subsequently re-measured to its fair value at the end of each reporting period. The Company designates hybrid contracts as a financial asset or financial liability at fair value through profit or loss when such contracts contain one or more embedded derivatives and when it is permitted to do so.

Structured products which are unquoted or otherwise not traded in an active market, are valued by the issuer using a methodology designed to assess the value after acquisition, having regard to market terms at the measurement date, including interest rates and liquidity and other factors. The basis of valuation on each valuation date will be determined on the most appropriate basis to use, having regard to a) any relevant information generally available in the market at the time; and b) any other relevant information.

(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 PLC

Notes to the financial statements

31 August 2014

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 in net gain/loss on financial assets at fair value through profit or loss in the statement of comprehensive income.

(v) Net assets attributable to holders of redeemable shares

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 Company 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 Company 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 Company 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 PLC

Notes to the financial statements

31 August 2014

2. Significant accounting policies (continued)

Financial instruments (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 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.

Hermes Linder Fund SICAV plc 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 Hermes Linder Fund SICAV plc 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 Company recognises the related dividend or interest in the statement of 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 Company 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 comprehensive income.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

2. Significant accounting policies (continued)

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.

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

In the process of applying the Company'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, most 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 and International Financial Reporting Standards in issue but not yet effective

Initial application of an International Financial Reporting Standard

In the current year, the company has applied the following:

- IFRS 13 Fair Value Measurement defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 does not require fair value measurements in addition to those already required or permitted by other IFRSs. IFRS 13 was issued in May 2011 and is effective for annual periods commencing on or after 1 January 2013.
- An amendment to IAS 1 Presentation of Financial Statements as part of the 'Annual Improvements 2009-2011 cycle' was issued on 17 May 2012 and is effective for annual periods beginning on or after 1 January 2013 clarifies the disclosure requirements that need to be made in an entity's financial statements in respect of comparative information.
- The December 2011 Amendments to IFRS 7, Disclosures – Offsetting Financial Assets and Financial Liabilities applicable for annual periods beginning on or after 1 January 2013 (with earlier application being permitted). The amendments include additional disclosures for (i) all recognised financial instruments that are set off in accordance with IAS 32 and for (ii) recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether these are set off in accordance with IAS 32. These amendments are applied retrospectively.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

4. Initial application of an International Financial Reporting Standard and International Financial Reporting Standards in issue but not yet effective (continued)

International Financial Reporting Standards in issue but not yet effective

At the date of authorisation of these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

- An amendment to IFRS 13 was issued in December 2013 as part of the Annual Improvements to IFRSs 2010-2012 cycle. This amendment clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial. This amendment has not yet been endorsed by the EU.

A second amendment to IFRS 13 was also issued in December 2013 as part of the Annual Improvements to IFRSs 2011-2013 cycle. This amendment clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation. This amendment has not yet been endorsed by the EU.

- The final version of IFRS 9 Financial Instruments brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 'Financial Instruments: Recognition and Measurement'.

The Standard supersedes all previous versions of IFRS 9.

IFRS 9 introduces a logical approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule based requirements that are generally considered to be overly complex and difficult to apply.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

4. Initial application of an International Financial Reporting Standard and International Financial Reporting Standards in issue but not yet effective (continued)

International Financial Reporting Standards in issue but not yet effective (continued)

The new model also results in a single, forward-looking 'expected loss' impairment model that will require more timely recognition of expected credit losses.

IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements.

IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. IFRS 9 has not yet been endorsed by the EU.

- The December 2011 amendments to IAS 32 relating to offsetting financial assets and financial liabilities are intended to help investors and other financial statement users to better assess the effect or potential effect of offsetting arrangements on a Company's financial position. This amendment is effective for annual periods commencing on or after 1 January 2014.
- The December 2013 amendment to IAS 24 deals with Related Party disclosures. This amendment is part of the 'Annual Improvements to IFRSs 2010-2012 cycle'. It clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity. This amendment has not yet been endorsed by the EU.

Only the amendments that are relevant to the Company have been disclosed above. The Company, however, expects no impact from the adoption of the amendments on its financial position or performance.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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 Company 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 Company in respect of the Sub-Fund.

Class C Voting Shares: Nil.

(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.

(iii) Administrator fees

Hermes Linder Fund - The Administrator, Valletta Fund Services Limited, receives a fee which varies between 0.09% and 0.125% per annum of the net asset value of the Fund and is subject to a minimum fee of *EUR35,000*.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

5. Fees (continued)

(iv) Custodian fees

Hermes Linder Fund - The Custodian, Bank of Valletta plc, receives a Custody Fee at *EUR30,000* per annum. The Sub-Custodian, Axion Swiss Bank, receives a sub-custody fee at 0.075% based on the NAV of the sub-fund subject to a minimum of *EUR25,000* per annum. The custody fee does not include any sub-custody fees due by the custodian to the sub-custodian.

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

	2014 Fair value EUR	% of net assets	% of total assets
Financial assets at fair value through profit or loss			
Held for trading			
- Equity instruments	121,498,575	90.86	88.89
- Debt instruments	7,897,396	5.91	5.78
	<u>129,395,971</u>	<u>96.77</u>	<u>94.67</u>

	2013 Fair value EUR	% of net assets	% of total assets
Financial assets at fair value through profit or loss			
Held for trading			
- Equity instruments	74,159,477	79.02	77.90
- Debt instruments	11,886,106	12.66	12.48
- Convertible bond	548,885	0.58	0.58
	<u>86,594,468</u>	<u>92.26</u>	<u>90.96</u>

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

	2014 Fair value EUR	% of net assets	% of total liabilities
Financial liabilities at fair value through profit or loss			
Held for trading			
- Fair value of options	27,169	(0.02)	0.92
- Fair value of forward exchange contracts	236,731	(0.17)	8.00
	<u>263,900</u>	<u>(0.19)</u>	<u>8.92</u>

2014

Investments in options

Expiration	Details	Fair value of options at year-end EUR
September 2014	Sale of 604 CIE RICHEMONT Options	(31,042)
September 2014	Sale of 120 GALENICA Options	(5,182)
September 2014	Sale of 93 GALENICA Options	(8,141)
September 2014	Sale of 91 GALENICA Options	(15,192)
September- 2014	Sale of 400 ITALCEMENT Options	(7,908)
September 2014	Sale of 480 ITALCEMENT Options	(4,685)
September 2014	Sale of 100 ITALCEMENT Options	(401)
September 2014	Sale of 56 SWISS RE Options	(7,705)
September 2014	Sale of 180 UNICREDIT Options	(37,620)
September 2014	Sale of 194 UNICREDIT Options	(21,437)
September 2014	Sale of 400 UNILEVER Options	(18,400)
December 2014	Purchase of 400 BANCA MONTEPASCHI Options	161,120
December 2014	Sale of 520 BANCA MONTEPASCHI Options	(30,576)
		<u>(27,169)</u>

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

2014

Investments in forward exchange contracts

Maturity	Notional value	Details	Fair value of forward exchange contracts at year-end EUR
08 September 2014	(550,000)	Sell AUD/Buy EUR	(8,097)
08 September 2014	(34,100,000)	Sell CHF/Buy EUR	(255,573)
08 September 2014	(7,350,000)	Sell GBP/Buy EUR	(31,030)
08 September 2014	(10,400,000)	Sell HKD/Buy EUR	(17,762)
08 September 2014	(15,125,000)	Sell ILS/Buy EUR	84,349
08 September 2014	(600,000)	Sell USD/Buy EUR	(8,032)
24 September 2014	(300,000)	Sell CHF/Buy EUR	(586)
			<u>(236,731)</u>

2013

	Fair value EUR	% of net assets	% of total liabilities
Financial liabilities at fair value through profit or loss			
Held for trading			
- Fair value of options	12,927	(0.01)	0.96
- Fair value of forward exchange contracts	28,396	(0.03)	2.10
	<u>41,323</u>	<u>(0.04)</u>	<u>3.06</u>

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

2013

Investments in options

Expiration	Details	Fair value of options at year-end EUR
September 2013	Sale of 200 CIE RICHEMONT Options	(31,234)
September 2013	Sale of 90 CIE RICHEMONT Options	(29,135)
September 2013	Sale of 366 SWISS Options	(31,258)
September 2013	Sale of 366 SWISS Options	(12,801)
December 2013	Purchase of 800 BANCO POPOLARE Options	26,480
December 2013	Purchase of 1000 POTASH Options	37,160
December 2013	Purchase of 555 UNICREDIT Options	23,199
December 2013	Purchase of 180 UNICREDIT Options	4,662
		<u>(12,927)</u>

2013

Investments in forward exchange contracts

Maturity	Notional value	Details	Fair value of forward exchange contracts at year-end EUR
25 September 2013	(390,000)	Sell AUD/Buy EUR	6,271
25 September 2013	(10,150,000)	Sell CAD/Buy EUR	84,499
25 September 2013	(24,720,000)	Sell CHF/Buy EUR	(101,148)
25 September 2013	(7,550,000)	Sell GBP/Buy EUR	5,296
25 September 2013	(13,925,000)	Sell HKD/Buy EUR	(13,862)
25 September 2013	(15,260,000)	Sell ILS/Buy EUR	3,652
25 September 2013	(1,650,000)	Sell USD/Buy EUR	(13,104)
			<u>(28,396)</u>

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

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

7. Accrued income

	2014 EUR	2013 EUR
Accrued interest	274,480	338,887
Dividends receivable	92,420	133,960
	<u>366,900</u>	<u>472,847</u>

8. Receivables

	2014 EUR	2013 EUR
Sales for settlement	<u>4,782</u>	<u>601,666</u>

9. Payables

	2014 EUR	2013 EUR
Accruals	2,276,620	357,399
Purchases for settlement	420,189	951,979
	<u>2,696,809</u>	<u>1,309,378</u>

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 13.

10. Share capital

Authorised share capital

The Company 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 Company 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 Company shall have no nominal value and shall be equal to the value, for the time being, of the issued share capital of the Company. Each sub-fund shall constitute a separate class of shares in the Company, 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 PLC

Notes to the financial statements

31 August 2014

10. Share capital (continued)

Issued share capital (continued)

Founder shares shall be the only class of shares in the Company 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 Company or in the assets of the Company 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 Company'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 Company 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 2013	25,641.72	24,336.01
Issue of redeemable shares during the year	4,018.36	12,723.18
Redemption of redeemable shares during the year	(741.84)	(443.40)
Balance as at 31 August 2014	28,918.24	36,615.79

	Numbers of Shares Class A	Numbers of Shares Class B
Balance as at 1 September 2012	25,184.39	19,694.50
Issue of redeemable shares during the year	2,133.41	4,936.53
Redemption of redeemable shares during the year	(1,676.08)	(295.02)
Balance as at 31 August 2013	25,641.72	24,336.01

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 8.

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:

	2014 EUR	2013 EUR
Cash and cash equivalents held in banks	6,648,601	6,155,452
Initial margin balances on open future and option contracts	2,440,401	996,767
Variation margin balances on open future contracts	(2,172,385)	382,640
	<u>6,916,617</u>	<u>7,534,859</u>

Cash at bank earns interest at floating rates based on bank deposit rates. Included in cash and cash equivalents are fiduciaries deposits amounting to *EUR1,400,000* (2013: *EUR 2,500,000*). These fiduciary deposits are short-term in nature and could be called within less than 3 months.

Variation margin balances on open future contracts

	2014 EUR	% of net assets	% of total liabilities
Financial liabilities at fair value through profit or loss			
Held for trading			
- Fair value of open futures contracts	(2,172,385)	1.59	73.37

Maturity	Details	Fair value of future contracts at year-end EUR
September 2014	Sale of 309 EURX-EUR BTP	(1,780,235)
September 2014	Sale of 55 EUREX-LONG EUR OAT	(392,150)
		<u>(2,172,385)</u>

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

11. Cash and cash equivalents (continued)

	2013 EUR	% of net assets	% of total liabilities
Financial assets at fair value through profit or loss			
Held for trading			
- Fair value of open futures contracts	382,640	0.41	28.33

Maturity	Details	Fair value of future contracts at year-end EUR
September 2013	Sale of 154 EURX-EUR BTP	247,560
September 2013	Sale of 44 EUREX-LONG EUR OAT	135,080
		<u>382,640</u>

12. Related party disclosures

During the year, the Company entered into transactions with key management personnel as set out below:

Mr. Claudio Palladini is a director and founder member of the Company. Mr. Tom Anastasi Pace and Dr. Frank Chetcuti Dimech are both directors of the Company and directors of Praude Asset Management Limited, the investment manager of the Fund. During the year under review, the Company incurred management fees and performance fees amounting to *EUR1,490,241* (2013: *EUR1,109,130*) and *EUR2,093,811* (2013: *EUR222,309*) respectively. Director's Fees amounting to *EUR9,900* (2013: *EUR9,900*) were incurred during the period.

The company secretary of Hermes Linder Fund Sicav plc, Valletta Fund Services Limited, is also the Fund's administrator. Mr. Tom Anastasi Pace is the director of the Company and director of Valletta Fund Services Limited, the fund administrator. During the year under review, the Company incurred administration fees amounting to *EUR115,583* (2013: *EUR90,788*).

Dr. Frank Chetcuti Dimech is also the compliance officer and money laundering reporting officer of the Company. The remuneration paid to Dr. Frank Chetcuti Dimech for these services is included in his director fee.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

13. Fair values of financial assets and financial liabilities

At 30 August 2014 and 2013, 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 Company 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 30 August 2014 and 2013 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.

The Company 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.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

The following table analyses within the fair value hierarchy the Company's financial assets and financial liabilities measured at fair value for 31 August 2014 and 31 August 2013.

Financial assets and financial liabilities at fair value as at 31 August 2014

	Total EUR	Level 1 EUR	Level 2 EUR	Level 3 EUR
<i>Financial assets held for trading</i>				
- Equity instruments	121,498,575	121,498,575	-	-
- Debt instruments	7,897,396	7,897,396	-	-
	<u>129,395,971</u>	<u>129,395,971</u>	-	-
<i>Financial liabilities held for trading</i>				
- Derivative instruments	2,436,285	2,199,554	236,731	-

Financial assets and financial liabilities at fair value as at 31 August 2013

	Total EUR	Level 1 EUR	Level 2 EUR	Level 3 EUR
<i>Financial assets held for trading</i>				
- Equity instruments	74,159,477	74,159,477	-	-
- Debt instruments	11,886,106	11,886,106	-	-
- Convertible bonds	548,885	548,885	-	-
	<u>86,594,468</u>	<u>86,594,468</u>	-	-
<i>Financial liabilities held for trading</i>				
- Derivative instruments	41,323	12,927	28,396	-

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

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

2014	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Receivables	-	366,900	-	366,900
Amounts receivable on securities sold	-	4,782	-	4,782
Cash and cash equivalents	6,916,617	-	-	6,916,617
Total	6,916,617	371,682	-	7,288,299
Liabilities				
Payables	-	2,696,809	-	2,696,809
Net assets attributable to holders of redeemable shares	-	133,723,561	-	133,723,561
Total	-	136,420,370	-	136,420,370

2013	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Accrued Income	-	472,847	-	472,847
Amounts receivable on securities sold	-	601,666	-	601,666
Cash and cash equivalents	6,155,452	-	-	6,155,452
Total	6,155,452	1,074,513	-	7,229,965
Liabilities				
Payables	-	1,309,378	-	1,309,378
Net assets attributable to holders of redeemable shares	-	93,853,139	-	93,853,139
Total	-	95,162,517	-	95,162,517

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

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

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 Company 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.

14. Financial risk management

Risk management

Where possible, the Company 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 Company 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 Company trades in financial instruments, taking positions in traded instruments including derivatives. All securities present a risk of loss of capital. The Company 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 Company's overall market positions are monitored on a regular basis by the company's investment manager.

The Company's exposure to the different types of investments is summarised in note 6 to the financial statements.

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (*continued*)

Market risk (continued)

At the year-end, the Company'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 factors affecting all instruments traded in the market.

The Company'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 Company'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 comprehensive income on page 6.

Price risk is mitigated by the Company'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 Company may employ various techniques and enter into hedging transactions to attempt to mitigate a portion of the risks inherent to its investment strategies. The Company 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 Company's industry diversification as at the reporting date:

	2014	2013
	%	%
Financial services industry	20.08	29.04
Basic material	11.35	7.35
Industrials	33.17	33.61
Consumer services	7.54	2.67
Telecommunications	0.51	2.49
Consumer goods	17.58	12.47
Other	6.54	4.71

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (*continued*)

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 Company's investments.

At the statement of financial position date, 6.10% (2013: 14.36%) of the financial assets of the Company are interest bearing. Management monitors the movement in interest rates and, where possible, reacts to material movements in such rates by restructuring its financing structure.

Except as mentioned above, the financial instruments of the Company 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 Company's financial instruments carrying a rate of interest at the reporting date are disclosed in the notes to the financial statements.

Currency risk

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

	2014 % of net assets EUR	2013 % of net assets EUR
- denominated in EUR	57.74	44.71
- denominated in CHF	21.36	21.02
- denominated in SGD	6.09	9.51
- denominated in CAD	2.99	7.61
- denominated in USD	0.31	1.29
- denominated in AUD	0.24	0.27
- denominated in HKD	0.85	1.43
- denominated in ILS	2.30	3.09
- denominated in CNY	-	0.60
- denominated in GBP	7.06	9.67
- denominated in SEK	0.39	0.83
	99.34	100.03

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Currency risk (continued)

Foreign exchange fluctuations were partly hedged through forward foreign exchange contracts. The contract amounts as at year end are disclosed below:

2014	Contract amount in Euro	Contract amount in foreign currency
Sale of AUD against EUR maturing on 08 September 2014	(381,920)	(550,000)
Sale of CHF against EUR maturing on 08 September 2014	(30,074,640)	(36,600,000)
Sale of GBP against EUR maturing on 08 September 2014	(9,233,070)	(7,350,000)
Sale of HKD against EUR maturing on 08 September 2014	(1,000,480)	(10,400,000)
Sale of ILS against EUR maturing on 08 September 2014	(3,301,788)	(15,125,000)
Sale of USD against EUR maturing on 08 September 2014	(447,420)	(600,000)
Sale of CHF against EUR maturing on 24 September 2014	(248,130)	(300,000)
Purchase of CHF against EUR maturing on 08 September 2014	2,065,433	2,500,000
2013	Contract amount in Euro	Contract amount in foreign currency
Sale of AUD against EUR maturing on 25 September 2013	(268,749)	(390,000)
Sale of CAD against EUR maturing on 25 September 2013	(7,370,930)	(10,150,000)
Sale of CHF against EUR maturing on 25 September 2013	(20,007,768)	(24,720,000)
Sale of GBP against EUR maturing on 25 September 2013	(8,856,905)	(7,550,000)
Sale of HKD against EUR maturing on 25 September 2013	(1,347,940)	(13,925,000)
Sale of ILS against EUR maturing on 25 September 2013	(3,196,970)	(15,260,000)
Sale of USD against EUR maturing on 25 September 2013	(1,237,995)	(1,650,000)

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

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Sensitivity analysis (continued)

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.

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
	2014	2013
	EUR	EUR
Currency exchange risks	+/-1,059,829	+/-1,126,994
Financial instruments prices	+/-12,365,803	+/-7,452,919
Market interest rates – cash flow	+/-154,705	+/-248,700

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

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations as they fall due. The Company'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 Company is exposed to cash redemptions of redeemable shares every 15 days with 5 working days notice. Redeemable shares are redeemed on demand at the holder's option. Notwithstanding, the Company has the option to limit the number of investor shares redeemed on any redemption day to 5 % of the total NAV of the Company 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 significant portion of the Company's assets is maintained as cash and cash equivalents in order to meet unexpected redemptions and other liabilities. In addition the Company's listed financial instruments 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 Company's financial liabilities at 31 August 2014 and 31 August 2013.

2014	Less than 1 month EUR	1-3 months EUR	Total EUR
<i>Financial liabilities</i>			
Derivative instruments	263,900	-	263,900
Custodian fee payable	-	10,935	10,935
Other fees payable	2,266,270	-	2,266,270
Amounts due on securities purchased	420,189	-	420,189
Net assets attributable to participating shareholders	133,723,561	-	133,723,561

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Liquidity risk (continued)

2013	Less than 1 month EUR	1-3 months EUR	Total EUR
<i>Financial liabilities</i>			
Derivative Instruments	104,428	-	104,428
Custodian fee payable	-	8,609	8,609
Other fees payable	348,790	-	348,790
Amounts due on securities purchased	951,979	-	951,979
Net assets attributable to participating shareholders	93,853,139	-	93,853,139

In accordance with the Company's policy, the investment manager monitors the Company'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 Company. The Company has policies that limit the amount of credit exposure to any single issuer. Accordingly, the investment manager monitors the Company's credit position on a regular basis. Financial assets, which potentially subject the Company 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 Company has no significant credit risk in respect of accounts receivable.

Cash and cash equivalents and derivative instruments are respectively held and entered into with reputable counterparties. As disclosed in note 11, cash and cash equivalents include fiduciary deposits which are held with Deutsche Bank AG and BNP Paribas SA. The following table reflects the credit ratings as issued by Standard & Poor for the aforementioned financial institutions utilised by the Sub-Fund:

Financial institution	Credit rating
Deutsche Bank AG	A
BNP Paribas SA	A+

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Credit risk (continued)

Credit risk arising on other debt instruments held in 2014 and 2013 was mitigated by investing in rated instruments issued by rated counter parties as shown below:

2014

	Credit rating	Market value 2014	% of net assets
Assicurazioni Generali Spa 6.41% FR	BBB-	7,897,396	5.91

2013

	Credit rating	Market value 2013	% of net assets
Assicurazioni Generali Spa 6.41% FR	BBB-	6,170,766	6.57
Generali Finance B.V. 6.21% FR	BBB-	2,595,652	2.77
Mapfre SA 5.92% 2037	BB	3,119,688	3.32
Sound Global 6% 2015	Not rated	548,885	0.58
		<u>12,434,991</u>	

Offsetting financial assets and financial liabilities

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

	Gross financial assets	Gross financial liabilities off-set	Net amount of presented financial assets	Related amounts not set off in the financial statements		Net amount
	EUR	EUR	EUR	Financial instruments	Financial collateral received	EUR
				EUR	EUR	
2014						
Cash and cash equivalents	9,089,002	(2,172,385)	6,916,617	-	-	6,916,617
Derivatives	46,162,995	(46,162,995)	-	-	-	-
2013						
Cash and cash equivalent	7,534,859	-	7,534,859	-	-	6,538,092
Derivatives	23,397,500	(23,014,860)	382,640	-	-	382,640

HERMES LINDER FUND SICAV PLC

Notes to the financial statements

31 August 2014

14. Financial risk management (continued)

Offsetting financial assets and financial liabilities (continued)

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

	Gross amounts financial liabilities EUR	Gross amount financial assets off-set EUR	Net amount of presented financial liabilities EUR	Related amounts not set off in the financial statements		Net amount EUR
				Financial instruments EUR	Financial collateral pledged EUR	
2014						
Derivatives	(48,335,380)	46,162,995	(2,172,385)	-	-	2,172,385
2013						
Derivatives	(23,014,860)	23,014,860	-	-	-	-

Capital risk management

The Company'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 Company's net asset value per share on the redemption date.

The Company 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 PLC

Portfolio Statement

Year ended 31 August 2014

	Market value 31.08.2014 EUR	% of net assets
Quoted Equities		
FLUGHAFEN WIEN AG	2,399,150	1.79
SEMPERIT AG	1,871,359	1.40
OM HOLDINGS LIMITED	317,125	0.24
AMERIGO RESOURCES LTD	243,248	0.18
BANKERS PETROLEUM LTD	2,170,977	1.62
CAPSTONE MINING CORP.	568,989	0.43
KIRKLAND LAKE GOLD INC	818,924	0.61
THOMPSON CREEK METALS CO LTD	284,117	0.21
BUCHER INDUSTRIES SPA	1,131,484	0.85
FLUGHANFEN ZURICH AG-REG	5,570,384	4.17
GALENICA 'R'	1,324,060	0.99
HELVETIA HOLDING	1,766,394	1.32
JUNGFRAUBAHN HOLDING AG-REG	568,379	0.43
MEYER BURGER TECHNOLOGY AG	1,071,313	0.80
CIE FINANCIERE RICHMONT	4,383,378	3.28
SCHMOLZ+BICKENBACH	3,151,246	2.36
SWISS NATIONAL INSURANCE COMPANY	3,722,688	2.78
SWISS RE	2,245,561	1.68
VAUDOISE ASSURANCES HOLDING LTD	3,695,635	2.76
SQM 'B' SPN.ADR 1:1	415,724	0.31
BEIJING CAPITAL INTERNATIONAL AIRPORT CO LTD	1,152,206	0.86
AAP IMPLANTATE	1,038,206	0.78
ADESSO	1,652,513	1.24
GESCO	1,430,550	1.07
ISRA VISION AG	1,708,178	1.28
LINDE	6,221,845	4.65
PNE WIND AG	731,968	0.55
POWERLAND AG	587,059	0.44
SCHALTBU HOLDING AG	2,882,116	2.16
SUESS MICROTEC	1,335,542	1.00
TECHNOTRANS AG	759,952	0.57
VTG	1,188,720	0.89
THEOLIA	471,574	0.35
CATLIN GROUP	453,634	0.34
SPECTRIS	994,181	0.74
ATTICA PUBLICATIONS	143,684	0.11

HERMES LINDER FUND SICAV PLC

Portfolio Statement (continued)

Year ended 31 August 2014

	Market value 31.08.2014 EUR	% of net assets
Quoted Equities (continued)		
FYFFES PLC	5,385,865	4.03
TOTAL PRODUCE PLC	2,776,238	2.08
ISRAEL CHEMICALS LTD	3,153,246	2.36
ASCOPIAVE	683,877	0.51
BANCA IFIS	2,548,467	1.91
BIESSE SPA	6,473,961	4.84
BUZZI UNICEM RSP	1,190,382	0.89
DANIELI & C RSP	1,759,894	1.32
EL FN SPA	2,466,910	1.84
INTERPUMP GROUP SPA	2,423,323	1.81
ITALCEMENTI SPA RSP	4,767,604	3.57
LA DORIA SPA	2,625,265	1.96
PIRELLI & C RSP	2,109,144	1.58
SAFILO	3,188,712	2.38
UNCIRECREDIT	2,202,860	1.65
DOCDATA NV	1,786,491	1.34
KAS BANK NV	2,318,906	1.73
UNILEVER CERTS.	6,158,227	4.61
ASL MARINE HOLDINGS LTD	437,888	0.33
CWT LTD	1,497,293	1.12
FOOD EMPIRE HOLDINGS LTD	1,265,282	0.95
LIAN BENG GROUP	1,455,469	1.09
PACIFIC ANDES RESOURCES DEVELOPMENT LTD	854,922	0.64
SWIBER HOLDINGS LTD	447,135	0.33
TTJ HOLDING LTD	648,820	0.49
YHI INTERNATIONAL LTD	400,335	0.30

HERMES LINDER FUND SICAV PLC

Portfolio Statement (continued)

Year ended 31 August 2014

	Market value 31.08.2014 EUR	% of net assets
Quoted Corporate Bonds		
ASSICURAZIONI GENERALI SPA 6.41% FR	7,897,396	5.91
Derivatives - Options		
BANCA MONTEPASCHI December 2014 Put Strike @1.6247	161,120	0.12
BANCA MONTEPASCHI December 2014 Put Strike @1.0	(30,576)	(0.02)
CIE RICHEMONT September 2014 Call Strike @90	(31,042)	(0.02)
GALENICA September 2014 Put Strike @840	(5,182)	0.00
GALENICA September 2014 Put Strike @860	(8,141)	(0.01)
GALENICA September 2014 Put Strike @880	(15,192)	(0.01)
ITALCEMENT September 2015 Call Strike @5.4	(7,908)	(0.01)
ITALCEMENT September 2015 Call Strike @5.6	(4,685)	0.00
ITALCEMENT September 2015 Call Strike @5.8	(401)	0.00
SWISS RE September 2014 Call Strike@74	(7,706)	(0.01)
UNICREDIT September 2014 Call MDI@5.8	(37,620)	(0.03)
UNICREDIT September 2014 Call MDI@6.0	(21,437)	(0.02)
UNILEVER September 2014 Call Strike@31.5	(18,400)	(0.01)
Derivatives - Forward Forex Contracts		
	<i>Fair value</i>	<i>Nominal exposure</i>
Sale of AUD against EUR maturing on 08 September 2014	(8,097)	(381,944) (0.01)
Sale of CHF against EUR maturing on 08 September 2014	(255,573)	(28,012,560) (0.19)
Sale of CHF against EUR maturing on 24 September 2014	(585)	(248,139) (0.00)
Sale of GBP against EUR maturing on 08 September 2014	(31,030)	(9,233,668) (0.02)
Sale of HKD against EUR maturing on 08 September 2014	(17,762)	(1,000,895) (0.01)
Sale of ILS against EUR maturing on 08 September 2014	84,349	(3,302,402) 0.06
Sale of USD against EUR maturing on 08 September 2014	(8,032)	(447,427) (0.01)
Derivatives - Futures		
	<i>Fair value</i>	<i>Nominal exposure</i>
FUTURE EUREX-EUR BTP SEP 14	(1,780,235)	(40,330,680) (30.16)
FUTURE EUREX- LONG EUR OAT SEP 14	(392,150)	(8,004,700) (5.99)

HERMES LINDER FUND SICAV PLC

Statement of Changes in the Composition of the Portfolios

Year ended 31 August 2014

	% of net assets 31.08.2014	% of net assets 31.08.2013
Quoted equities	90.86	79.02
Quoted bonds	5.91	12.66
Quoted convertible bonds	-	0.58
Derivative financial liabilities	(0.18)	(0.04)

HERMES LINDER FUND SICAV PLC

Salient statistics and information about the Company

Year ended 31 August 2014

Hermes Linder Fund SICAV PLC (“the Company”/ “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 multifund 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).

The Company, 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 2014	Hermes Linder Fund Class B Number of shares 2014	Hermes Linder Fund Total Number of shares 2014
Investor shares in issue as at 31 August 2014	28,918.24	36,615.80	65,534.04
	EUR	EUR	EUR
Net asset value of investor shares as per statement of financial position	93,479,673	40,243,127	133,722,800
Temporary differences	5,475	2,349	7,824
Net asset value of investor shares as at official valuation date 31 August 2014	93,485,148	40,245,476	133,730,624
Net asset value of investor shares as at official valuation Date 31 August 2014	3,232.739	1,099.128	-

HERMES LINDER FUND SICAV PLC

Salient statistics and information about the Company (continued)

Year ended 31 August 2014

	Hermes Linder Fund Class A Number of shares 2013	Hermes Linder Fund Class B Number of shares 2013	Hermes Linder Fund Total Number of shares 2013
Investor shares in issue as at 31 August 2013	25,641.72	24,336.01	49,977.73
	EUR	EUR	EUR
Net asset value of investor shares as per statement of financial position	71,248,056	22,605,083	93,853,139
Temporary differences	(576)	(183)	(759)
Net asset value of investor shares as at official valuation date 31 August 2013	71,247,480	22,604,900	93,852,380
Net asset value of investor shares as at official valuation date 31 August 2013	2,778.576	928.866	-
	Hermes Linder Fund Class A Number of shares 2012	Hermes Linder Fund Class B Number of shares 2012	Hermes Linder Fund Total Number of shares 2012
Investor shares in issue as at 31 August 2012	25,184.39	19,694.50	44,878.89
	EUR	EUR	EUR
Net asset value of investor shares as per statement of financial position	62,587,653	16,477,702	79,065,355
Temporary differences	5,345	1,407	6,752
Net asset value of investor shares as at official valuation date 31 August 2012	62,592,998	16,479,109	79,072,107
Net asset value of investor shares as at official valuation date 31 August 2012	2,485.39	836.74	-

Independent auditor's report to the members of

Hermes Linder Fund SICAV PLC

We have audited the accompanying financial statements of Hermes Linder Fund SICAV PLC ("the company") set out on pages 6 to 43, which comprise the statement of financial position as at 31 August 2014, and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

As explained more fully in the statement of directors' responsibilities on page 5, the directors of the company are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of financial statements that give a true and fair view 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 internal control of the company. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Independent auditor's report (continued) to the members of

Hermes Linder Fund SICAV PLC

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Hermes Linder Fund SICAV PLC as at 31 August 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been properly prepared in accordance with the requirements of the Companies Act (Cap. 386).

Michael Bianchi as Principal
in the name and on behalf of
Deloitte Audit Limited
Registered auditor

19 December 2014

HERMES LINDER FUND SICAV PLC

Manager's Report

Year ended 31 August 2014

Introduction

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).

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 – in a limited and controlled way - the typical 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

The flood of liquidity that has characterized the previous financial year has continued unabated, resulting in a steep decrease in interest rates to levels never seen before on a global scale. The financial industry (banks, insurance companies, asset managers) was not set to benefit and prosper in an environment of spiralling interest rates. Until now, the profit recorded on the long term portfolio has kept most of these players afloat. The desperate search for yield has driven asset managers to collect the most exotic and unreliable instruments, leading once again to the apparent neglect of the concept of credit risk. Government bonds of the weakest Euro area countries have defied the law of gravity and have been, once again, one of the most rewarding investments in the market. The ECB Governor has persuaded anybody that, whatever the fundamentals, the referee will stop the match if the result is not the desired one. In this environment, where we felt uneasy, we have continued to scout the market looking for companies with sound business, good and prudent management, reasonable market valuations.

We have explored some main themes.

HERMES LINDER FUND SICAV PLC

Manager's Report (continued)

Year ended 31 August 2014

Italy: on the one hand, we strongly believe that Italy has shown to be unable to adequately cope in times of crisis and the negligible return, offered by the Italian Government bonds doesn't even come close to a fair representation of the country's pure credit risk. On the other hand, notwithstanding the latter arguments, we still believe that Italy has many small and medium world class companies. They thrive thanks to the exceptional skills, dedication and commitment of their people. Their international exposure provides a shelter against the downturn of the Italian domestic economy. Contrary to our beliefs, during the past year markets awarded the highest prices ever to the Italian bonds but left Italian mid and small caps shares trading on undemanding multiples sometimes at prices very far from their historical peaks. This is the reason why we built/increased substantial positions in Biesse, Interpump, El.en, La Doria, Pirelli risparmio, Danieli risparmio. Whenever an alternative was available, we always preferred risparmio shares to the ordinary shares. We believe that "risparmio" shares – particular to the Italian legal system – should progressively be phased out: Italcementi, where we held a substantial position, confirmed this trend that generally benefits the holders of risparmio shares in comparison to the holders of ordinary shares.

During the year we kept our most important position in Assicurazioni Generali tier one subordinate bond: even if this instrument has appreciated substantially since we bought it, it still provides a yield that in our view discounts a credit risk that is justified only if it incorporates the risk of insolvency on the Italian sovereign bond that is by far the main asset held by Generali. We saw a discrepancy between the yields offered by this bond and the Italian Government bond and so we shorted the Italian 10 YR Government bonds against the long position in Generali tier one subordinates.

Switzerland: We kept a meaningful part of our portfolio in Switzerland. One of the main Swiss holdings is Flughafen Zurich, a company that has been in the portfolio of the Fund since its inception, more than ten years ago. During the period the Fund benefitted from Helvetia's offer for Swiss National, offering a good premium for Swiss National shareholders. We also maintained and increased our position in Vaudoise. We believe that small Swiss insurers provide long term value through undemanding ratios, prudent solvency policies and good dividends. Switzerland was also a market where the Fund kept some of the most liquid positions.

Ireland: in Ireland the Fund has two substantial positions, Fyffes and Total Produce, totaling around 7% of the Fund. Both these companies are involved in the very conservative and low margin fruit distribution business. They have been trading at very undemanding multiples. The prospected deal with Chiquita has shown that there is large room for appreciation. The Cutrale offer for Chiquita has wiped off the substantial gain that the Fund had registered after the announcement of the deal between Chiquita and Fyffes. We still believe that Fyffes provides very good value in a very conservative business.

HERMES LINDER FUND SICAV PLC

Manager's Report (continued)

Year ended 31 August 2014

Germany: we like German industrial companies as they belong to a very competitive system with a global reach. Among them our main position is in Schaltbau, a company that performed well even during the worst periods of the crisis and that trades on relatively cheap multiples. Also in Germany we kept an important position in Linde, one of the big caps.

The Fund kept on average 20% of its portfolio in very liquid shares on which options were sold in order to enhance the performance. The Fund from time to time, had a position in Linde, Air Liquide, Swiss Re, Richemont, Nestle and Unilever.

During the period [March – August 2014] the Fund registered a positive performance of 2.57% [Class A] and 2.54% [Class B]. For the full financial year, Class A gained 16.36% while Class B gained 18.34%. For the period March – August 2014, the Estoxx 50 gained 0.74% [+16.58% Sept – Aug 2014], Stoxx 600 gained 1.18% [+15.03% Sept – Aug 2014] and the MSCI World Index gained 4.37% [+18.74% Sept – Aug 2014].

Ten Largest Holdings as at 29 August 2014

Rank	Equity	Type	Country	Industry	% of Portfolio
1	Ass. Generali [6.416% call. 2022]	Bond	Italy	Financials	5.84%
2	Biesse	Equity	Italy	Industrials	4.77%
3	Linde	Equity	Germany	Basic Materials	4.59%
4	Unilever	Equity	Netherlands	Consumer Goods	4.54%
5	Flughafen Zurich	Equity	Switzerland	Industrials	4.11%
6	Fyffes	Equity	Ireland	Consumer Goods	3.97%
7	Italcementi	Equity	Italy	Industrials	3.52%
8	Cie Financiere Richemont	Equity	Switzerland	Consumer Goods	3.23%
9	Swiss National Insurance	Equity	Switzerland	Financials	2.75%
10	Vaudoise	Equity	Switzerland	Financials	2.73%

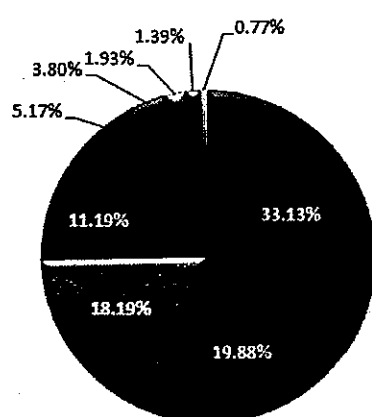
Asset Allocation as at 29 August 2014

	% of NAV
Quoted Equities	89.62
Quoted Corporate Bonds	5.84
Cash and Cash Equivalents	2.99
Initial Margin	1.80
Futures	(1.60)
Accrued Income	0.20
Forwards	(0.20)
Quoted Options	(0.02)

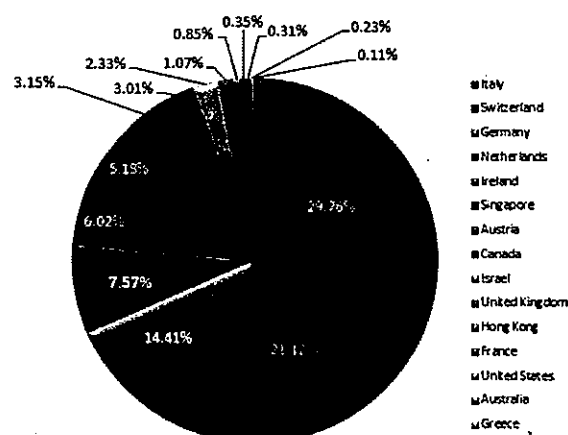
HERMES LINDER FUND SICAV PLC

Manager's Report (continued)

Year ended 31 August 2014



- Industrials
- Consumer Goods
- Financials
- Basic Materials
- Consumer Services
- Technology
- Oil & Gas
- Utilities
- Health Care
- Telecommunications



Industrial Diversification as at 29 August 2014

Geographical Diversification as at 29 August 2014

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

31 August 2013

Share Class	Net Asset Value per share	Number of Shares in Issue	Net Asset Value
A	€ 2,778.58	25,641.720	€ 71,239,113.05
B	€ 928.87	24,336.014	€ 22,602,245.42
C	N/A	N/A	N/A

29 August 2014

Share Class	Net Asset Value per share	Number of Shares in Issue	Net Asset Value
A	€ 3,232.74	28,918.242	€ 93,485,147.69
B	€ 1,099.13	36,615.802	€ 40,245,475.97
C	N/A	N/A	N/A

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

HERMES LINDER FUND SICAV PLC

[to be printed on the Custodian's Letterhead]

Custodian's report
to the members of

Hermes Linder Fund SICAV PLC

[Name]

[Title]
UniCredit (Suisse) Bank S.A.,
Via Emilio Bossi 1,
6901 Lugano,
Switzerland.

[Date]

