

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund depreciated 4.4% for the month of September compared to a (4.70)% return for the Russell 1000 Growth Index and a (3.80)% return for the S&P 500 both including dividends. At the end of September, the Sub-Fund was primarily invested in the technology, consumer discretionary, communication services and health care sectors, with smaller weights in the financials and consumer staples sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 22bps. This was primarily the result of the Manager's selections in the consumer discretionary sector. The Manager's selections in technology also benefitted performance. In September, the positions that contributed the most to the portfolio's return were Alibaba Group, Zoetis, Burlington Stores, Aon PLC and Thermo Fisher Scientific. The positions that contributed the least in the month were Facebook, Amazon.com, Alphabet, Microsoft and GoDaddy.

Manager's Commentary

The S&P 500 reached 3400 in mid-February, declined approximately one-third to a March low of nearly 2200, and then, in anticipation of an improved economic outlook and treatments for the virus, rallied over 3500 in early September. Equity markets discount future earnings and cash flows over the next decade or more. Accordingly, the market has completely recovered before the economy. Although the S&P pulled back from its high as the month progressed due to uncertainty over the timing of an additional fiscal stimulus package and fears of a second wave of coronavirus, DSM continues to believe that a global economic recovery has begun. However, a complete recovery from the global recession caused by COVID-19 will require the worldwide distribution of vaccines and treatments. Given that vaccines are at least three months away from approval and distribution, the Manager suspects the pandemic may persist in the developed world through 2021, and may extend well into 2022 in emerging market nations.

Over the past twelve years since the Global Financial Crisis (GFC) in 2008, the influence of unprecedentedly low interest rates on equity market performance has, in DSM's opinion, been underestimated. Today a purchase of the S&P 500 provides a dividend yield of approximately 180 basis points. With just modest global economic growth over the next ten years, the S&P 500 can likely provide an average dividend yield in excess of 200 basis points. The S&P 500 yield is quite attractive when compared to the roughly 70 basis point yield of the 10-year US Treasury note, which is often considered the "risk-free rate", as well as being the benchmark against which equities are valued. The yield of the S&P 500 also compares quite favorably to the negative yields on the 10-year bonds of France, Germany and Switzerland, and the fractionally positive yields provided by those of Japan and the United Kingdom.

DSM is reminded of the age-old investor adage, 'Don't fight the Fed', meaning that inevitably the Federal Reserve's low interest rates will drive stock prices higher. If perhaps today's low interest rates are in-fact 'manufactured' by the Federal Reserve and other central banks around the world, rates may well rise at some point over the next two to five years. Even if true, interest rates will likely remain historically low in a deflationary world. The Manager continues to believe that sequential earnings growth is likely to resume in the second half of 2020. By 2021 they assume that the global economy will be growing once again, although the emerging market economies may remain depressed at that time. Importantly, the portfolio's mid-to-high teens earnings growth will likely resume as well. DSM believes there remains significant appreciation potential, given the portfolio's reasonable valuation, substantial revenue and earnings growth, low interest rates, and the potential for improving global economic activity.

Key Information

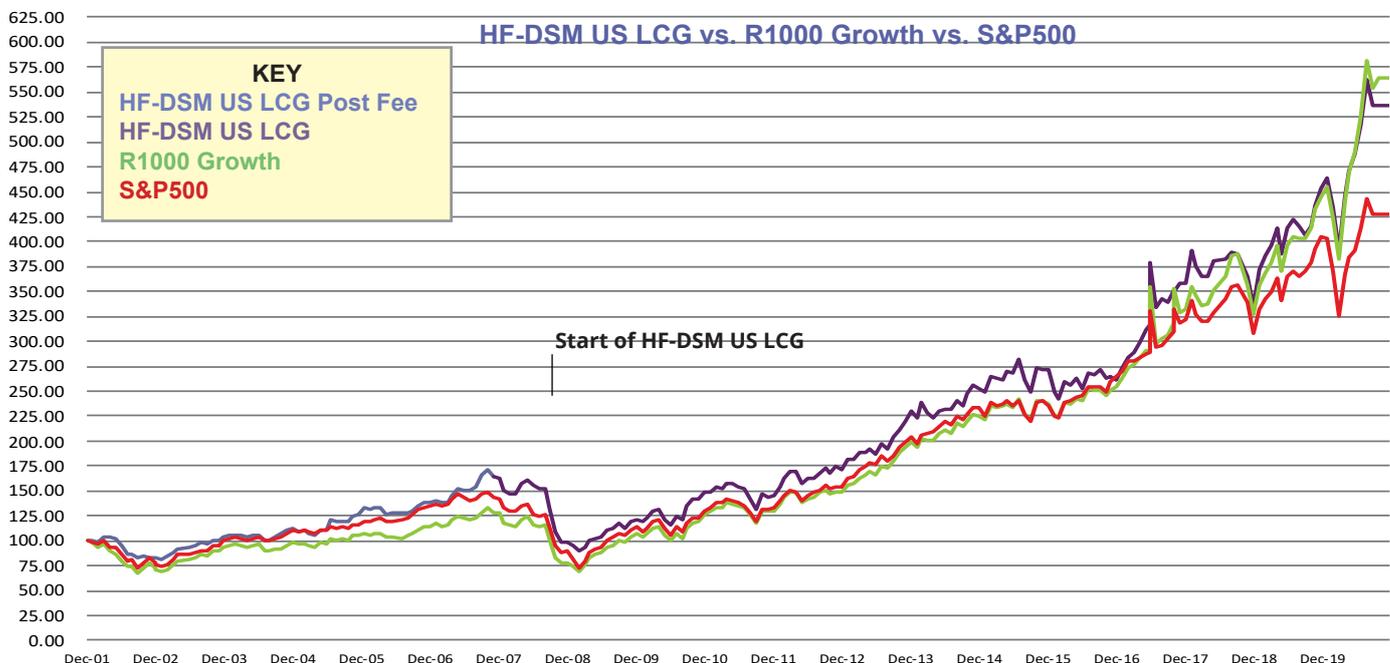
NAV A Shares (30/09/20) US\$ 327.64
Total Fund Size (all share classes) US\$ 84.1m

Strategy Assets
Fund Launch Date

US\$ 7,260.5m^(a)
29-Nov-07

| Monthly Performance (%) | | | | | | | | | | | | | |
|------------------------------------|-------|-------|--------|------|-----|-----|-----|------|-------|-----|-----|-----|------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
| HF-DSM US LCG | 2.1 | (6.3) | (9.8) | 13.8 | 5.8 | 3.6 | 6.1 | 8.5 | (4.4) | | | | 18.3 |
| Russell 1000 Growth ^(c) | 2.2 | (6.8) | (9.8) | 14.8 | 6.7 | 4.4 | 7.7 | 10.3 | (4.7) | | | | 24.3 |
| S&P 500 ^(c) | (0.0) | (8.2) | (12.4) | 12.8 | 4.8 | 2.0 | 5.6 | 7.2 | (3.8) | | | | 5.6 |

| Period Performance (%) | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | Cumulative | Annualised |
|--------------------------------------|------|-------|------|-------|------|------|------|------|-------|------|------|--------|------|------|------------|------------|
| HF-DSM US LCG Returns ^(b) | 35.0 | (6.2) | 36.8 | (3.3) | 7.0 | 9.7 | 34.1 | 18.2 | (2.0) | 21.9 | 22.8 | (39.3) | 18.7 | 9.8 | 436.7 | 9.25% |
| Russell 1000 Growth ^(c) | 36.4 | (1.5) | 30.2 | 7.1 | 5.7 | 13.1 | 33.5 | 15.3 | 2.6 | 16.7 | 37.2 | (38.4) | 11.8 | 9.1 | 326.8 | 9.54% |
| S&P 500 ^(c) | 31.3 | (4.4) | 21.8 | 12.0 | 1.4 | 13.7 | 32.4 | 16.0 | 2.1 | 15.1 | 26.5 | (37.0) | 5.5 | 15.8 | 464.9 | 7.94% |



HF Hereford Funds

| Top Ten Holdings | |
|------------------|------------------|
| Adobe | Facebook |
| Alibaba Group | Microsoft |
| Alphabet (Cl. A) | PayPal Holdings |
| Amazon.com | Tencent Holdings |
| EPAM Systems | Visa |

| Sectoral Breakdown | % of Assets |
|------------------------|-------------|
| Information Technology | 42.9% |
| Communication Services | 20.3% |
| Consumer Discretionary | 19.6% |
| Health Care | 12.0% |
| Financials | 2.4% |
| Consumer Staples | 1.9% |

Investment Objective

The investment objective of the HF-DSM US LCG is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above US\$ 5 billion. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. The sub fund may, on an ancillary basis, invest in US-based companies with lower market capitalizations as well as in non-US based companies. The Compartment may invest in American Depository Receipts and American Depository Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

| Fund Codes | | Since inception | HF-DSM US LCG | HF-DSM US LCG Composite | R1000 Growth |
|------------|--------------|-------------------|---------------|-------------------------|--------------|
| Bloomberg | DSMUSLA LX | Volatility | n/a | 15.3 | 15.3 |
| ISIN | LU0327604228 | Sharpe Ratio | n/a | 0.6 | 0.6 |
| Reuters | LP65102015 | Information Ratio | n/a | 0.0 | |
| Sedol | B28TLX2 | Tracking Error | n/a | 6.3 | |
| | 3504726 | Beta | n/a | 0.9 | |
| WKN | A0M58T | Alpha | n/a | 0.6 | |

| Fund Details | |
|--------------------|--|
| Dealing Day | Daily |
| Dividends | None - income accumulated within the fund |
| Investment Manager | DSM Capital Partners LLC 7111 Fairway Drive, Suite 350, Palm Beach Gardens, FL 33418 |
| Management Company | FundPartner Solutions (Europe) S.A. 15, Avenue John F Kennedy, L-1855 Luxembourg |
| Custodian | Pictet & Cie (Europe) S.A. 15A, Avenue John F Kennedy, L-1855 Luxembourg |
| Legal Advisers | Elvinger, Hoss & Prussen 2 Place Winston Churchill, L-1340 Luxembourg |
| Auditor | Deloitte Audit S.à.r.l. 560 Rue de Neudorf, L-2220 Luxembourg |

Order Transmission Information

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or SWIFT PICTLULXTAS

- This refers to the total assets invested in the reference strategy managed by the Investment Manager.
- Data and graph depict DSM Composite through November 2007 and Hereford Funds DSM US Large Cap Growth Fund Class A thereafter. Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) is net of modeled fee and expense typical of Hereford Funds DSM US Large Cap Growth Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at www.dsmcapital.com.
- Total return including dividends.
- The fund is registered with the BaFin for public distribution in Germany from 17/10/12, registered with the AFM for public distribution in the Netherlands and registered with the AMF for public distribution in France.
- Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- Share Class D is German tax registered from October 1, 2010.

| Annual Management Charge | |
|----------------------------------|-------|
| Share Class A & U ^(e) | 1.25% |
| Share Class D ^(f) | 1.75% |

| Minimum Investment | |
|----------------------------------|---|
| Share Class A & U ^(e) | \$100,000 initial / \$10,000 subsequent |
| Share Class D | \$10,000 initial / \$1,000 subsequent |

France - Centralizing Correspondent as defined by French Regulation:

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Switzerland - Representative and Paying Agent as defined by Swiss Regulation:

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