HF Hereford Funds

MARKETING COMMUNICATION

Signatory of PRI Principles for Responsible Investment

https://assetservices.group.pictet/asset-services/fund-library/lu/en/institutional/funds

SFDR status as of March 2021: Article 8

DSM US Large Cap Growth Sub-Fund

Class A - February 2025

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund depreciated 2.70% for the month of February compared to a (3.59)% return for the Russell 1000 Growth Index and a (1.30)% return for the S&P 500 both including dividends. At the end of February, the Sub-Fund was invested in the technology, financials, communication services, industrials, consumer discretionary and health care sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 101bps. This was primarily the result of the Manager's selections and overweight versus the benchmark in both the financials and industrials sectors. The Manager's selections in technology detracted from performance in the period. In February, the positions that contributed the most to the portfolio's return were Eli Lilly, Uber Technologies, Fiserv, Fortinet and NVIDIA. The positions that detracted the most in the month were Alphabet, Amazon.com, Arista Networks, Neurocrine Biosciences and Advanced Micro Devices.

Manager's Commentary

The market's volatility continued into February on concerns over tariffs and the strength of the US economy. As a result, thus far this year, the Russell 1000 Value Index (RLV), MSCI EU and MSCI Emerging Market indices have outperformed the Russell 1000 Growth Index. This recent outperformance has led many commentators and market strategists to suggest that the market leading performance of American growth stocks, particularly in technology, may be ending or, at a minimum, experiencing a substantial pause. They argue that going forward, the European, Emerging Markets and American value indices are likely to outperform growth. However, with European, Emerging Markets, and American value stocks (RLV) quite substantially underperforming American growth stocks over the last 1, 3, 5, 10 and 20 years and longer, the Manager disagrees. While a bounce back driven by changing investor sentiment is possible at any point in time, DSM does not believe that this shift, like others before it, is particularly meaningful. The Manager will stay on course and look to add new names as opportunities present themselves.

DSM believes the outperformance of American growth stocks has been substantial and persistent for a long period of time because of earnings. History has shown that earnings in the Russell 1000 Growth Index have grown much more rapidly than the Russell 1000 Value, MSCI Europe or MSCI Emerging Market indices, which shouldn't be a surprise given the innovation and dominance of American technology versus the rest of the world. The famous Big Six of NVIDIA, Apple, Microsoft, Amazon, Alphabet and Meta as well as thousands of other public and private technology companies simply generate more growth, generally with better margins, cash flow and returns on capital because these businesses have significant competitive advantages. Despite their poor returns thus far in 2025, this has not changed. The Manager views the year-to-date outperformance of the RLV, EU and EM indices, which are comprised overwhelmingly of "value" and "GARP" stocks, as an opportunity for investors to trim those positions and add to growth.

Understandably, Donald Trump's second-term economic policies have created some uneasiness amongst global investors. However, the Manager believes Trump's economic policies are largely pro-growth. Previously DSM's view had been that slowing global economic growth was the most significant risk to equities. Certainly, this risk remains, but they believe it has been reduced, creating a relatively clear path to equity market appreciation. In addition, artificial intelligence (AI) technology provides a solid underpinning for enhanced productivity, economic growth and lower inflation, on which the market may over time grind steadily higher. In the past the Manager has also pointed out that geopolitical risks emanating primarily from Russia, Iran and China remain elevated and should not be ignored, but given recent events, even these risks may be in the early stages of dissipating. In addition, ever-rising US government debt may one day create a potentially substantial economic dislocation, of which investors must remain aware. With that caveat, as the Manager has said repeatedly over the years, "bull markets climb a wall of worry" and in their view (barring unfavorable geopolitical events) the market's direction remains upward.

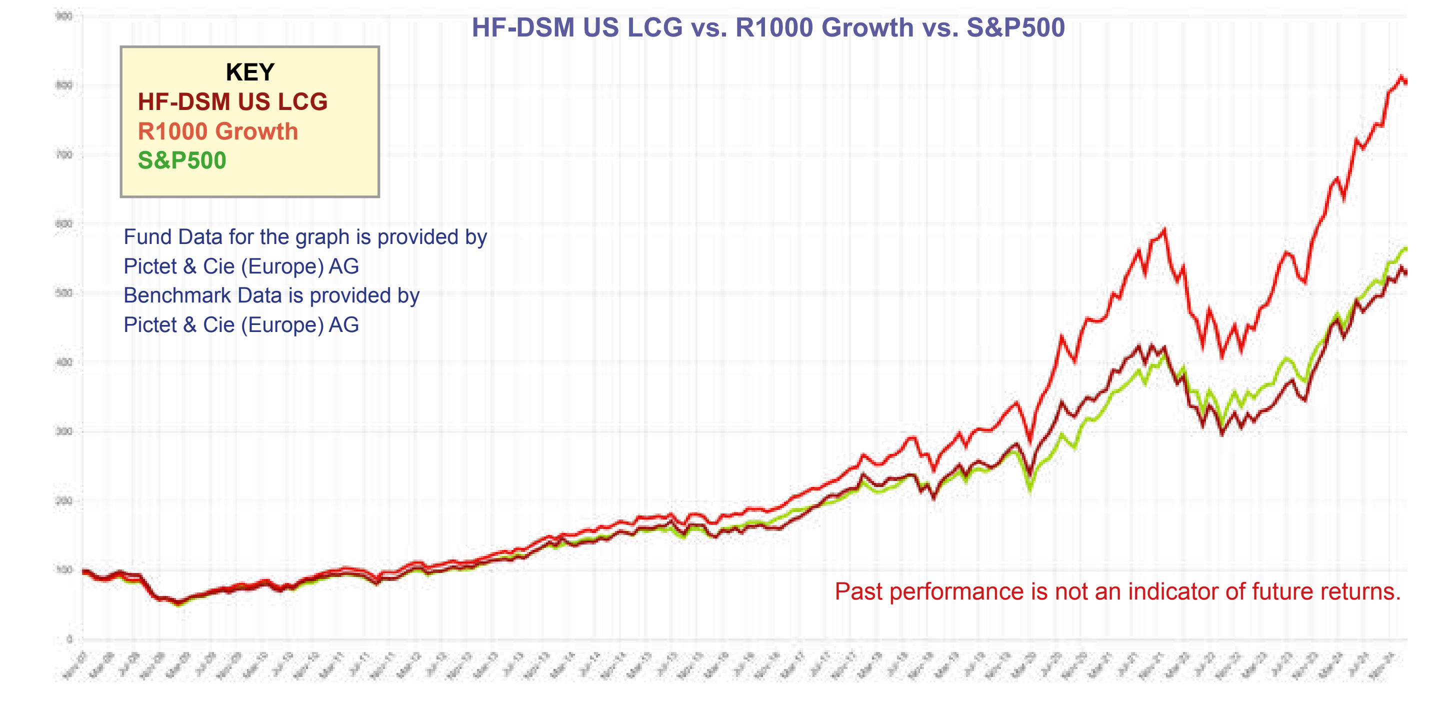
Key Information

NAV A Shares (28/2/25)	US$ 523.37	Strategy Assets	US$ 5,841.6[1a)]
Total Fund Size (all share classes)	US$ 86.3 m	Fund Launch Date	29-Nov-07

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
HF-DSM US LCG	4.0	(2.7)											1.2
Russell 1000 Growth[(c)]	2.0	(3.6)											(1.7)
S&P 500[(c)]	2.8	(1.3)											1.4

Period Perf (%)	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	09	08	07	2006	Cumulative	Annualised
DSM US LCG Returns[(b)]	29.0	30.7	(27.8)	20.5	26.4	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	423.3	10.2%
Russell 1000 Growth[(c)]	33.4	42.7	(29.5)	27.5	38.5	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	699.5	12.7%
S&P 500[(c)]	28.1	26.2	(18.1)	28.6	18.4	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	467.9	10.5%



HF Hereford Funds

Top Ten Holdings	
Alphabet (Cl. A)	Fortinet
Amazon.com	Intuit
Arista Networks	Meta Platforms
Eli Lilly and Co.	Microsoft
Fiserv	NVIDIA

Sectoral Breakdown	% of Assets
Information Technology	47.3%
Financials	13.3%
Communication Services	11.5%
Industrials	10.8%
Consumer Discretionary	10.5%
Health Care	6.3%

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

The Sub-Fund is actively managed. The benchmark indices of the Sub-Fund are the S&P 500 and the Russell 1000 Growth. They are used for performance comparison purposes. The Investment Manager is not in any way constrained by the benchmark indices in its portfolio positioning. This means the Investment Manager is taking investment decisions without reference to a benchmark index. The Sub-Fund can deviate significantly from the benchmark indices

Fund Codes	
Bloomberg	DSMUSLA LX
ISIN	LU0327604228
Reuters	LP65102015
Sedol	B28TLX2
	3504726
WKN	A0M58T

Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Volatility	n/a	15.6	16.0
Sharpe Ratio	n/a	0.5	0.6
Information Ratio	n/a	-0.1	
Tracking Error	n/a	6.2	
Beta	n/a	0.9	
Alpha	n/a	0.1	

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) AG, Succursale de Luxembourg. 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

All Data in this factsheet is provided by Pictet & Cie (Europe) AG, FundPartner Solutions (Europe) S.A. and DSM Capital Partners LLC

Minimum Investment	
Share Class A	$100,000 initial subscription

Order Transmission Information

FundPartner Solutions (Europe) S.A.
15, avenue J. F. Kennedy
L-1855 Luxembourg

Via Fax +352 46 71 71 7667
or SWIFT PICTLULXTAS

(a) This refers to the total assets invested in the reference strategy managed by the Investment Manager.

(b) 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.

(c) Total return including dividends.

Registration

For our latest registration information, please see
https://herefordfunds.com/library/country-registrations

France - Centralizing Correspondent as defined by French Regulation:
Société Générale - Order Desk, 32, avenue du Champ de Tir, BP 81236, F-44312 Nantes Cedex 3
Phone: +33/2.51.85.66.40, Fax: +33/2.51.85.58.71
Germany – Paying Agent as defined by German Regulation:
Marcard, Stein & Co – Ballindamm 36, 20095 Hamburg
Phone: +49/40.32.099.556, Fax: +49/40.32.099.206
Switzerland - Representative and Paying Agent as defined by Swiss Regulation:
FundPartner Solutions (Suisse) SA (route des Acacias 60, 1211 Geneva 73, Switzerland) as Swiss representative and Banque Pictet & Cie SA (route des Acacias 60, 1211 Geneva 73, Switzerland) as Swiss paying agent.

Share Class	Mgmt Fees	ISIN	TER	Entry Fee	Exit Fee
A	1.25%	LU0327604228	1.35%*	0%	0%

The figures shown do not include all the costs of the product itself. For further information on the costs, please refer to the prospectus and other fund documents.
* Financial Year ending September 2023

This document should be read as a marketing communication.
Risk Disclaimer - This current risk profile is based on historical data and may not be a reliable indication of the future risk profile of the Sub-Fund. - The risk category shown is not guaranteed and may shift over time. - The lowest category, which corresponds to Number 1, cannot be regarded as being risk-free. - The Sub-Fund does not provide any capital guarantee or asset protection measures. Why is this Sub-Fund in this category? The investment objective of the Sub-Fund is to generate long-term capital growth and income by investing in equities and equity-linked securities of US Companies. Hence, the risk/reward profile of the SubFund should correspond to a high risk category on the risk/reward scale. The contents of this document are communicated by, and the property of, Hereford Funds. This document is for information purposes and internal use only. It is neither an advice nor a recommendation to enter into any investment. Investment suitability must be determined individually for each investor, and the financial instruments described above may not be suitable for all investors. This information does not provide any accounting, legal, regulatory or tax advice. Please consult your own professional advisers in order to evaluate and judge the matters referred to herein. An investment should be made only on the basis of the prospectus, the Key Information Document (KID) the annual and any subsequent semi-annual-reports of HEREFORD FUNDS (the “Fund”), a société d’investissement à capital variable, established in Luxembourg and registered under Part I of Luxembourg law of 20 December, approved by the Commission de Surveillance du Secteur Financier (CSSF). These can be obtained in English from the Fund, from FundPartner Solutions (Europe) SA, 15 avenue J. F. Kennedy, L-1855 Luxembourg, and any distributor or intermediary appointed by the Fund. **You can obtain a summary of investors rights to the following link:**
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