

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 2.3% for the month of May compared to a 4.56% return for the Russell 1000 Growth Index and a 0.43% return for the S&P 500 both including dividends. At the end of May, the Sub-Fund was invested in the technology, financials, health care, consumer discretionary, communication services, industrials, materials and consumer staples sectors.

For the month, the Sub-Fund trailed the benchmark by approximately 223bps. This was primarily the result of the Manager's selections in financials and overweight of the sector versus the benchmark. The Manager's selections in consumer staples and underweight of the sector versus the benchmark benefited performance. In May, the positions that contributed the most to the portfolio's return were NVIDIA, Alphabet, Amazon.com, Microsoft and Entegris. The positions that contributed the least in the month were PayPal Holdings, EPAM Systems, Burlington Stores, Neurocrine Biosciences and Intuit. As highlighted previously, not owning Apple and Tesla continues to contribute to the relative underperformance of the portfolio.

Manager's Commentary

The Manager continues to believe the market can work higher as investors become more confident that inflation is on a sustained downward track and the Fed can stop raising interest rates. The CPI has decelerated for 10 straight months now, and at 4.9% is getting closer to the Fed target of 2%. However certain areas within services and core activities remain stubbornly sticky in the 4-5% range. The PPI has also shown significant deceleration, with the last print highlighting a very moderate 3.2% increase year-over-year. The last Fed meeting resulted in only a 25 basis point increase, and economists are now debating whether the Fed is done. While the Manager doesn't expect any near-term cuts to rates, it does feel like the Fed may not need to hike further and can stay at the current rate, letting the last year of dramatic rate hikes continue to work their way through the system.

Recession concerns continue to be top of mind for investors. The consumer data does point to a deceleration in sales between January and mid-May, though this may be due to the reduced SNAP benefits that began in March and tax refunds that are on average down about 10%. It is likely that the excess savings generated during the pandemic are exhausted by year-end, and along with the resumption of student loan payments, could result in a mini air pocket this fall. Having said that, the jobs data, while not quite as robust recently, is still very healthy by historical standards. The unemployment rate is currently 3.7%, weekly jobless claims are still hovering near historically low levels in the 240,000-260,000 range, and continuing claims are in the 1.8 million range. Interestingly, the JOLTS jobs available data show 9 million job openings, well above pre-pandemic levels of 7 million. If the job market remains relatively healthy, then consumers could potentially weather some of these near-term hits to disposable income. However, it is probably safe to say the consumer is in a less advantageous position vis-a-vis 12-24 months ago, as that period included large government fiscal stimulus and one of the hottest job markets on record.

Despite these various recessionary concerns, the Manager believes the companies in the Sub-Fund portfolio will remain fairly resilient due to their solid secular demand trends, expanding total addressable markets, competitive positioning, and strong financial characteristics. DSM continues to lean heavily into digital transformation themes and the stocks that leverage or benefit from it. Artificial intelligence (AI), machine learning, and most recently generative AI are having a profound impact on all businesses across all industries. The demand for software, networking equipment, specialized chips, semiconductor production, cloud infrastructure, and IT services will only continue to grow as nearly every company becomes increasingly focused on technology to improve its operations within its respective industry. Companies like Microsoft, Alphabet, Amazon.com, Adobe and Intuit are making significant leaps forward in AI. In the meantime, NVIDIA, ASML, Arista Networks, and Entegris will provide the building blocks for those wanting to harness the capabilities of AI, while Accenture and EPAM will assist clients in designing and implementing AI into their business and technology processes. In many respects, AI is likely to become the next truly transformative movement in computing, with many winners and losers.

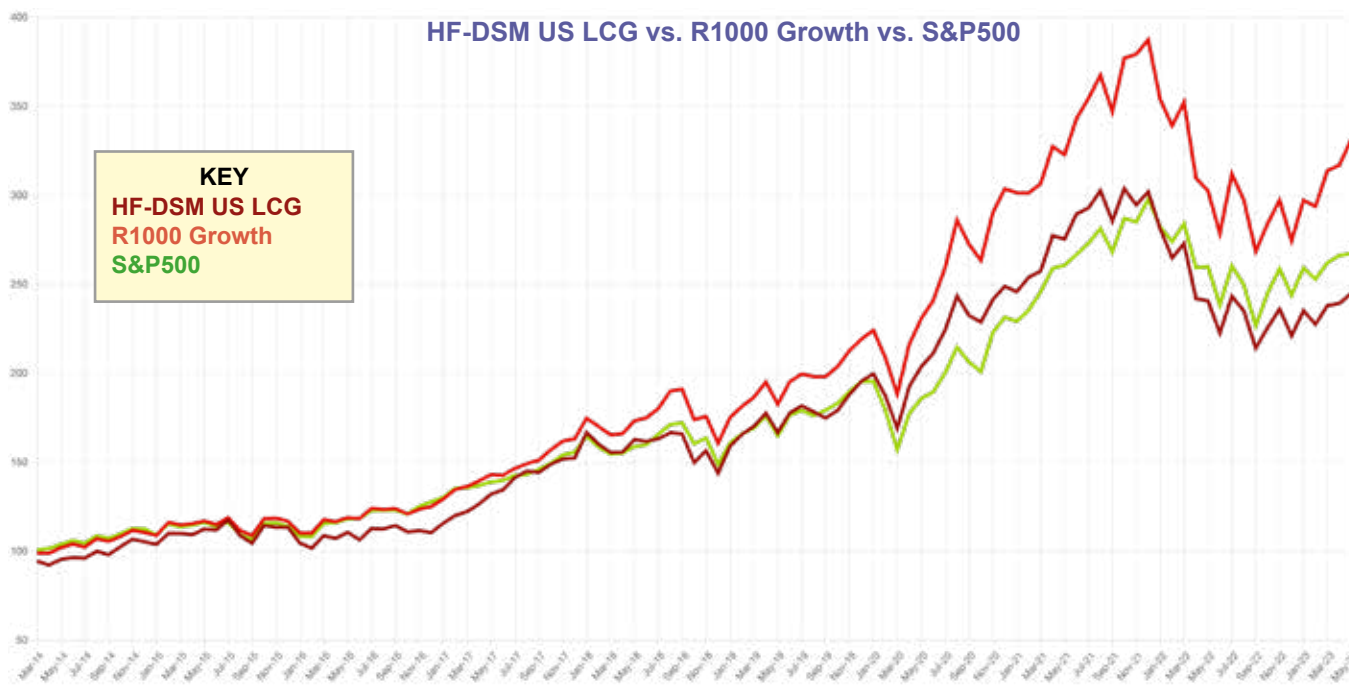
Key Information

NAV B Shares (31/5/23) US\$ 244.9
Total Fund Size (all share classes) US\$ 64.9m

Strategy Assets US\$ 5,495.2^(a)
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	6.3	(3.3)	4.6	0.5	2.3								10.7
Russell 1000 Growth^(c)	8.3	(1.2)	6.8	1.0	4.6								20.8
S&P 500^(c)	6.3	(2.4)	3.7	1.6	0.4								9.6

Period Perf (%)	2022	2021	2020	2019	2018	2017	2016	2015	2014	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	(26.8)	21.3	27.2	35.9	(5.6)	37.8	(2.6)	7.8	11.5	144.9	10.17%
Russell 1000 Growth ^(c)	(29.1)	27.5	38.5	36.4	(1.5)	30.3	7.1	5.6	11.8	231.4	13.83%
S&P 500 ^(c)	(18.1)	28.6	18.3	31.3	(4.4)	21.8	12.0	1.4	11.7	167.4	11.22%



Top Ten Holdings

Accenture	Intuit
Adobe	Microsoft
Alphabet (Cl. A)	NVIDIA
Amazon.com	SolarEdge Technologies
Autodesk	Visa

Sectoral Breakdown	% of Assets
Information Technology	47.7%
Financials	20.5%
Health Care	8.6%
Consumer Discretionary	8.2%
Communication Services	7.3%
Industrials	2.7%
Materials	2.1%
Consumer Staples	2.0%

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 Depositary Receipts and American Depositary 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				
ISIN				
Reuters				
Sedol				
WKN				

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%

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.

Minimum Investment

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

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