

**Investment Review**

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 4.26% for the month of May compared to a 5.99% return for the Russell 1000 Growth Index and a 4.96% return for the S&P 500 both including dividends. At the end of May, the Sub-Fund was invested in the technology, communication services, financials, consumer discretionary, health care, industrials and consumer staples sectors.

For the month, the Sub-Fund trailed the benchmark by approximately 173bps. This was primarily the result of the Manager’s selections in the technology sector. The Manager’s selections and underweight in consumer discretionary versus the benchmark benefitted performance. In May, the positions that contributed the most to the portfolio’s return were NVIDIA, Arista Networks, Microsoft, Alphabet and Meta Platforms. The positions that detracted the most in the month were Intuit, EPAM Systems, Fortinet, Autodesk and Entegris.

**Manager’s Commentary**

The Manager believes many investors may feel uncertain about American political leadership and are generally disappointed with European leadership as well. Needless to say, geopolitical events in Ukraine and the Middle East heighten investor concerns, as do threats from China, Iran and North Korea. Lingering concerns over inflation and the general economy remain as well. However, offsetting these uncertainties are positive factors including steady 3% global economic growth, low and falling inflation, historically low interest rates, reasonable valuations, strong earnings and technology-driven productivity. In the Manager’s opinion, as long as the negative factors do not become materially worse, the market should continue to climb the investor “wall of worry”.

In DSM’s view, the US Federal Reserve is not likely to reduce rates until it is certain inflation has been vanquished. However, three decades of rising markets demonstrate that rate cuts are not a prerequisite for market appreciation with rates at current levels. From the early-to-mid 1980’s, as inflation fell to the 3-4% level, the economy consistently expanded and markets appreciated for more than thirty years until the Financial Crisis of 2008 created a significant economic downturn. Accordingly, the Manager believes that with inflation and interest rates today at the same level or lower than they were from roughly 1985 through 2007, the outlook for both the economy and western world financial markets is positive. At this time, with interest rates low and perhaps moving lower, DSM believes the possibility of a financial crisis seems unlikely over the near term. On the other hand, geopolitical factors in Ukraine, Taiwan and the Middle East create market risks that cannot be predicted or ignored. Similarly, in the US, the upcoming presidential election and the possibility of a government debt driven crisis may result in market uncertainty as well.

That said, DSM believes equity valuations today are “normal” or “realistic” given a global economy supported by low inflation and steady economic growth. Despite the strength in the market thus far this year, they continue to find investment opportunities with attractive valuations and solid growth prospects, in their view, and believe the economic and equity market backdrop for the portfolio remains quite positive. Most importantly, the ongoing bull market has been driven by superb businesses with great balance sheets, strong profitability and for many, an Artificial Intelligence (AI) tailwind that may last for a number of years. Given the reasonable valuation of the portfolio along with its continued strong earnings and a potential AI tailwind, it is the Manager’s belief that the portfolio will continue to benefit from accelerating technological trends over the coming years.

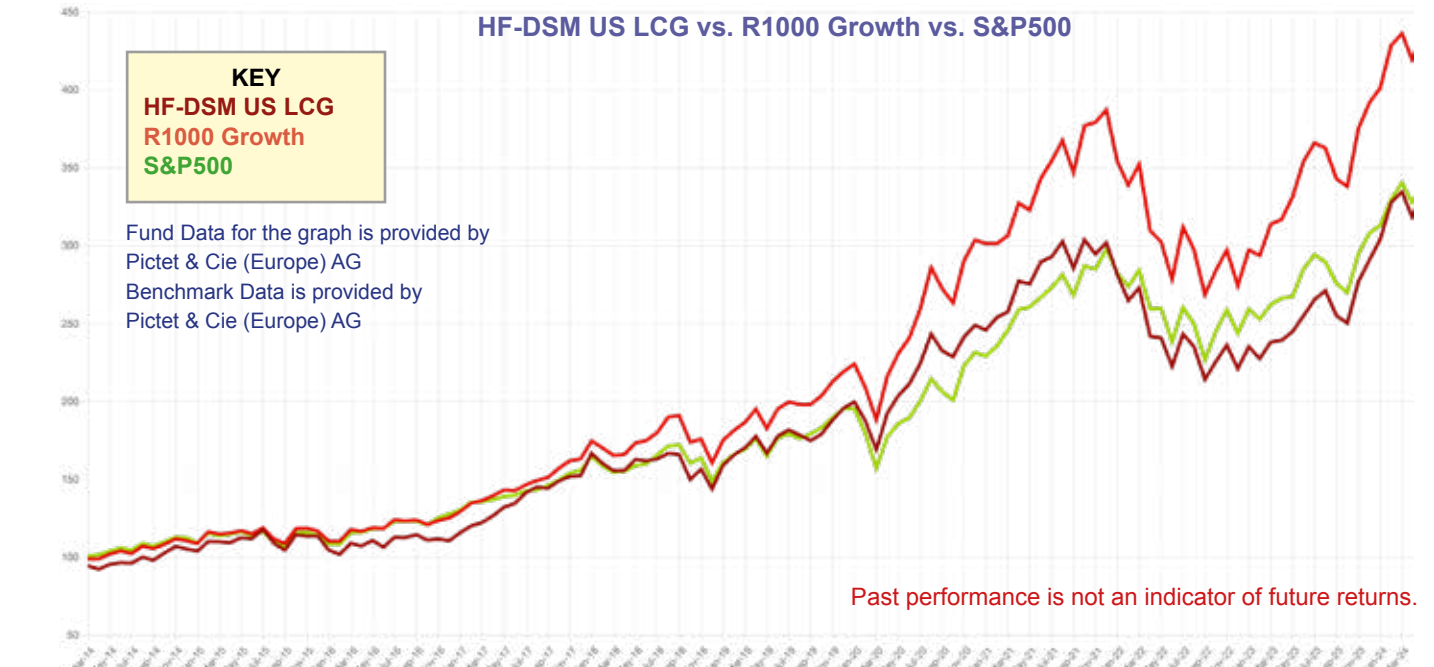
**Key Information**

NAV B Shares (31/05/24)	US\$ 330.3	Strategy Assets	US\$ 5,821.30 <sup>(a)</sup>
Total Fund Size (all share classes)	US\$ 80.6m	Fund Launch Date	26/01/2015

**Monthly Performance (%)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>HF-DSM US LCG</b>	4.7	7.8	2.1	(5.3)	4.3								13.7
<b>Russell 1000 Growth<sup>(c)</sup></b>	2.5	6.8	1.7	(4.2)	6.0								13.1
<b>S&amp;P 500<sup>(c)</sup></b>	1.7	5.3	3.2	(4.1)	5.0								11.3

Period Perf (%)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	Cumulative	Annualised
HF-DSM US LCG Returns <sup>(b)</sup>	31.4	(26.8)	21.3	27.2	35.9	(5.6)	37.8	(2.6)	7.8	11.5	230.3	12.4%
Russell 1000 Growth <sup>(c)</sup>	42.7	(29.1)	27.5	38.5	36.4	(1.5)	30.3	7.1	5.6	11.8	342.8	15.6%
S&P 500 <sup>(c)</sup>	26.2	(18.1)	28.6	18.3	31.3	(4.4)	21.8	12.0	1.4	11.7	242.7	12.8%



Top Ten Holdings	
Advanced Micro Devices	Fiserv
Alphabet (Cl. A)	Intuit
Amazon.com	Meta Platforms
Apple	Microsoft
Arista Networks	NVIDIA

Sectoral Breakdown	% of Assets
Information Technology	48.6%
Communication Services	14.7%
Financials	13.1%
Consumer Discretionary	9.1%
Health Care	6.3%
Industrials	5.6%
Consumer Staples	1.7%

## 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	DSMUSLB LX
ISIN	LU0327604574
Telekurs	003504729
Sedol	B28TLY3

Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Volatility	n/a	15.8	16.1
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 B	\$10m initial subscription

Share Class	Mgmt Fees	ISIN	TER	Entry Fee	Exit Fee
B	0.7%	LU0327604574	0.97%*	0%	0%

## 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:**  
<https://www.pictet.com/content/dam/www/documents/legal-and-notes/fundpartner-solutions/fps-summary-of-investors-rights.pdf.coredownload.pdf>

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## Order Transmission Information

FundPartner Solutions (Europe) S.A. Via Fax +352 46 71 71 7667  
15, avenue J. F. Kennedy or SWIFT PICTLULXTAS  
L-1855 Luxembourg

- 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](http://www.dsmcapital.com).
- 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.

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