

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 3.25% for the month of February compared to a (0.02)% return for the Russell 1000 Growth Index and a 2.76% return for the S&P 500 both including dividends. At the end of February, the Sub-Fund was primarily invested in the technology, communication services and consumer discretionary sectors, with smaller weights in the health care, financials and consumer staples sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 327bps. This was primarily the result of the Manager's selections in technology. The Manager's selections in health care also benefitted performance. In February, the positions that contributed the most to the portfolio's return were Alphabet, PayPal Holdings, Mastercard, Visa and Global Payments. The positions that contributed the least in the month were Alibaba Group, Amazon.com, Sirius XM Holdings, Tencent Holdings and Neurocrine Biosciences.

Manager's Commentary

Thus far in 2021, the Russell 1000 Value Index (RLV) has outperformed the Russell 1000 Growth (RLG) Index. This year's rebound in the RLV is not surprising considering its underperformance in 2020, and its many previous years of lagging the growth indices. However, in the Manager's view, the intermediate and long-term outlook for the businesses in the RLV remains quite muted after the economic recovery is factored into the stock prices. Beginning in 2010 and extending until the COVID-19 crisis occurred in 2020, the economy was characterized by slow growth, low inflation and low interest rates, which was an inhospitable environment for Value stocks. With an equivalent economic outlook post-virus very possible, it is DSM's belief that despite a near-term bounce, economically sensitive businesses (generally Value) that underperformed the market for a decade leading up to the first quarter of 2020, are likely to underperform again over the longer term.

The RLV's outperformance has been driven by the Financials, Consumer Discretionary and Energy sectors. As COVID-19 vaccinations slowly increase around the world, expectations of a global economic recovery are leading to rising interest rates from historically low levels. Financial stocks are appreciating based on potentially higher interest rates over the near term, which may lead to improved earnings for these companies. A rebound in the global economy also bodes well for consumer discretionary companies in areas such as travel, retail and restaurants, as well as for energy stocks that would benefit from more people driving and flying as travel resumes. Certainly, there is much pent-up consumer, and in some cases, business demand in these industries.

Last year, the pandemic dented the remarkable earnings history of the portfolio. Yet by the third quarter of 2020, the portfolio's recession-resistant characteristics resulted in a rebound in earnings growth to pre-COVID-19 rates. Given the resilience of the DSM portfolio, along with its reasonable valuation and a normalized mid-to-high-teens earnings growth going forward, the Manager believes there remains significant appreciation potential. Moreover, with low inflation and historically low interest rates, DSM sees this as an attractive time to be a holder of premier quality growth businesses.

Key Information

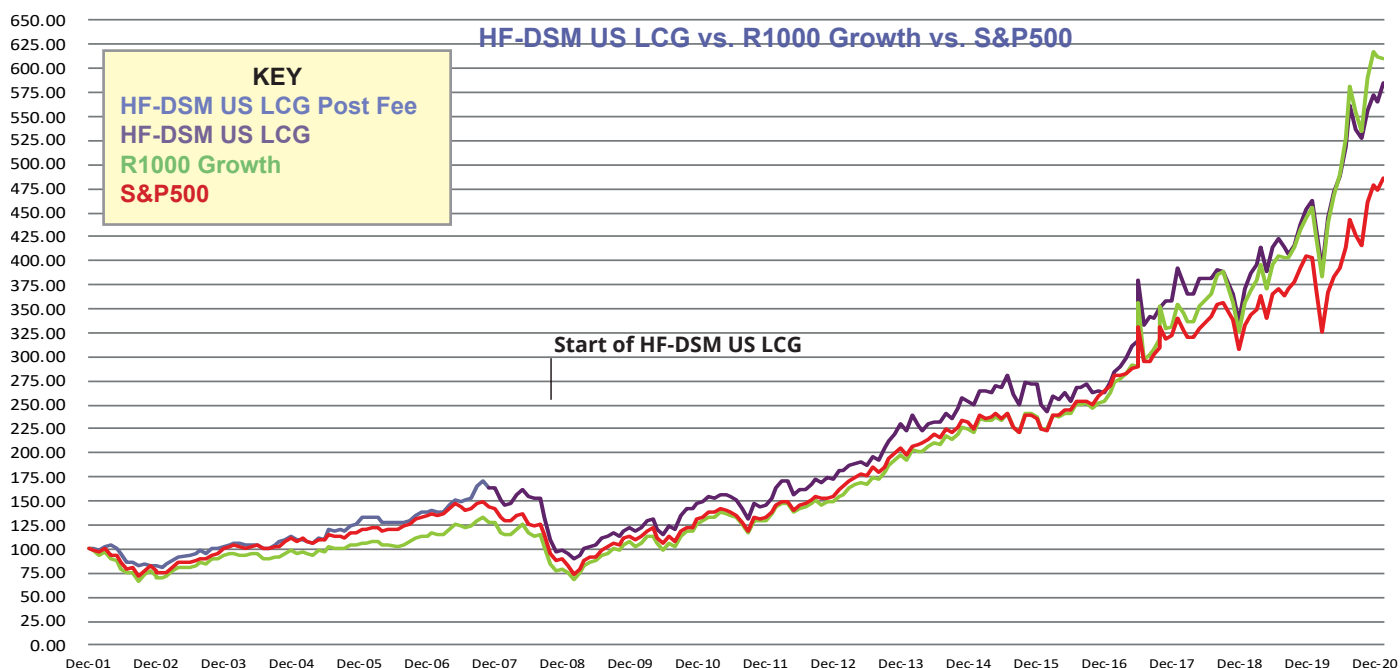
NAV A Shares (28/2/21) US\$ 356.8
Total Fund Size (all share classes) US\$ 89.4m

Strategy Assets
Fund Launch Date

US\$ 7,589.1m^(a)
29-Nov-07

Monthly Performance (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
HF-DSM US LCG	(1.3)	3.3											1.9
Russell 1000 Growth ^(c)	(0.7)	(0.02)											(0.8)
S&P 500 ^(c)	(1.0)	2.8											1.7

Period Performance (%)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	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	484.4	9.23%
Russell 1000 Growth ^(c)	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	386.9	9.48%
S&P 500 ^(c)	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	511.2	8.24%



Top Ten Holdings

Adobe	Intuit
Alibaba Group	Microsoft
Alphabet (Cl. A)	PayPal Holdings
Amazon.com	Tencent Holdings
Facebook	Visa

Sectoral Breakdown	% of Assets
Information Technology	45.4%
Communication Services	21.9%
Consumer Discretionary	19.7%
Health Care	7.9%
Financials	2.5%
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 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	Volatility	n/a	15.2	15.3
ISIN	Sharpe Ratio	n/a	0.6	0.6
Reuters	Information Ratio	n/a	-0.0	
Sedol	Tracking Error	n/a	6.4	
	Beta	n/a	0.9	
WKN	Alpha	n/a	0.7	

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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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.
- (d) 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.
- (e) Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- (f) 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
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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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