

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund Share Class A appreciated 2.05% for the month of August compared to a 5.47% return for the Russell 1000 Growth Index and a 3.26% return for the S&P 500 both including dividends. At the end of August, the Sub-Fund was invested primarily in the technology sector, with smaller weights in the health care, consumer discretionary, financials, consumer staples and industrials sectors.

For the month, the Sub-Fund trailed the benchmark by approximately 324bps. This was primarily the result of the Manager's selections in technology. The Manager's underweight in industrials versus the benchmark benefitted performance. In August, the positions that contributed the most to the portfolio's return were Microsoft, Adobe Systems, Visa, PayPal Holdings and MSCI Inc. The positions that contributed the least in the month were Alibaba Group, Tencent Holdings, BlackRock, Electronic Arts and Booking Holdings.

Manager's Commentary

Based on the Manager's calculations, with all twenty-six companies in the portfolio having reported, second quarter 2018 revenue and earnings grew in excess of 21% and 29% respectively. This result follows strong first quarter 2018 growth and that of calendar year 2017 when revenue growth approximated 24% and earnings growth exceeded 32%. Finally, in 2016, revenue and earnings both grew in excess of 20%. Today the portfolio is valued at 21.6x forward four quarters of earnings through September of 2019, which follows the past four quarters of earnings growth of 33%. The Manager calculates "high-teens" earnings growth going forward and believes there remains significant appreciation potential in the portfolio.

It is important to note that the share prices of two large and long-term holdings in the portfolio, Facebook and Tencent, both declined after their second quarter earnings reports. In the Manager's view, the investment cases for both companies remain very much intact. Regarding Facebook, DSM believes the company's decision to increase and accelerate spending on its infrastructure and operations may reduce near term earnings, but does not change the longer-term earnings power of the company. Facebook's attractiveness to advertisers is as strong as ever, as the company's market position as the leading platform for on-line advertising remains unrivaled. Tencent's businesses, other than China gaming, are all doing quite well. The revenue shortfall in gaming was a result of the restructuring of the Chinese governmental agencies that provide licenses for "monetizing" these games. Once the restructuring is complete, the Manager expects Tencent's revenue growth from gaming in China to reaccelerate, and believes the stock should appreciate.

The DSM portfolios have the economic value, in terms of earnings, that were expected at the start of 2018, but the stocks' prices, in the Manager's view, simply have not reflected this substantial earnings growth thus far. Perhaps the most difficult aspect of investing can be maintaining one's patience, but the Manager believes the portfolio returns should be strong because earnings growth has been, thus rewarding their clients' patience. In addition, changing the global terms-of-trade, as President Trump is proposing, is disconcerting to many investors. However, the Manager believes today's uncertainties will be of little concern over time. As fears regarding the economic impact of tariffs dissipate, DSM anticipates that a "weight will be lifted" from the shoulders of investors and global equity markets will resume their march higher.

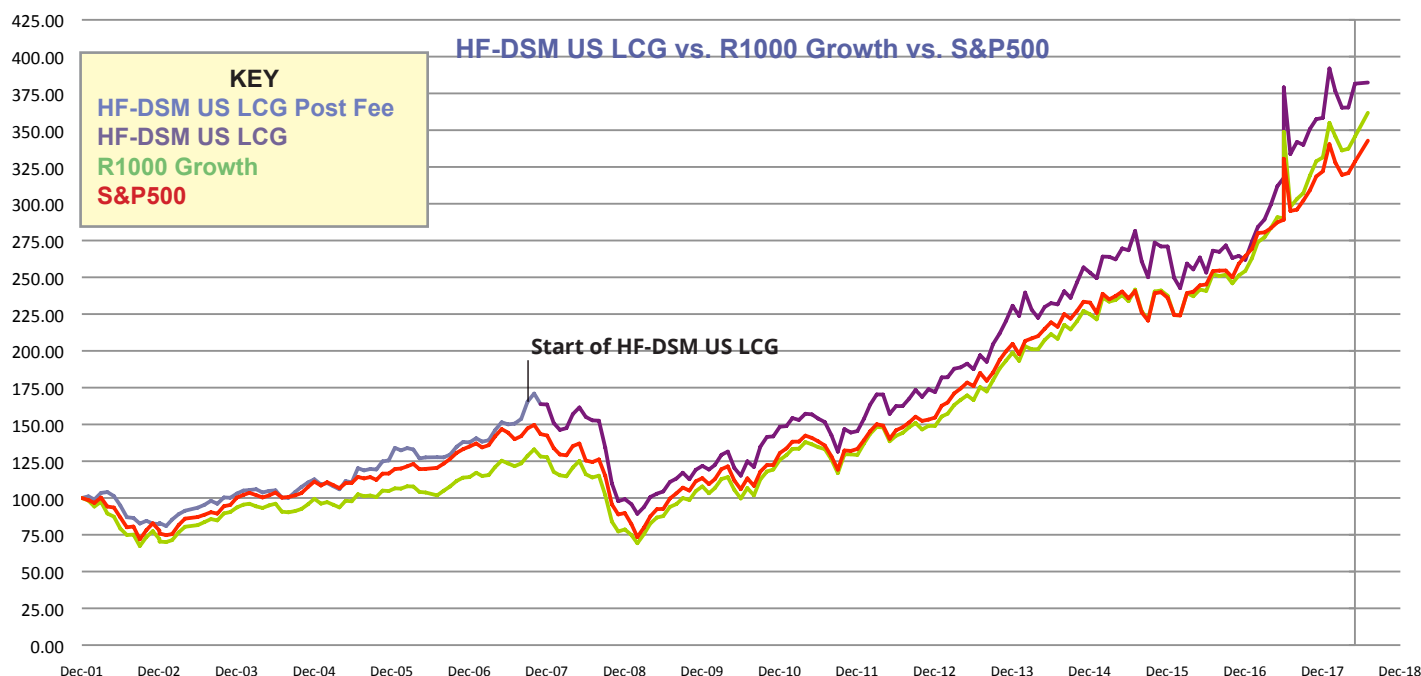
Key Information

NAV A Shares (31/08/18) US\$ 238.21
Total Fund Size (all share classes) US\$ 93.6m

Strategy Assets US\$ 5,565.4m^(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	9.4	-3.97	-2.9	0.03	4.43	-0.6	0.86	2.0					8.9
Russell 1000 Growth^(c)	7.1	-2.62	-2.7	0.35	4.38	1.0	2.94	5.5					15.1
S&P 500^(c)	5.7	-3.69	-2.5	0.38	2.41	0.6	3.72	3.3					9.9

Period Performance (%)	2018	2017	2016	2015	2014	2013	2012	2011	2009	2009	2008	2007	2006	Cumulative	Annualised
HF-DSM US LCG Returns^(b)	8.9	36.8	(3.3)	7.0	9.7	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	290.2	8.34%
Russell 1000 Growth^(c)	15.1	30.2	7.1	5.7	13.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	254.1	7.72%
S&P 500^(c)	9.9	21.8	12.0	1.4	13.7	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	281.6	8.27%



Top Ten Holdings

Adobe Systems	Facebook
Alibaba Group	Microsoft
Alphabet (Cl. A)	Tencent Holdings
Becton Dickinson & Co.	Visa
Charles Schwab	Zoetis

Sectoral Breakdown	% of Assets
Information Technology	54.9%
Health Care	19.5%
Consumer Discretionary	10.4%
Financials	8.3%
Consumer Staples	4.1%
Industrials	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		n/a	14.4	14.3
ISIN		n/a	0.5	0.5
Reuters		n/a	0.0	
Sedol		n/a	6.5	
		n/a	0.9	
WKN		n/a	0.9	

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

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

Via Fax +352 46 71 71 7667
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:
Société Générale, Zurich Branch, Talacker, 50, P.O. Box 1928, CH-8021 Zurich
Phone: +41/58.272.34.18 Fax: +41/58.272.35.49

Minimum Investment

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

The contents of this document are communicated by, and the property of, Hereford Funds. Hereford Funds is a trading name of Hereford Funds LLP. Hereford Funds LLP is an appointed representative and tied agent of Thornbridge Investment Management LLP which is authorised and regulated by the Financial Conduct Authority (FRN: 713859). 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 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 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. No warranty is given, in whole or in part, regarding performance of the Fund. There is no guarantee that its investment objectives will be achieved. Potential investors shall be aware that the value of investments can fall as well as rise and that they may not get back the full amount invested. Past performance is no guide to future performance. The information provided in this document may be subject to change without any warning or prior notice and should be read in conjunction with the most recent publication of the prospectus of the Fund. Whilst great care is taken to ensure that information contained herein is accurate, no responsibility can be accepted for any errors, mistakes or omission or for future returns. This document is intended for the use of the addressee or recipient only and may not be reproduced, redistributed, passed on or published, in whole or in part, for any purpose, without the prior written consent of HEREFORD FUNDS. Neither the CSSF nor any other regulator has approved this document.