

# Driehaus Emerging Markets Small Cap Growth Fund Summary

2<sup>nd</sup> QUARTER 2022

Global equity markets followed through to the downside during the second quarter of 2022, as the Russia-Ukraine war intensified, while China faced prolonged periods of lockdown due to the country's zero-COVID policy, and US economic data deteriorated amid continued Federal Reserve (Fed) interest rate hikes.

Emerging markets (EM) exhibited mixed performance against this backdrop, as China staged a strong rally during the back half of the quarter alongside growing optimism about an economic reopening, while Brazil, a market that performed well in the first quarter, succumbed to weakness as various parts of the commodity complex began to deteriorate.

The Driehaus Emerging Markets Small Cap Growth Fund returned -11.35% for the quarter, compared to the MSCI Emerging Markets Small Cap Index return of -16.41%.

Key contributors during the quarter included China and the consumer staples sector, while India and the real estate sector detracted from relative performance.

China contributed positively to relative performance, as the Fund maintained a significant overweight in the country, which we added to over the course of the quarter. While strict adherence to the zero-COVID policy led to weak growth conditions and lockdowns of major cities, investors became optimistic about a reopening as COVID case counts came down, while the government continued to provide support to strategically important sectors of the economy. Contributors to the Fund's relative outperformance included a producer of next generation solar cell manufacturing equipment, along with a robotics company that maintains a strong position in the electric vehicle end market.

The consumer staples sector added to relative performance, with stock selection being the main driver. Two of the Fund's top weightings generated strong returns during the quarter, contributing the majority of the relative performance in the sector. These included an Indian beverage company and a Chinese cosmetics company, both of which demonstrated durable business models amid challenging economic conditions.

India detracted from relative performance during the quarter. The country continues to struggle with the backdrop of persistent commodity price inflation, while valuations have de-rated from the elevated levels reached in 2021. Detractors included two companies involved in the manufacturing of air conditioners. The Fund had built meaningful positions in these companies in anticipation of a strong demand recovery, however the earnings results from the March quarter revealed more challenging industry conditions than expected, leading these stocks to underperform.

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**The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information. A basis point equals 0.01.**

**Driehaus Emerging Markets Small Cap Growth Fund**

The real estate sector detracted from relative performance, with positions in two Indian property developers driving the weakness. Rising commodity prices led to local interest rate hikes, pressuring the sector, while inconsistent pre-sales trends among local developers led to rising uncertainty over future earnings.

The Fund maintains an overweight position in China. While economic growth estimates have been revised down amid China's struggles to contain COVID, we believe this dynamic is well understood by market participants at this point. This development, along with the regulatory crackdown that transpired throughout 2021, has created, in our view, an attractive opportunity to accumulate recovery growth stocks in China. This dislocation has occurred in tandem with an improving credit impulse, which may presage stronger growth in the quarters ahead.

The Fund maintains an underweight position in Taiwan, which is a market that is heavily driven by tech hardware. Lofty valuations in local technology companies, in combination with potential earnings pressure resulting from a slowdown in end markets such as PCs and smartphones, lead the Fund to hold a material underweight position in the market.

The Fund is overweight the energy sector. Tight global conditions in both upstream and downstream hydrocarbons have created a backdrop of strong pricing power, as well as rising demand for renewable energy. The Fund continues to add to both oil and gas exploration and production companies, as well as renewable energy supply chain beneficiaries. Notable new positions include a Brazilian energy company with a strong midstream natural gas network, which has added productive acreage that was divested by Brazil's state-owned energy company, along with a producer of lasers used in the production of solar cells.

The Fund maintains an underweight position in the real estate sector. Rising global interest rates have put pressure on demand for property, while China continues to see a deterioration in the credit quality of its property developers.

The Fund continues to hold a positive view on the relative case for EM equities amid a backdrop of policy easing and economic recovery in China. That said, the Fund continues to hold a selective approach in countries that exhibit high sensitivity to inflation or where we believe market participants hold overly optimistic earnings expectations. Consequently, the Fund continues to maintain a defensive posture with a higher-than-normal cash position, and will move in a nimble manner, consistent with our investment philosophy, to capture opportunities that may arise in the months ahead.



**Chad Cleaver**, Lead Portfolio Manager  
Driehaus Emerging Markets Small Cap Growth Fund

# Driehaus Emerging Markets Small Cap Growth Fund

## % Month-End Performance (as of 6/30/22)

	MTH	YTD	Annualized				Inception <sup>1</sup>
			1 Year	3 Year	5 Year	10 Year	
Driehaus Emerging Markets Small Cap Growth Fund <sup>2</sup>	-5.72	-19.45	-19.77	11.57	8.01	6.81	10.30
MSCI Emerging Markets Small Cap Index (ND) <sup>3</sup> (Benchmark)	-10.53	-20.03	-20.72	5.78	3.48	4.31	10.01
MSCI Emerging Markets Small Cap Growth Index (ND) <sup>4</sup> (Index)	-11.19	-23.85	-23.61	6.82	3.53	3.90	9.26

## % Quarter-End Performance (as of 6/30/22)

	QTR	YTD	Annualized				Inception <sup>1</sup>
			1 Year	3 Year	5 Year	10 Year	
Driehaus Emerging Markets Small Cap Growth Fund <sup>2</sup>	-11.35	-19.45	-19.77	11.57	8.01	6.81	10.30
MSCI Emerging Markets Small Cap Index (ND) <sup>3</sup> (Benchmark)	-16.41	-20.03	-20.72	5.78	3.48	4.31	10.01
MSCI Emerging Markets Small Cap Growth Index (ND) <sup>4</sup> (Index)	-18.21	-23.85	-23.61	6.82	3.53	3.90	9.26

## Top 5 Holdings<sup>5</sup> (as of 5/31/22)

Company	% of Fund
Varun Beverages Ltd.	2.8
FPT Corp.	2.7
Petro Rio SA	2.5
Proya Cosmetics Co., Ltd. Class A	2.0
PT Merdeka Copper Gold Tbk	2.0

## Annual Operating Expenses<sup>6</sup>

Gross Expenses	1.37%
Net Expenses <sup>7</sup>	1.24%

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance. Data as of 6/30/22.

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<sup>1</sup>The Fund's predecessor limited partnership has an inception date of 12/1/2008. <sup>2</sup>The average annual total returns of the Driehaus Emerging Markets Small Cap Growth Fund include the performance of the Fund's predecessor limited partnership, which is calculated from December 1, 2008 before the Fund commenced operations and succeeded to the assets of its predecessor on August 22, 2011. The predecessor limited partnership was not registered under the Investment Company Act of 1940, as amended ("1940 Act") and thus was not subject to certain investment and operational restrictions that are imposed by the 1940 Act. If the predecessor had been registered under the 1940 Act, its performance may have been adversely affected. The Fund's predecessor performance has been restated to reflect estimated expenses of the Fund. After-tax performance returns are not included for the predecessor limited partnership. The predecessor was not a regulated investment company and therefore did not distribute current or accumulated earnings. <sup>3</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in global emerging markets. Data is in US dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

<sup>4</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Growth Index (MSCI Emerging Markets Small Cap Growth Index) is a subset of the MSCI Emerging Markets Small Cap Index and includes only the MSCI Emerging Markets Small Cap Index stocks which are categorized as growth stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. An investor cannot invest directly in an index. <sup>5</sup>Holdings subject to change. <sup>6</sup>Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2022. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented. A shareholder may be required to pay a commission to their financial intermediary. <sup>7</sup>Driehaus Capital Management LLC, the Fund's investment adviser, has entered into a contractual agreement to waive a portion of its management fee and to reimburse operating expenses to the extent necessary to cap the Driehaus Emerging Markets Small Cap Growth Fund's ordinary annual operating expenses (excluding interest, taxes, brokerage commissions, dividends and interest on short sales and other investment-related costs, acquired fund fees and expenses and extraordinary expenses, such as litigation and other expenses not incurred in the ordinary course of the Fund's business), resulting in the current net expense ratio of 1.24% until the earlier of the termination of the investment advisory agreement, by the Board of Trustees or the Fund's shareholders, or April 30, 2023. Pursuant to the agreement, and so long as the investment advisory agreement is in place, for a period not to exceed three years from the date on which the waiver or reimbursement was made, the investment adviser is entitled to reimbursement or previously waived fees and reimbursed expenses to the extent that the Fund's expense ratio remains below the operating expense cap in place at the time of the waiver or expense reimbursement and below the current operating expense cap.

**Driehaus Emerging Markets Small Cap Growth Fund**

**Sector Performance Attribution 2nd Quarter – 3/31/22 to 6/30/22**

	Driehaus Emerging Markets Small Cap Growth Fund (DRESX) (Port) (%)			MSCI Emerging Markets Small Cap Index (ND) <sup>1</sup> (Bench) (%)			Attribution Analysis (%)
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Total Effect <sup>2</sup>
Communication Services	0.00	0.00	0.00	3.86	-23.62	-0.95	0.30
Consumer Discretionary	15.19	-12.97	-2.01	11.47	-14.75	-1.63	0.27
Consumer Staples	9.88	4.00	0.34	6.16	-12.43	-0.76	1.65
Energy	5.36	-18.38	-1.20	2.33	2.62	0.02	-0.59
Financials	7.90	-22.83	-1.88	11.08	-16.97	-1.88	-0.42
Health Care	4.03	16.63	0.90	8.10	-16.17	-1.27	1.41
Industrials	15.46	-6.02	-0.41	15.62	-12.39	-1.88	1.16
Information Technology	11.97	-21.04	-2.56	17.75	-23.02	-4.27	0.70
Materials	12.08	-25.75	-3.24	13.18	-19.18	-2.63	-0.75
Real Estate	2.66	-36.65	-1.20	6.76	-13.69	-0.92	-0.85
Utilities	3.02	3.60	0.21	3.66	-7.67	-0.24	0.30
Cash	12.46	-0.21	-0.03	0.00	0.00	0.00	2.11
Other <sup>3</sup>	0.00	-0.28	-0.27	0.02	21.28	0.00	-0.25
<b>Total</b>	<b>100.00</b>	<b>-11.37</b>	<b>-11.37</b>	<b>100.00</b>	<b>-16.41</b>	<b>-16.41</b>	<b>5.04</b>

Sources: FactSet Research Systems Inc. and Driehaus Capital Management. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only. <sup>1</sup>A definition of this index can be found on page 3. <sup>2</sup>Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector. <sup>3</sup>Other refers to securities not recognized by FactSet.

## Driehaus Emerging Markets Small Cap Growth Fund

## Country Performance Attribution 2nd Quarter – 3/31/22 to 6/30/22

MSCI Country	Driehaus Emerging Markets Small Cap Growth Fund (DRESX) (Port) (%)			MSCI Emerging Markets Small Cap Index (ND) <sup>1</sup> (Bench) (%)			Attribution Analysis (%)
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Total Effect <sup>2</sup>
Australia	2.48	-26.95	-0.68	0.00	0.00	0.00	-0.27
Bermuda	0.00	0.00	0.00	0.02	0.64	0.00	0.00
Brazil	8.10	-26.04	-2.23	6.68	-29.50	-2.01	0.14
Cambodia	0.72	-7.65	-0.06	0.00	0.00	0.00	0.06
Canada	3.12	-32.65	-1.16	0.00	0.00	0.00	-0.55
Cayman Islands	0.00	0.00	0.00	0.48	-17.09	-0.08	0.01
Chile	0.00	0.00	0.00	0.65	-21.68	-0.14	0.03
China	11.21	10.64	2.49	4.87	-1.57	0.05	3.02
Colombia	0.00	0.00	0.00	0.24	-17.93	-0.05	0.00
Czech Republic	0.00	0.00	0.00	0.04	-8.86	0.00	0.00
Egypt	0.00	0.00	0.00	0.25	-20.42	-0.05	0.01
Greece	0.00	0.00	0.00	0.84	-8.89	-0.06	-0.06
Hong Kong	9.19	3.35	0.77	3.13	6.23	0.24	1.34
Hungary	0.00	0.00	0.00	0.06	-30.08	-0.02	0.01
India	17.84	-17.04	-3.40	21.70	-15.21	-3.33	-0.53
Indonesia	3.29	-12.27	-0.51	2.28	-6.62	-0.20	-0.12
Kuwait	0.00	0.00	0.00	1.20	-9.21	-0.12	-0.08
Malaysia	0.00	0.00	0.00	2.83	-12.91	-0.36	-0.10
Mexico	2.15	-16.47	-0.35	1.97	-13.83	-0.24	-0.05
Netherlands	0.00	0.00	0.00	0.03	-17.04	0.00	0.00
Panama	0.22	-15.38	-0.09	0.00	0.00	0.00	-0.06
Peru	0.00	0.00	0.00	0.09	-28.51	-0.03	0.01
Philippines	1.35	-24.97	-0.32	0.95	-18.82	-0.18	-0.04
Poland	0.62	-10.82	-0.09	1.09	-15.39	-0.15	0.00
Qatar	0.24	0.75	-0.02	0.97	-7.49	-0.08	-0.01
Saudi Arabia	2.74	-14.06	-0.41	2.66	-14.28	-0.42	0.03
Singapore	0.00	0.00	0.00	0.01	-24.29	0.00	0.00
South Africa	1.56	-28.35	-0.43	4.17	-18.98	-0.76	-0.07
South Korea	6.49	-24.57	-1.60	15.28	-24.40	-3.95	0.70
Suriname	0.00	0.00	0.00	0.08	-24.21	-0.02	0.01
Taiwan	5.26	-17.91	-0.86	21.21	-18.54	-3.98	0.41
Thailand	2.38	-15.64	-0.39	3.94	-11.36	-0.45	-0.17
Turkey	0.00	0.00	0.00	1.27	2.19	0.01	-0.21
United Arab Emirates	1.27	-3.85	-0.06	0.80	0.74	-0.01	0.04
United States	0.59	-38.11	-0.26	0.21	-1.62	0.00	-0.18
Vietnam	6.74	-18.57	-1.41	0.00	0.00	0.00	-0.16
Zambia	0.00	0.00	0.00	0.02	-12.72	-0.01	0.00
Cash	12.46	-0.21	-0.03	0.00	0.00	0.00	2.11
Other <sup>3</sup>	0.00	-0.28	-0.27	0.00	0.00	0.00	-0.24
<b>Total</b>	<b>100.00</b>	<b>-11.37</b>	<b>-11.37</b>	<b>100.00</b>	<b>-16.41</b>	<b>-16.41</b>	<b>5.04</b>

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**Driehaus Emerging Markets Small Cap Growth Fund**

This material is not intended to be relied upon as a forecast or research. The opinions expressed are those of Driehaus Capital Management LLC (“Driehaus”) as of July 13, 2022 and are subject to change at any time due to changes in market or economic conditions. The commentary has not been updated since July 13, 2022 and may not reflect recent market activity. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable and are not necessarily all inclusive. Driehaus does not guarantee the accuracy or completeness of this information. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

**Investments in overseas markets can pose more risks than U.S. investments, and share prices are expected to be more volatile than that of a U.S.-only fund.** The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions in the overseas markets. In addition, returns of the Fund will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invest. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the prospectus for the Fund.

At times, a significant portion of the Fund’s return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow.

The Fund invests in companies that are smaller, less established, with limited operating histories and less liquid markets for their stock, and therefore may be riskier investments. While small- and medium- sized companies generally have the potential for rapid growth, the securities of these companies often involve greater risks than investments in larger, more established companies because small- and medium-sized companies may lack the management experience, financial resources, product diversification and competitive strengths of larger companies. In addition, in many instances the securities of small- and medium-sized companies are traded only over-the-counter or on a regional securities exchange, and the frequency and volume of their trading is substantially less than is typical of larger companies. The value of securities of smaller, less well known issuers can be more volatile than that of larger issuers.

It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. These are nondiversified funds compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds.

Market Turbulence Resulting from COVID-19. The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund.

**Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111. Please read the prospectus and summary prospectus carefully before investing.**

Forside Financial Services, LLC, Distributor