

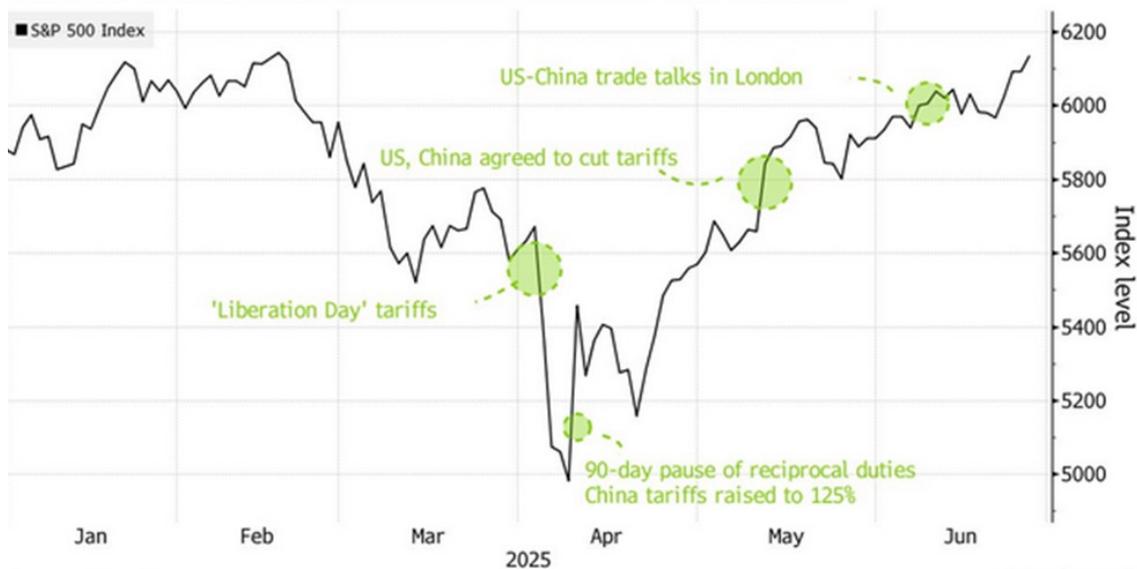
Driehaus Small Cap Growth Strategy Summary

2ND QUARTER 2025

Market Overview

The U.S. equity market began the June quarter in a bear market as President Trump's tariffs caused severe stress in investor sentiment and raised concern of a major economic and earnings slowdown. The equity market declined sharply from mid-February to early April. Investors were stunned by the extremely high Reciprocal Tariff rates and the scope of the tariffs (on nearly every country) announced by Trump on April 2nd, so-called Liberation Day. The extreme selling accelerated from April 2nd as the odds of a U.S. recession increased substantially. As the bond market reacted negatively and long-term treasury yields began to rise, Trump blinked and announced a 90-day pause of the Reciprocal Tariff rates on April 9th. This ignited a sharp rally for the U.S. equity market as widespread relief set in as the worst case scenario was avoided (the expiration date for the 90-day pause has now been pushed out to August 1st). The following chart in Exhibit 1 is a brief timeline of the first half of the year's wild ride:

Exhibit 1: Tariffs Drive Wild First Half Ride in US Stocks



Source: Bloomberg

The rally that began on April 9th was historic. It was the fastest recovery following a decline of at least 15% for the S&P 500 in decades as shown in Exhibit 2.

Exhibit 2: S&P 500's quickest recoveries to records following a decile of at least 15%



Source: Dow Jones Market Data

It was also significant as the widely followed contrarian index, the VIX (the CBOE Volatility Index), finished above 50 and briefly touched 60 for only the third time ever. The prior two times were historic and occurred during periods of extreme market stress: (1) the GFC (the Great Financial Crisis) and (2) near the Covid market low in the spring of 2020. In both prior instances, as the VIX peaked and importantly then declined, the market made major historic bottoms. Looking at a variety of other additional technical indicators, including sentiment, breadth, and volume indicators, they also suggest the April 9th low could be an important market low historically.

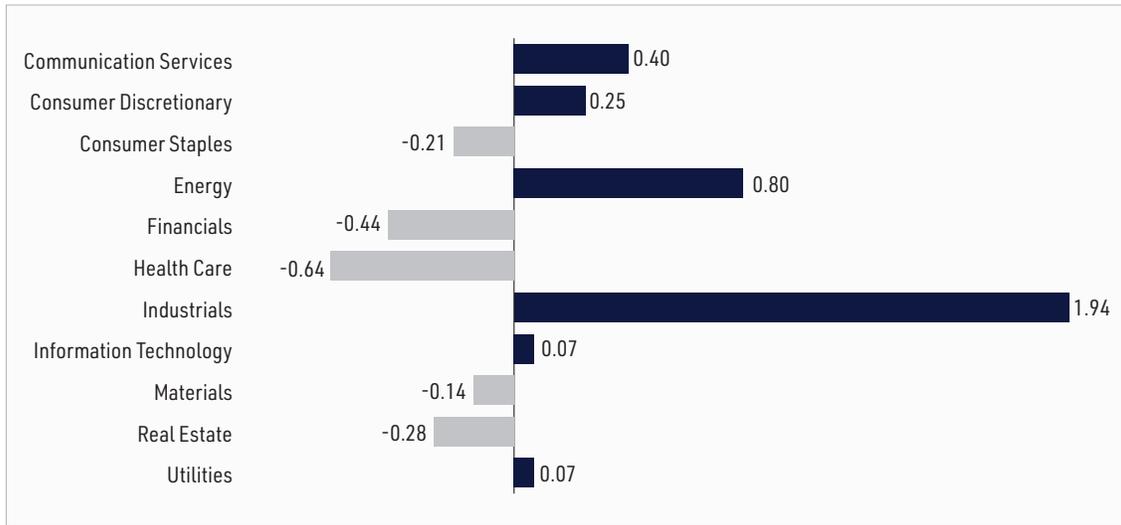
Performance Review

The Driehaus Small Cap Growth strategy outperformed its benchmark by 178 basis points for the June quarter. The strategy appreciated 13.75% versus a gain of 11.97% for the Russell 2000 Growth, 8.5% for the Russell 2000, and 10.94% for the S&P 500 for the quarter.¹ The Russell 2000 Growth index bounced back sharply following Trump's 90-day pushout of the reciprocal tariffs on April 9th and from that market low gained 27.66% through the end of the June quarter.

From a sector perspective, the top two contributing sectors on a relative basis for the quarter were industrials and energy. The bottom two performing sectors on a relative basis for the June quarter were health care and financials.

¹The performance data represents the strategy's composite of small cap growth accounts managed by Driehaus Capital Management LLC (DCM). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

Exhibit 3: Sector Attribution Relative to Benchmark

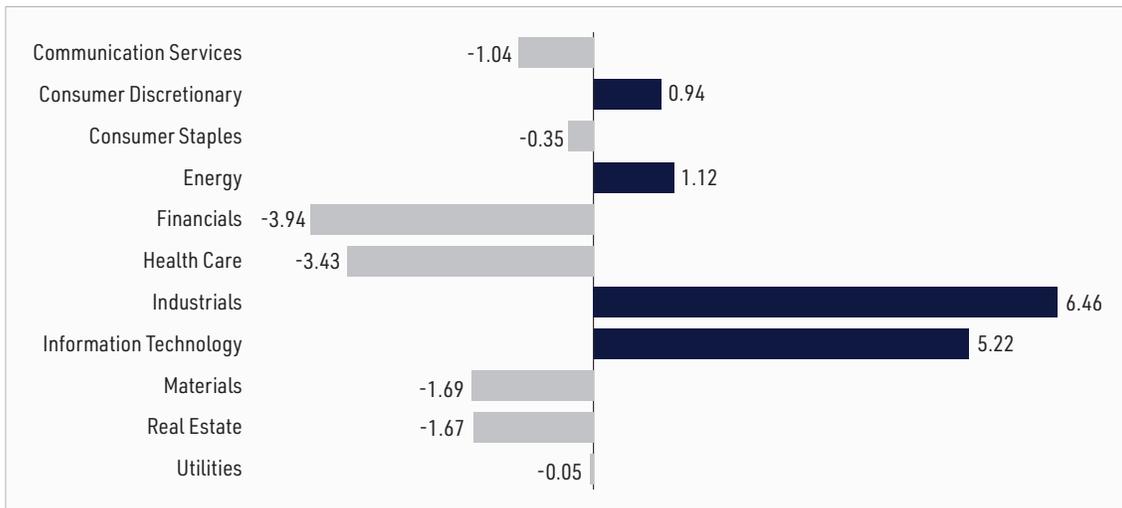


Source: Driehaus. Note: The sector attribution relative to benchmark for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector. This exhibit is ex-cash. The cash weighting at 6/30/2025 was 0.3%.

Strategy Overview and Positioning

The largest overweights in the portfolio in the June quarter were to the industrials and energy sectors. The largest underweights during the June quarter were to financials and real estate. The biggest shift in the portfolio during the quarter was an increase in the active weight in industrials and information technology. Detailed information about sector performance is below in Exhibit 4.

Exhibit 4: Change in Relative Weight



Source: Driehaus. Note: Change in relative weight is the difference between the change in ending weight from the previous quarter. This exhibit is ex-cash. The cash weighting at 6/30/2025 was 0.3%.

Driehaus Small Cap Growth Strategy

Sectors contributing positively to returns during the quarter (in order of relative impact):

Industrials

Industrials added 194 basis points on a relative basis and 641 basis points in absolute terms, with our holdings gaining 27.4% versus 19.0% for the index. Our exposure to the sector increased notably from 21.1% to 25.0% versus 20.4% for the index. Our holdings saw strength in several sub-industries with attractive themes, including commercial aerospace and defense, commercial services, nuclear infrastructure, traditional infrastructure, engineering & construction, and AI related data centers.

Energy

The energy sector contributed 80 basis points in relative returns and added 107 basis points in absolute terms. Our energy stocks gained 20.5% versus a gain of 1.5% for the index. We increased our exposure from 5.1% to 5.9%, an overweight versus 3.1% for the index. We hold natural gas levered exploration and production companies, as well as companies exposed to oilfield services and uranium mining.

Communication Services

Communications Services contributed 40 basis points in relative terms and 44 basis points in absolute terms. Our holdings gained 48.6% versus a gain of 8.2% for the index. Our exposure to the sector went from 1.7% to 1.3% during the quarter, an underweight versus 2.8% for the index. We saw gains from an advertising related technology company offset by a decline in a performance marketing company for the insurance industry.

Consumer Discretionary

Consumer discretionary contributed 25 basis points on a relative basis and 171 basis points in absolute terms. Our holdings appreciated 13.6% versus a gain of 11.2% for the index. We increased our sector exposure from 10.8% to 12.1%, maintaining an overweight versus 9.8% for the index. Our holdings saw positive performance in specialty retail, leisure, education, restaurants, and gaming related industries.

Information Technology

Information Technology contributed 7 basis points on a relative basis and 346 basis points in absolute performance. Entering the June quarter, concerns surrounding DeepSeek and tariffs were massive overhangs which left many small cap tech stocks in downtrends and well off their 2024 highs. However, the tech sector recovered sharply during the quarter, largely reversing the losses it experienced during the March quarter as positive news surrounding AI and data center capex continued and Trump pushed out the reciprocal tariff for 90 days.

When DeepSeek debuted on January 27th the market was extremely concerned that tech companies benefitting from the strong AI infrastructure capex trends would be negatively impacted going forward as capex trends would decelerate and disappoint market expectations. The reaction in AI infrastructure stocks was severe. Specifically, AI infrastructure tech stocks held in the portfolio as DeepSeek debuted fell 66% on average from January 27th to the April 9th market low. We aggressively reduced our exposure to the AI infrastructure stocks in late January and in February. These stocks continued to steadily decline from mid-February into early April as high tariff rates became a second major concern.

As the AI stocks began to bottom and recover in April we began to re-initiate positions in many of these same AI infrastructure stocks at prices generally lower than where we reduced and sold the positions in the first quarter. We were frequently asked by investors after DeepSeek debuted if we believed the AI infrastructure theme was over. At the time we did believe the theme was over for the time being – the group did correct by 2/3rds on average. But we also had conviction that the AI infrastructure group could recover if it became clear that consensus earnings estimates were still conservative for the second half of 2025 and 2026 and if it were clear that AI capex trends would remain strong.

Driehaus Small Cap Growth Strategy

The main market concern after DeepSeek debuted was that AI capex trends would slow and disappoint. AI skeptics expected AI and data center capital expenditures to slow, with cuts likely as LLMs become cheaper to develop. On the other hand, AI bulls believed Jevon's paradox and many new AI applications would continue to drive strong AI capex trends. We continue to believe the hyperscalers remain in a competitive AI battle against each other and view AI as an opportunity and an existential threat. From this perspective, it is critical that the hyperscalers continue to spend and increase the IQ of their AI offerings.

During the June quarter, it became evident that the growth in AI use cases, and the productivity and efficiency gains from AI are becoming massive. These factors are driving continued strong gains in AI capex and new data center demand. Our review of recent quarterly earnings reports and our many conversations with AI infrastructure companies in the technology and industrial sectors supports the view that AI infrastructure demand is robust and forward earnings estimates are conservative. As a result, during the quarter we increased our exposure to companies benefiting from the AI data center buildout.

Our tech holdings gained 21.5% compared to a gain of 19.8% for the index's tech holdings. We increased our exposure to the sector from 12.5% to 20.6% during the quarter, an underweight versus the benchmark's 21.4% weighting. The strategy is overweight semiconductors, equal weight electronic equipment and telco equipment, and slightly underweight software.

Sectors detracting from relative returns during the quarter (in order of relative impact):

Healthcare

Healthcare detracted 64 basis points on a relative basis but added 10 basis points on an absolute basis. Our holdings gained .9% versus a gain of 3.3% for the index. Healthcare materially lagged other sectors.

We decreased our exposure to healthcare from 26.9% to 21.4% during the quarter, compared to 22.8% for the index. That reduction in exposure occurred in biotech and medical devices. The portfolio finished the quarter slightly overweight biotech, underweight medical devices and underweight the other healthcare sub-industries. The reduction in exposure was primarily due to weak relative strength within the sector and more attractive bottom up and thematic opportunities in other sectors in our view.

While the healthcare sector has begun to recover since the April 9th market low, for the quarter the sector did experience multiple compression due to lingering concerns about the appointment of RFK Jr as the Secretary of Health and Human Services as well as new leadership at the FDA. The threat of sectoral tariffs and pricing controls via an MFN (Most Favored Nation) policy also weighed on the sector. While we do not believe these concerns will have an impact on the drug approval timelines or commercial sales prospects for our holdings, they did weigh on recent price action. As we detailed in our commentary last quarter, we have spoken with the management teams of our holdings, and they consistently continue to reiterate that they are having very normal dialogue and communications with the FDA with no suggestion of any slowdown or delays.

Biotech/pharma accounted for most of the sector underperformance as it detracted 99 basis points in relative terms and 45 basis points in absolute terms for the quarter. Our biotech positions gained .9% versus a gain of 2.3% for the index, while pharma declined 18.3% versus a decline of 13.4% for the index.

We remain encouraged fundamentally as we believe our biotech holdings have very promising and innovative clinical stage therapies demonstrating superior efficacy and safety in important disease indications, such as epilepsy, endocrinology, diabetes, neurology, autoimmune diseases, and oncology. We anticipate promising results from upcoming clinical trials and continued strength for products with recent commercial launches.

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Financials

Financials detracted 44 basis points on a relative basis for the quarter but added 72 basis points in absolute terms. Our holdings gained 8.2% versus a gain of 13.6% for the index. We saw strength in specialty insurance, fintech, and specialty consumer lenders. We decreased our exposure from 9.2% to 7.6%, while maintaining an underweight versus an index weight of 11.5%.

Consumer Staples

Consumer staples detracted 21 basis points in relative terms and detracted 7 basis points in absolute terms. Our holdings declined by .1% versus a gain of 1.9% for the index. We reduced our exposure from 4.4% to 2.8% during the quarter, a slight overweight versus 2.6% for the index. Gains in a specialty grocer and a beauty supplier offset a decline in a specialty beverage company.

Materials

The materials sector detracted 14 basis points on a relative basis but added 43 basis points in absolute terms. Our holdings gained 10.3% versus a gain of 14.1% for the index. We decreased our exposure from 5.4% to 2.9%, an underweight versus 3.1% for the index. We have exposure to companies in specialty metals, precious metals, and construction materials for infrastructure.

Outlook & Positioning

Looking ahead into the second half of 2025, the market outlook will still be influenced by the final outcome of Trump's tariff and trade policies. The market is assuming 10% baseline tariffs, with higher rates for countries with larger trade surpluses or links to China (such as the recent 20% rate applied to Vietnam) and then the highest rates for China. While not ideal in economic terms, the market has concluded the U.S. economy can continue to grow and avoid a recession with 10-20% tariff rates for most trade partners. In recent days in early July, Trump is threatening to impose higher tariff rates on several key countries. So, uncertainty and volatility will continue though the market has learned to take his comments with a grain of salt. In simple terms, tariff rates above 10-20% will be a headwind to growth and will add to uncertainty and volatility of the market in the near term.

So, while future tariff rates are not certain, if 10-20% is the average tariff rate going forward, economic and earnings growth can continue to expand. Current economic trends are mixed but trending positively as the Atlanta Fed GDPNow indicator is currently at 2.6% and above most forecasts. The odds of a recession are low. For instance, the Coincident Economic Indicators continue to hit new highs. There are several factors that suggest positive economic growth ahead:

- The labor market remains resilient. AI, DOGE cuts, immigration policy and tariffs were all expected to be reasons the labor markets would weaken. The labor market will be the key indicator to watch for initial economic weakness. Indeed, continuing jobless claims have risen as has the unemployment rate for recent graduates. However, the June unemployment rate fell to 4.1% as new job creation and initial jobless claims continue to come in below expectations. Wage gains have been positive, and layoffs remain low. The impact of AI on employment is a risk that needs to be monitored carefully.

Driehaus Small Cap Growth Strategy

- AI and data center capex continues to be a source of economic growth as hundreds of billions are being spent on new data centers.
- AI is expected to drive productivity and efficiency gains which will be positive for earnings and economic growth.
- Reshoring and infrastructure continue to be sources of economic growth.
- Inflation data continues to trend favorably below expectations. The price of crude oil also remains relatively low. AI is generally expected to be a source of disinflation.
- The Federal Reserve continues to lean dovish. The Fed Funds Futures market is currently calling for more than two rate cuts by the Fed in the second half of 2025.
- The so-called Big Beautiful Bill has passed (the new federal budget). It should serve as a powerful fiscal stimulus for the economy. It extends the 2027 tax cuts. Importantly, for now, treasury yields have reacted favorably to the passage of the bill.
- As the above factors increase the odds of sustained economic growth, earnings growth should continue to trend positively.

Other key favorable market variables to consider:

- The dollar has seen its largest decline in over 30 years and while the implications of a weaker dollar are certainly varied and mixed, it should be a boost for U.S. exports and overall corporate earnings.
- The corporate deal market is strong. IPOs are finally back. Recent IPOs have been well received with several achieving strong price gains which should encourage additional IPOs in the coming months. M&A also appears to be picking up. Many other companies are raising capital via secondary and follow-on offerings.
- High yield spreads are favorable and historically this is a good indicator for risk and favorable for the small cap universe.
- Market breadth has widened with both the NYSE and Nasdaq advance-decline lines making new highs.
- The Citi economic surprise index and earnings revisions have turned positive recently.
- Smaller caps have outperformed since the April 9th bottom. This is historically consistent with other key market bottoms.
- Small caps continue to trade at a deep discount to large caps.
- AI should continue to be a source of economic growth and improving productivity and efficiency. AI is a powerful and transformative source of technological change.

Sources of risk and uncertainty:

- Uncertainty surrounding Trump's trade and tariff policy.
- Potential higher tariff rates impacting the economy and inflation readings.
- China-US trade negotiations and supply of rare earth elements.
- Trump threatening Fed Chair Powell.
- Geopolitical risks.
- Treasury yields are now trending lower, but higher yields and concern about fiscal deficits remain a key risk.
- Risk of job displacement and lack of hiring due to AI.

Driehaus Small Cap Growth Strategy

Overall, we view the outlook for the second half to be favorable for equities. The outlook depends on a stable and favorable tariff policy outlook. Assuming trade agreements are reached that yield tariff rates of 10-20%, we believe economic growth will continue and as a result earnings growth will continue to expand. Fiscal and monetary policy are powerful tailwinds for equities. Additionally, there are many strong themes and individual companies with favorable outlooks. The IPO and M&A outlooks are improving as the deal calendar has opened up. Valuations for small caps continue to sit well below that of large caps.

In terms of portfolio positioning, we have an attractive mix of growth companies. By sector, industrials is our largest absolute weight, followed by technology, healthcare, consumer discretionary, financials, and energy. On a relative basis, the strategy is overweight industrials, energy, consumer discretionary, technology, and consumer staples. The strategy is underweight financials, communication services, and healthcare.

This update is not intended to provide investment advice. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any securities, other investments or to adopt any investment strategy or strategies. You should assess your own investment needs based on your individual financial circumstances and investment objectives.

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 7, 2025 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since July 7, 2025 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.

Driehaus Small Cap Growth Strategy

% Month-End Performance (as of 6/30/25)

				Annualized				
	MTH	QTD	YTD	1 YR	3 YR	5 YR	10 YR	Inception ²
Driehaus Small Cap Growth Composite (Gross)	7.20	13.61	-5.10	1.62	15.04	12.02	14.30	17.45
Driehaus Small Cap Growth Composite (Net)	7.15	13.46	-5.35	1.08	14.42	11.34	13.49	16.67
Russell 2000 [®] Growth Index (Benchmark)	5.89	11.97	-0.48	9.73	12.38	7.42	7.14	8.63

Top 5 Holdings⁵ (as of 5/31/25)

Company	Sector	% of Strategy
CyberArk Software Ltd.	Information Technology	2.5
Axon Enterprise Inc	Industrials	2.0
Natera, Inc.	Health Care	1.9
Commvault Systems, Inc.	Information Technology	1.7
Curtiss-Wright Corporation	Industrials	1.7

Sector Weights (%)

	Strategy	Benchmark	Active Weights
Communication Services	1.3	2.8	-1.4
Consumer Discretionary	12.1	9.8	2.3
Consumer Staples	2.8	2.6	0.2
Energy	5.9	3.1	2.8
Financials	7.6	11.4	-3.8
Health Care	21.4	22.8	-1.4
Industrials	25.0	20.4	4.6
Information Technology	20.6	21.4	-0.8
Materials	2.9	3.1	-0.1
Real Estate	0.0	2.1	-2.1
Utilities	0.0	0.6	-0.6
Cash	0.3	0.0	0.3

Data as of 06/30/2025.

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc.

The performance data represents the strategy's composite of small cap growth accounts managed by Driehaus Capital Management LLC (DCM). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

¹Composite assets include those accounts that meet the composite objectives and eligibility requirements. Please see the notes at the end of this document for additional information. ²1/1/1980.

³Portfolio statistics represent the strategy's composite. ⁴Data is calculated monthly. ⁵Holdings subject to change.

Key Features

- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

Facts

Inception Date	1/1/80
Composite Assets Under Management ¹	\$4,985M
Firm Assets Under Management	\$21.4B
Investment Style	Growth Equity
Available Investment Vehicles:	Separately Managed Account Collective Investment Trust Mutual Fund

Portfolio Statistics³

5-year period	Strategy	Benchmark
Information Ratio	0.49	n/a
Beta	0.97	1.00
Standard Deviation	23.26	22.49
Tracking Error	8.04	n/a
R-squared	0.88	1.00

Portfolio Characteristics

	Strategy	Benchmark
Number of Holdings	115	1,100
Weighted Avg. Market Cap (M)	\$9,832	\$4,095
Median Market Cap (M)	\$5,692	\$1,138
Active Share (3-year avg.) ⁴	80.49	n/a

Portfolio Management

Jeff James, Lead Portfolio Manager
35 years of industry experience

Michael Buck, Portfolio Manager
25 years industry experience

Prakash Vijayan, Assistant Portfolio Manager
19 years industry experience

Notes // Driehaus Small Cap Growth Strategy

FIRM DEFINITION

Driehaus Capital Management LLC (DCM) is a registered investment adviser with the United States Securities and Exchange Commission (SEC). DCM provides investment advisory services using growth equity and credit strategies to individuals, organizations, and institutions. The firm consists of all accounts managed by DCM (the Company).

DCM claims compliance with the Global Investment Performance Standards (GIPS®).

COMPOSITE DESCRIPTION

The Small Cap Growth Composite was created in January 1993. An account is considered to be a small cap growth account if it primarily invests in U.S. equity securities of high growth companies within market capitalization ranges of generally followed small cap indices at the time of purchase. However, there is no requirement to be exclusively invested in small cap stocks, and the accounts have invested, to a lesser extent, in stocks with a smaller or larger capitalization from time to time.

PERFORMANCE RESULTS

Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings.

Valuations and returns are computed and stated in U.S. dollars. Returns are presented on a pretax basis.

Past performance is not indicative of future results. All investments have risks and you could lose money.

Additional information regarding policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request. Please contact our sales, marketing and relationship management department at 312-932-8621.

RISKS

All investments have risks. At times, a significant portion of an account'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 strategy with a smaller asset base, and the strategy may not experience similar performance results as its assets grow. The securities of micro-cap companies may be more volatile in price, have wider spreads between their bid and ask prices, and have significantly lower trading volumes than the securities of larger capitalization companies. As a result, the purchase and sale of more than a limited number of shares of the securities of a smaller company may affect its market price. Growth stocks may involve special risks and their prices may be more volatile than the overall market. It is anticipated that the strategy will experience high rates of portfolio turnover.

INDICES

The Russell 2000® Growth Index measures the performance of the small cap growth segment of the U.S. equity universe. It includes those Russell 2000® companies with higher price-value ratio and higher forecasted growth values. The performance data includes reinvested dividends.

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TERMS

Active share represents the share of portfolio holdings that differ from the benchmark index holdings. **Beta** is a measure of a portfolio's volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. **Information Ratio (IR)** measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the investor. This ratio will identify if a manager has beaten the benchmark by a lot in a few months or a little every month. The higher the IR the more consistent a manager is and consistency is an ideal trait. **R-Squared** is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. For fixed-income securities, the benchmark is the T-bill. For equities, the benchmark is the S&P 500. **Standard Deviation** is a measure of the average deviations of a return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the manager's return series. **Tracking Error** is a divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. This is often in the context of a hedge or mutual fund that did not work as effectively as intended, creating an unexpected profit or loss instead.

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For more information about Driehaus Capital Management LLC, please contact us at 312.932.8621.