

Driehaus Emerging Markets Growth Fund

Investor Class: **DREGX**Institutional Class: **DIEMX**

KEY FEATURES

- All cap global emerging markets exposure
- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

INCEPTION DATES

DREGX: 12/31/1997

DIEMX: 7/17/2017

FUND ASSETS UNDER MANAGEMENT

DREGX: \$844 million

DIEMX: \$843 million

FIRM ASSETS UNDER MANAGEMENT

\$8.1 billion

INVESTMENT UNIVERSE

Emerging markets all cap equity

INVESTMENT STYLE

Growth equity

PORTFOLIO MANAGERS



Howard Schwab
Lead Portfolio Manager
18 years of experience



Chad Cleaver, CFA
Portfolio Manager
17 years experience



Richard Thies
Portfolio Manager
12 years of investment experience

MARKET OVERVIEW

Emerging market equities trailed global markets in the second quarter. The MSCI Emerging Markets Index returned 0.61%, coming up short of the MSCI World Index and S&P 500 Index at 4.1% and 4.3%, respectively. The flattish quarterly return for emerging market equities masked higher volatility and strikingly different market performance between May and June.

Global equity markets started the quarter on a positive note, but conditions quickly shifted in early May after President Trump voiced his displeasure over the progress of trade talks with China. As a result, the Trump administration increased tariff rates on \$200bn of Chinese goods from 10% to 25%. China quickly responded by announcing higher tariffs on \$60bn of US exports that it had previously targeted. Before this, the market appeared to be expecting continued progress towards a resolution and thus the change in outlook resulted in a sharp decline in emerging market equities in May. Emerging market bond spreads also rose sharply, compounding the pressure on equities.

June brought another quick reversal in risk asset prices, this time to the upside, largely for two reasons. First, China and the United States indicated a willingness to resume talks at the G-20 Summit in late June. Second, Federal Reserve chairman Jerome Powell acknowledged that the Federal Reserve was monitoring the trade issues affecting global markets and indicated they would consider

insurance rate cuts to sustain the expansion. After falling 7.2% in May, the MSCI Emerging Markets Index rebounded by 6.3% in June to finish out the second quarter.

Argentina was the top performing market in the MSCI Emerging Markets Index during the quarter, returning 29%. The country benefitted from positive political developments as incumbent President Macri made preemptive moves to improve his competitiveness in the upcoming elections against a rival populist ticket (with ex-president Cristina Fernandez de Kirchner onboard). Russia was another strong performer, returning 16.4%, despite a decline in the price of crude oil over the quarter and the ongoing overhang from sanctions. Russia has benefitted from a favorable balance of payments and strong fiscal position. Their typically-hawkish central bank was able to cut interest rate cuts during the quarter which should help growth going forward.

China was the main country detractor in the MSCI Emerging Markets Index, down 4.0%. Uncertainty from the trade war weighed on sentiment and the economy continues to muddle through a slowdown, despite support from the government and People's Bank of China (PBOC).

PERFORMANCE REVIEW

The Driehaus Emerging Markets Growth Fund Investor Class returned 3.92%, outperforming the 0.61% rise in the MSCI Emerging Markets Index.¹

¹Performance Disclosure

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. The fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents the rate that an investor would have earned (or lost) on an investment in the fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change, while cumulative total return reflects aggregate change. Since fund performance is subject to change after the month-end, please call (800) 560-6111 or visit www.driehaus.com for more current performance information. Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices



Consumer discretionary was the largest sector contributor to the fund's relative performance. The strategy benefitted from its positions in Latin American retailers. These stocks outperformed following a rebound in same-store-sales-growth in Brazil. They also have an attractive growth opportunity as they build out their ecommerce offerings, which remains underpenetrated in the region relative to other emerging market geographies. The materials sector was the largest detractor of relative performance. The fund holds a position in a diversified commodity company that was a negative contributor due to production disruptions that led to a miss in the first quarter results relative to the market's expectation.

From a country standpoint, China was the largest contributor to the fund's relative performance. The fund was underweight the country, which declined over the course of the quarter largely due to the escalation in trade tensions mid quarter. South Africa was the largest country detractor. The fund was underweight as both the economic and earnings growth outlook remains challenged. However, the market

outperformed after the election results that raised hope of future reforms, which resulted in a lower country risk premium.

OUTLOOK AND POSITIONING

The G20 Summit was held on the last weekend of the second quarter. President Trump and President Xi agreed to resume negotiations and suspend further tariff increases. President Trump also said the US would relax export restrictions on Huawei, the leading Chinese telecom equipment company, and indicated that China would purchase large amounts of agricultural products from the US. While the tone is less antagonistic than two months ago, none of the details of what was actually agreed upon are very clear. The two sides likely remain far apart from a comprehensive deal. Additionally, this sort of outcome was largely anticipated by the market in the month leading up to the summit.

We expect global markets to continue to be whipsawed by trade-related headlines as both sides must balance the economic ramifications of trade barriers with domestic politics. As a result, the fund is overweight markets like Brazil and India

that are generally more driven by domestic conditions and offer more idiosyncratic growth opportunities.

As always, we believe earnings growth revisions are the primary driver of stock performance. However, we recognize that growth and quality stocks have significantly outperformed year to date as yields have fallen and could be at risk if market conditions shift. Therefore, we are actively seeking out stocks that fit our cyclical and recovery growth criteria to ensure we maintain an appropriate risk profile. Above all else, we will continue to follow our process to seek out attractive earnings growth inflection opportunities.

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 fund 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 16, 2019 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since July 16, 2019 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.

PERFORMANCE (%) as of 6/30/19	Annualized Total Return						
	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception 12/31/97
Investor Class: DREGX	3.92	15.10	2.42	11.08	3.36	8.25	11.17
Institutional Class: DIEMX⁺	3.98	15.18	2.62	11.21	3.43	8.29	11.18
MSCI Emerging Markets Index ¹ (ND) (Benchmark)	0.61	10.58	1.21	10.66	2.49	5.81	*
MSCI Emerging Markets Growth Index ² (ND)	0.26	12.33	-2.44	11.22	3.85	6.94	*

⁺Institutional Class performance is that of the Investor Class from December 31, 1997 through the inception of the Institutional Class on July 17, 2017, and actual Institutional Class performance thereafter. Performance has not been adjusted to reflect the expenses of the Institutional Class for the period prior to the Class's inception, and Institutional Class performance results would differ if such expenses were reflected.

ANNUAL FUND OPERATING EXPENSES³

	Gross Expense	Net Expense
Investor Class: DREGX	1.39%	1.39%
Institutional Class: DIEMX	1.18%	1.18%

SECTOR PERFORMANCE ATTRIBUTION 2nd Quarter — 3/31/19 to 6/30/19

	DrieHaus Emerging Markets Growth Fund (DREGX) (Port) (%)			MSCI Emerging Markets Index (ND) ¹ (Bench) (%)			Attribution Analysis (%)		
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Allocation Effect	Selection + Interaction	Total Effect ⁴
GICS Sector									
Communication Services	10.61	2.96	0.28	12.19	-2.43	-0.41	0.05	0.58	0.69
Consumer Discretionary	16.23	5.36	0.98	13.36	-1.16	-0.20	-0.03	1.09	1.12
Consumer Staples	11.26	9.58	1.14	6.54	3.32	0.22	0.08	0.74	0.81
Energy	5.42	3.38	0.23	8.02	1.24	0.14	0.00	0.21	0.10
Financials	26.65	6.24	1.77	24.66	3.97	1.09	0.04	0.58	0.61
Health Care	3.23	-5.72	-0.20	2.65	-6.60	-0.19	0.00	-0.04	0.01
Industrials	2.70	16.45	0.35	5.30	0.07	0.03	-0.02	0.41	0.38
Information Technology	12.93	-0.34	-0.17	14.33	-0.06	-0.12	0.01	-0.12	-0.01
Materials	2.80	-7.16	-0.19	7.35	-1.22	-0.03	0.10	-0.09	-0.07
Real Estate	0.65	-0.33	0.00	3.06	-0.16	-0.01	0.03	-0.02	0.00
Utilities	0.53	14.05	0.08	2.56	2.91	0.10	-0.05	0.04	0.00
Cash	6.98	-0.14	-0.01	0.00	0.00	0.00	0.01	0.00	-0.01
Unassigned**	0.00	-0.27	-0.28	0.00	0.00	0.00	-0.29	0.00	-0.29
Total	100.00	3.95	3.95	100.00	0.61	0.61	-0.09	3.39	3.35

Data as of 6/30/19

*The inception of the fund predates the inception of the index. **Unassigned refers to securities not recognized by Factset.

Sources: DrieHaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance, Morgan Stanley Capital International and Standard & Poor's Global Industry Classification Standard. 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 for more current performance information. ¹The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. ²The Morgan Stanley Capital International Emerging Markets Growth Index (MSCI Emerging Markets Growth Index) is a subset of the MSCI Emerging Markets Index and includes only the MSCI Emerging Markets Index stocks which are categorized as growth stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. ³Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2019. 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. ⁴Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector.

Per FactSet Research Systems Inc., the attribution report provides an in-depth analysis of relative performance. With this report one can research whether or not 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.

COUNTRY PERFORMANCE ATTRIBUTION 2nd Quarter — 3/31/19 to 6/30/19

MSCI Country	Driehaus Emerging Markets Growth Fund (DREGX) (Port) (%)			MSCI Emerging Markets Index (ND) ¹ (Bench) (%)			Total Effect ⁴
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	
Argentina	1.05	21.35	0.27	0.09	28.99	0.07	0.21
Australia	0.00	0.00	0.00	0.02	-14.01	0.00	0.00
Bermuda	0.07	3.55	0.02	0.00	0.00	0.00	0.00
Brazil	7.34	11.47	1.04	7.25	7.17	0.61	0.38
Cambodia	0.10	-11.01	-0.04	0.00	0.00	0.00	-0.06
Canada	0.20	9.74	0.06	0.00	0.00	0.00	0.02
Cayman Islands	0.58	0.43	0.03	0.26	5.17	0.01	-0.01
Chile	0.01	-0.29	0.00	0.97	-5.60	-0.06	0.06
China	21.99	-0.80	-0.51	27.66	-4.03	-1.30	1.03
Colombia	0.00	0.00	0.00	0.43	-2.42	-0.01	0.01
Comoros	0.60	19.20	0.20	0.02	23.32	0.01	0.17
Czech Republic	0.00	0.00	0.00	0.16	2.61	0.00	0.00
Egypt	0.76	11.85	0.07	0.14	7.83	0.01	0.06
France	0.65	13.51	0.08	0.00	0.00	0.00	0.08
Greece	0.53	10.37	0.06	0.26	16.24	0.05	0.01
Hong Kong	4.79	7.19	0.38	3.82	-4.52	-0.20	0.54
Hungary	1.07	-8.09	-0.09	0.31	-4.07	-0.01	-0.08
India	11.19	6.42	0.80	9.20	0.50	0.11	0.63
Indonesia	2.91	4.49	0.04	2.12	3.15	0.08	-0.03
Israel	0.53	8.15	0.02	0.00	0.00	0.00	0.00
Japan	0.66	-2.31	-0.01	0.00	0.00	0.00	-0.02
Jey	0.00	0.00	0.00	0.04	14.40	0.01	-0.01
Luxembourg	0.32	22.98	0.10	0.07	-2.83	0.00	0.10
Malaysia	0.00	0.00	0.00	2.15	1.15	0.03	-0.02
Mexico	3.17	5.73	0.15	2.71	1.11	0.02	0.12
Netherlands	1.25	6.33	0.11	0.07	44.33	0.02	0.09
Norway	0.06	3.58	0.01	0.00	0.00	0.00	-0.01
Pakistan	0.00	0.00	0.00	0.03	-20.84	-0.01	0.01
Peru	1.24	-2.28	-0.03	0.35	-2.00	-0.01	-0.03
Philippines	1.64	3.36	0.05	1.11	4.35	0.05	0.00
Poland	1.09	10.80	0.11	1.12	3.52	0.04	0.05
Qatar	0.00	0.00	0.00	0.96	0.61	0.01	0.00
Romania	0.00	0.00	0.00	0.06	12.76	0.01	-0.01
Russia	4.81	15.07	0.75	3.81	16.43	0.61	0.10
Saudi Arabia	0.00	0.00	0.00	0.51	2.37	0.04	0.07
Singapore	0.83	36.71	0.38	0.03	5.19	0.00	0.42
South Africa	2.88	3.29	0.19	5.98	6.63	0.33	-0.22
South Korea	6.03	-1.16	-0.03	12.65	-0.95	-0.15	0.10
Switzerland	0.56	-22.45	-0.15	0.00	0.00	0.00	-0.14
Taiwan	6.56	0.26	-0.10	11.26	0.90	0.00	-0.07
Thailand	2.67	15.95	0.43	2.56	9.32	0.27	0.17
Turkey	0.12	-16.31	-0.08	0.51	2.82	0.02	-0.06
United Arab Emirates	0.04	30.60	0.01	0.73	-2.73	-0.02	0.03
United Kingdom	1.66	2.24	0.05	0.04	16.79	0.01	0.08
United States	2.94	-1.87	-0.09	0.54	-5.43	-0.04	-0.06
Vietnam	0.12	-5.34	-0.02	0.00	0.00	0.00	-0.04
Cash	6.98	-0.14	-0.01	0.00	0.00	0.00	-0.01
Unassigned*	0.00	-0.27	-0.28	0.00	0.00	0.00	-0.29
Total	100.00	3.95	3.95	100.00	0.61	0.61	3.35

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. ¹A definition of this index can be found on page 3. ²Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector.

*Unassigned refers to securities not recognized by Factset.

PORTFOLIO CHARACTERISTICS

	DREGX	Benchmark
Number of Holdings	97	1,194
Weighted Avg. Market Cap (M)	\$96,307	\$90,639
Median Market Cap (M)	\$16,714	\$6,299
Est. 3-5 Year EPS Growth	16.9%	14.7%
Active Share (3-year avg.) ¹	76.43	n/a
Market Cap Breakout		
< \$5 billion	6.4%	11.6%
\$5 - \$15 billion	25.4%	25.8%
> \$15 billion	68.2%	62.6%
5-year period		
Annualized Alpha	1.21	n/a
Sharpe Ratio	0.19	0.10
Information Ratio	0.18	n/a
Beta	0.81	1.00
Standard Deviation	13.43	15.78
Tracking Error	4.85	0.00
R-squared	0.92	1.00

SECTOR WEIGHTS (%)

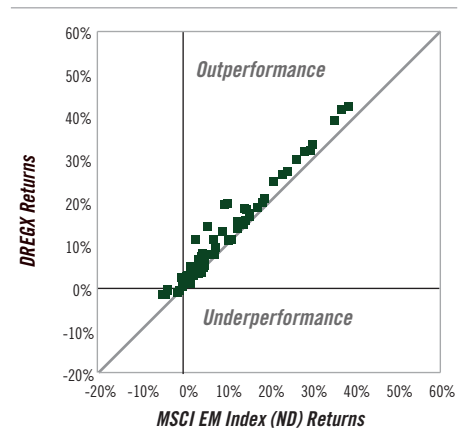
	DREGX	Benchmark
Comm. Services	9.6	11.7
Consumer Discretionary	17.0	13.4
Consumer Staples	12.2	6.6
Energy	4.6	7.9
Financials	27.1	25.1
Health Care	2.5	2.6
Industrials	3.8	5.4
Information Technology	12.2	13.9
Materials	2.6	7.6
Real Estate	0.9	3.0
Utilities	0.6	2.7
Cash	6.9	0.0

COUNTRY WEIGHTS (%)

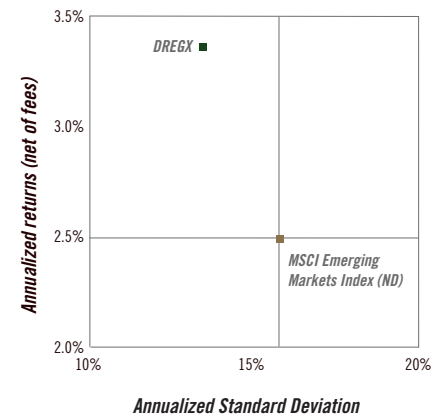
	DREGX	Benchmark
Argentina	1.1	0.3
Brazil	7.8	7.6
Chile	0.3	0.9
China	20.6	27.1
Comoros	1.4	0.0
Egypt	0.8	0.1
Greece	0.6	0.3
Hong Kong	4.8	3.7
Hungary	1.0	0.3
India	11.3	9.0
Indonesia	2.3	2.1
Mexico	2.8	2.5
Peru	1.2	0.3
Philippines	1.6	1.1
Poland	1.6	1.1
Russia	4.4	3.9
South Africa	3.7	5.8
South Korea	6.3	12.4
Taiwan	6.2	10.8
Thailand	3.0	3.0
UAE	0.1	0.7
Other ²	10.2	1.1
Cash	6.9	0.0

TOP 5 HOLDINGS⁴ (as of 5/31/19)

Company			% of Fund
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology	Taiwan	4.7
Tencent Holdings Ltd.	Communication Services	Hong Kong	4.4
Alibaba Group Holding Ltd. Sponsored ADR	Consumer Discretionary	China	3.4
HDFC Bank Limited Sponsored ADR	Financials	India	2.7
Samsung Electronics Co., Ltd.	Information Technology	South Korea	2.5

ROLLING FIVE-YEAR RETURNS³

RISK VS. RETURN (FIVE-YEARS)



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

Driehaus Securities LLC, Distributor

Data as of 6/30/19. Benchmark: MSCI Emerging Markets Index (ND)

¹Data is calculated monthly. ²Represents companies domiciled in developed countries that have significant emerging markets exposures. ³Net of fee returns. MSCI Emerging Markets Index. Returns are calculated from monthly returns and shown for every quarter interval since the inception of the index (January 1999). The inception of the fund predates the inception of the index. Data as of June 30, 2019.

⁴Holdings subject to change.

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. At times, a significant portion of a 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 the Fund may not experience similar performance results as its assets grow. **Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns 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 invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the Fund's prospectus. **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 or visit www.driehaus.com. Please read the prospectus carefully before investing.**

TERMS: **Active share** represents the share of portfolio holdings that differ from the benchmark index holdings. Average drawdown is the arithmetic average of declines in value during a given period of time. Downside risk is a measure of the average deviations of a negative return series. A large downside risk implies that there have been large swings or volatility in the manager's return series. **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. **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** measures of the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation away from the benchmark and does not indicate in which direction it occurred, either positive or negative. Source: eVestment Alliance. **Alpha** is the measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. **Sharpe ratio** is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation. **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.