Driehaus Small Cap Growth Fund

Investor Class: **DVSMX** Institutional Class: **DNSMX**

Key Features

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

Inception Date

8/21/2017

The fund's predecessor limited partnership has a performance inception date of 1/1/2007.

Fund Assets Under Management

DVSMX: $2.0 million // DNSMX: $81.2 million

Firm Assets Under Management

$8.6 billion

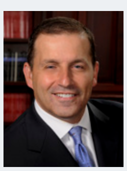
Investment Style

Growth equity

Available Investment Vehicles:

Mutual Fund
Separately managed account

Portfolio Managers



Jeff James
Portfolio Manager
28 years of industry experience

Michael Buck
Assistant Portfolio Manager
18 years of industry experience

MARKET OVERVIEW

For US small caps, the June quarter turned out to be a bullish one as smaller stocks hit new highs, powerfully outperforming the S&P 500. An accelerating economy and lower US corporate tax rates fueled earnings to new highs. These stellar earnings, record setting earnings revision ratios and a March quarter market correction of over ten percent combined to reduce equity valuations by a roughly three price per earnings (P/E) turns early in the quarter after the market reached frothy levels back in January. Other factors such as the looming trade war, the stronger US dollar and incrementally weaker overseas economies were headwinds for large cap US stocks but were less impactful for more US-centric small cap stocks.

The market's divergences have been positive for stock selection but have made the market outlook more complicated. In the bullish corner are record corporate earnings and robust economic growth. In the bearish corner are trade uncertainty, fears of peak growth rates, inflation pressures, monetary policy concerns and the flattening shape of the yield curve.

As the S&P 500 continues to consolidate in a sideways pattern, the outperformance of the NASDAQ and Russell 2000 in the June quarter and YTD reflect the outperformance of growth versus value and US centric markets versus non-US markets. The dispersion within the market has increased with some sectors dramatically outperforming others. Technology, health care and consumer discretionary have been healthy, with strong gains driven by stellar revenue and earnings trends and far less exposure to tariffs, trade and the dollar. Meanwhile, globally exposed cyclical sectors such as industrials, materials and energy have lagged significantly.

Looking at the divergences further within technology, software and ecommerce have been very strong while semiconductors and hardware have lagged. Healthcare has been a leader as biotech and medical devices have been outperformers. Consumer discretionary has been dramatically stronger than consumer staples. Financials have been mixed as the flatter yield curve has held back bank stocks. Energy has lagged despite crude oil hitting three year highs.

Despite the market's concerns, investor risk appetite has remained healthy. With smaller caps and growth outperforming, IPO activity is the strongest in years in terms of the number of newly public companies, dollars raised and absolute price performance. The first half of the year saw the highest volume of IPOs since 2014, with 2018 on track to be one of the strongest years since 2000. Importantly, the IPO pipeline is as healthy as it has been since the middle of the last decade and the volume of deals is expected to remain strong well into 2019.

Market concerns can generally be put into two categories. First, inflation pressures and stronger economic growth have raised concerns about the pace of the Federal Open Market Committee's (FOMC) rate hikes. Inflation, in late June, finally hit the Fed's target of 2% (after nearly a decade of highly accommodative monetary policy). Inflationary pressures are increasing as economic strength, higher crude oil, labor shortages and the expected impact from tariffs take their toll. In the US, incredibly, there are now more job openings (6.7 million) than there are eligible job seekers to fill them.

As always, the interplay of economic growth, inflation and monetary policy will remain top of mind for the market. How monetary policy impacts the shape of the yield curve is a concern given its predictive power of recessions. Historically, however, it has taken quite some time for the curve to invert and a recession to ensue. For now, US economic growth is accelerating with the June quarter expected to post the highest GDP growth rate in years.

Second, and perhaps more concerning is the looming trade war. The highly unorthodox approach by President Trump to announce a wide range of tariffs on goods from key trading partners such as China and the European Union is certainly spooking the market and will have some negative impact on the economy and earnings. As tariffs are just going into effect in early July and countries reciprocate against the US, the actual impact will depend on how long the tariffs remain in place and the pace and outcome of trade negotiations. While Trump's objectives of fair and free trade on a reciprocal basis and protecting US intellectual property are sound as many policy imbalances exist, his political brinkmanship could be dangerous. Anecdotally, semiconductor and industrial companies have told us that that the trade war rhetoric is hurting investment plans as there is uncertainty on many levels with no clarity as to what will actually happen. Supply chain decisions and investment spending have been paused according to some. While improved trade terms may ultimately be a positive end result, the process will be very complicated and how we get there is unclear.

As of early July, the stock market has been holding up remarkably well despite the protectionist announcements. Indeed, small caps continue to act quite well and large caps continue to hold in, which thus far indicates that the market believes the economic impact on the US will be muted or that some resolution on trade will be reached. Of course, the bearish action in emerging markets and in some US cyclical sectors suggest some negative fundamental impact and a high degree of uncertainty about a resolution.

> "An accelerating economy and lower US corporate tax rates fueled earnings to new highs."

PERFORMANCE REVIEW

For the second quarter, the Driehaus Small Cap Growth Fund outperformed its benchmark. The fund returned (DNSMX) 13.69% and (DVSMX) 13.63%, net of fees, while the Russell 2000 Growth Index rose 7.23%.

By sector, for the quarter, the fund's relative outperformance was dominated by health care, technology and consumer discretionary. Portfolio holdings in all three sectors experienced strong earnings. The portfolio returns and the total contribution in all three exceeded the performance of those sectors in the benchmark. Financials, real estate and industrials were modest outperformers. On the downside, materials and energy narrowly underperformed, contributing negatively to the portfolio's total return for the quarter.

Technology was again led by very broad leadership in cloud-based enterprise and internet software and e-commerce. Hardware, semiconductors and semi cap equipment were difficult industries for the quarter and year-to-date, so our decision to underweight them in the fourth quarter of 2017 has proved to be timely as the portfolio posted relative outperformance in them. Health care's outperformance was led by significant gains in a broad number of biotech and medical device companies. Consumer discretionary had solid outperformance from apparel, specialty retail, diet/wellness, gaming and e-commerce companies. Industrials had positive performance from commercial service and transportation companies offset by modest negative performance in some manufacturers. Materials and energy continue to be difficult sectors but are small in terms of absolute weightings.

[1]Performance 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

OUTLOOK & POSITIONING

Trade policy is the key concern for the market currently. The market is fearful that Trump's recently implemented policies are the start of a Trade War which would impact economic growth. Our view is that it will modestly impact the economy but US growth is currently strong enough to absorb the impact. Earnings on a case by case basis will also be impacted, but the larger impact will be on investor sentiment and therefore market multiples. Given the generally positive performance of equities in early July, it is possible that the initial tariff shock is priced in and the outlook is shifting to the upcoming earnings season, but we will be on alert for any signs that changes in trade policy are resulting in an economic slowdown.

Corporate earnings should again be robust overall and particularly so for our portfolio companies. We believe the fundamental outlooks for the rest of the year will remain positive with a measured level of cautiousness for companies with exposure to exports and wage inflation. With a healthy earnings outlook, sustained economic growth and benign credit conditions, most key economic statistics and indicators will continue to trend positively. The equity market's breadth and leadership has been mixed but is driven by sector and end market exposures.

In terms of positioning, the fund is overweight the following sectors: health care, consumer discretionary, technology and energy. Technology, health care, consumer discretionary, and industrials are the four largest absolute weightings. The fund is modestly underweight real estate, financials, materials and industrials.

We look forward to the upcoming earnings season to assess the fundamental progress. We continue to hold and discover an exciting mix of companies that are early in their growth expansions. We are confident that these differentiated companies will gain market share, exceed expectations and will become larger companies over time.

PERFORMANCE as of 6/30/18

	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception[1]
				Annualized Total Return			
Investor Class: DVSMX[1]	**13.63%**	**20.57%**	**37.75%**	**15.51%**	**18.19%**	**11.11%**	**12.10%**
Institutional Class: DNSMX[1]	**13.69%**	**20.72%**	**38.04%**	**15.60%**	**18.24%**	**11.13%**	**12.12%**
Russell 2000® Growth Index[2]	7.23%	9.70%	21.86%	10.60%	13.65%	11.24%	9.46%

ANNUAL FUND OPERATING EXPENSES[3]

	Management Fee	Other Expenses	Total Annual Fund Operating Expenses	Expense Reimbursement	Total Annual Fund Operating Expenses After Expense Reimbursement[4]
Investor Class: DVSMX	0.60%	7.26%	7.86%	(6.66%)	**1.20%**
Institutional Class: DNSMX	0.60%	0.88%	1.48%	(0.53%)	**0.95%**

SECTOR PERFORMANCE ATTRIBUTION 2nd Quarter — 3/31/18 to 6/30/18

	Driehaus Small Cap Growth Fund (DVSMX)[1] (Port) (%)		Russell 2000® Growth Index[2] (Bench) (%)		Attribution Analysis (%)		
GICS Sector	Port Avg. Weight	Port Contrib To Return	Bench Avg.Weight	Bench Contrib To Return	Allocation Effect	Selection + Interaction	Total Effect
Consumer Discretionary	22.31	4.01	15.01	1.42	0.17	1.81	1.98
Consumer Staples	1.46	-0.03	2.55	0.39	-0.09	-0.27	-0.36
Energy	2.00	-0.22	1.43	0.18	0.11	-0.57	-0.46
Financials	3.70	0.17	6.64	0.13	0.13	0.13	0.25
Health Care	26.43	6.42	26.12	2.48	0.02	3.80	3.82
Industrials	13.02	0.03	17.09	0.18	0.28	-0.02	0.27
Information Technology	24.86	3.94	22.23	2.01	0.20	1.22	1.45
Materials	2.80	0.05	4.28	0.06	0.10	0.03	0.13
Real Estate	1.20	0.11	3.13	0.26	0.06	0.01	0.07
Telecom. Services	1.24	-0.44	0.91	0.03	-0.02	-0.45	-0.48
Utilities	0.00	0.00	0.60	0.04	0.03	0.00	0.03
Cash	0.98	0.00	0.00	0.00	0.13	0.00	0.13
Other	0.00	-0.16	0.00	0.00	-0.15	0.00	-0.15
Total	**100.00**	**13.87**	**100.00**	**7.18**	**0.96**	**5.70**	**6.69**

Data as of 6/30/18 Sources: Russell Investments, eVestment Alliance, LLC, SS&C Inc., Russell Investments and Standard & Poor's Global Industry Classification Standard and Driehaus Capital Management LLC. 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), 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. **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.** [1]The average annual total returns and attribution of the Driehaus Small Cap Growth Fund include the performance of one of the Fund's predecessor limited partnerships, which is calculated from January 1, 2007, before it commenced operations as a series of the Driehaus Mutual Funds on August 21, 2017 and succeeded to the assets of the Driehaus Institutional Small Cap, L.P. (the "Predecessor Partnership"), Driehaus Small Cap Investors, L.P., Driehaus Institutional Small Cap Recovery Fund, L.P. and Driehaus Small Cap Recovery Fund, L.P., (together, the "Limited Partnerships"). The Limited Partnerships were managed by the same investment team with substantially the same investment objective, policies and philosophies as the Fund. The investment portfolios of the Limited Partnerships were identical and therefore had similar performance. The performance of the Predecessor Partnership is shown here because it has been in operation the longest. The Predecessor 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 Partnership had been registered under the 1940 Act, its performance may have been adversely affected. Accordingly, future Fund performance may be different than the Predecessor Partnership's past performance. After-tax performance returns are not included for the Predecessor Partnership. The Predecessor Partnership was not a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and therefore did not distribute current or accumulated earnings and profits and was not subject to the diversification and source of income requirements applicable to regulated investment companies. [2]The Russell 2000® Growth Index measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values. The performance data includes reinvested dividends. The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. [3]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated 4/30/18. 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. [4]Driehaus Capital Management LLC, the Fund's investment adviser (the "Adviser"), has entered into a contractual agreement to cap the Fund's current ordinary annual operating expenses (excluding interest, taxes, brokerage commissions, other investment-related expenses, 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) at 1.20% of average daily net assets for the Investor Shares and 0.95% of average daily net assets for the Institutional Shares until the earlier of the termination of the investment advisory agreement, by the Board of Trustees or the Fund's shareholders, or August 20, 2020. Pursuant to the agreement, and so long as the investment advisory agreement is in place, for a period of three years subsequent to the Fund's commencement of operations on August 21, 2017, the Adviser is entitled to reimbursement for previously waived fees and reimbursed expenses to the extent that the Fund's expense ratio remains below the operating expense cap that was in place at the time of the waiver / expense reimbursement as well as the current operating expense cap.

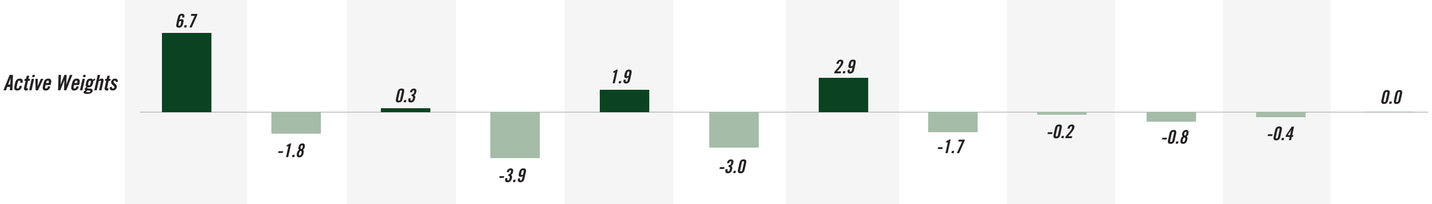
The Russell Indices are a trademark/service mark of the Frank Russell Company. Russell is a trademark of the Frank Russell® Company. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether or not a portfolio 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. Driehaus Securities LLC, Distributor

ATTRIBUTION ANALYSIS CATEGORIES ARE DEFINED AS: Allocation Effect - Measures the impact of the decision to allocate assets differently than those in the benchmark. **Security Selection Effect** - Measures the effect of choosing securities, which may or may not outperform those of the benchmark. **Interaction Effect** - Jointly measures the effect of allocation and selection decisions. **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.

SECTOR WEIGHTS

Month-End Absolute Weights

	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Telecomm. Services	Utilities	Cash
DVSMX	22.0	1.1	2.7	3.7	28.3	15.2	22.0	2.5	2.3	0.0	0.0	0.0
Benchmark	15.3	2.9	2.4	7.7	26.4	18.2	19.1	4.3	2.5	0.8	0.4	0.0



PORTFOLIO CHARACTERISTICS

	DVSMX	Benchmark
Number of Holdings	112	1,225
Weighted Avg. Market Cap (M)	$3,362	$2,430
Median Market Cap (M)	$2,377	$1,018
Active Share	87.91	n/a
Market Cap Breakout (%)		
< $2.5 billion	47.8	55.3
$2.5 - $15 billion	52.2	44.7
> $15 billion	0.0	0.0

5-year period[1]	DVSMX	Benchmark
Annualized Alpha	3.66	n/a
Sharpe Ratio	1.07	0.92
Information Ratio	0.67	n/a
Beta	1.05	1.00
Standard Deviation	16.64	14.47
Tracking Error	6.80	0.00
R-squared	0.83	1.00

TOP 5 HOLDINGS[2] (as of 5/31/18)

Company	% of Fund
Loxo Oncology Inc	2.3
Tactile Systems Technology, Inc.	2.3
RingCentral, Inc. Class A	2.2
Insulet Corporation	2.1
Inogen, Inc.	2.1

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 6/30/18. Benchmark: Russell 2000® Growth Index

[1]The 5-year period characteristics of the Driehaus Small Cap Growth Fund include the performance of one of the Fund's predecessor limited partnerships, which is calculated from January 1, 2007, before it commenced operations as a series of the Driehaus Mutual Funds on August 21, 2017 and succeeded to the assets of the Driehaus Institutional Small Cap, L.P. (the "Predecessor Partnership"), Driehaus Small Cap Investors, L.P., Driehaus Institutional Small Cap Recovery Fund, L.P. and Driehaus Small Cap Recovery Fund, L.P., (together, the "Limited Partnerships"). The Limited Partnerships were managed by the same investment team with substantially the same investment objective, policies and philosophies as the Fund. The investment portfolios of the Limited Partnerships were identical and therefore had similar performance. The performance of the Predecessor Partnership is shown here because it has been in operation the longest. The Predecessor 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 Partnership had been registered under the 1940 Act, its performance may have been adversely affected. Accordingly, future Fund performance may be different than the Predecessor Partnership's past performance. After-tax performance returns are not included for the Predecessor Partnership. The Predecessor Partnership was not a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and therefore did not distribute current or accumulated earnings and profits and was not subject to the diversification and source of income requirements applicable to regulated investment companies. [2]Data is calculated monthly.

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 this Fund may not experience similar performance results as its assets grow. The securities of small and 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 Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. 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.

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