



Small Cap Discoveries Strategy

December 31, 2022

At a Glance

Strategy Assets: \$89 Million
Minimum Investment: Separate Acct. - \$5 Million
 Commingled Fund - \$100,000
 UCITS – Varies by Share Class
Status: Open
Inception Date: July 31, 2004
Benchmark: Russell 2000 Gr/Russell Microcap Gr
Portfolio Managers: Jeffrey A. Harrison, CFA (2018)
Typical Number of Holdings: +/- 70

Distinguishing Factors

- Enterprise growth drives a company's stock price over the long term, while changes in market sentiment can provide opportunity in the short term.
- We are buy and hold investors; only a select number of companies fit our criteria. **We believe in having conviction in our analysis and patience in our conviction.**
- We believe one can locate growth not only in traditional sectors, but also in **unexpected corners of the market where other managers rarely venture.**
- Lifecycle diversification is a mechanism for sentiment mispricing and has **proven successful over the course of several investment cycles.**

Investment Philosophy

The Small Cap Discoveries strategy believes that the small/micro cap market is an inefficient segment of the overall market with a skewed distribution of returns where a small but meaningful number of high-performing stocks drive the return of the benchmark. These high-performing stocks range from hyper-growth companies to companies that have sorely disappointed investors in the past.

GIM's disciplined, fundamental, bottom-up research process identifies strong earnings growth potential in companies that may or may not have a history of strong growth. The end result is a portfolio with the optimum combination of emerging growth prospects and stocks of well-positioned companies struggling under negative sentiment that together may achieve excess returns while limiting losses.

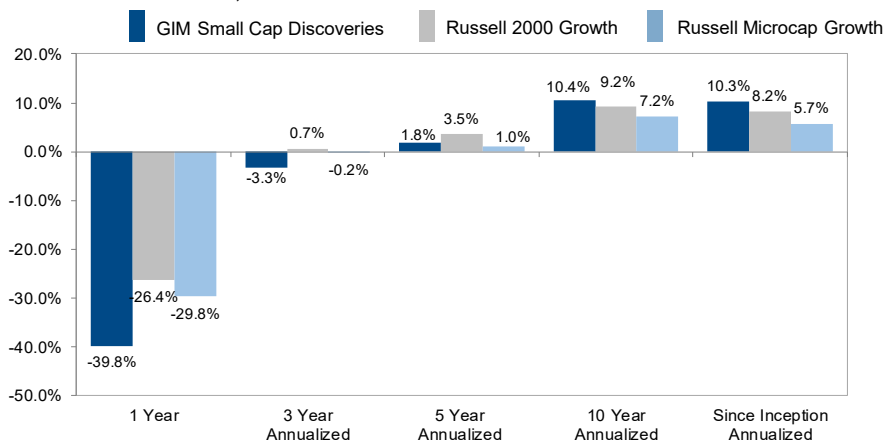
As part of a disciplined portfolio construction process, at GIM, every company in the portfolio is placed into one of three investment categories: **Core Growth, Pioneer and Special Situation. These LifeCycle categories each have different performance drivers so provide true diversification and help mitigate risk in the portfolio.**

Firm History

Founded in 1985, Granahan Investment Management is an employee-owned firm specializing in smaller cap equity investments for large institutions and wealthy individuals. The firm utilizes fundamental, bottom-up research to uncover and invest in fast growing companies. The founding principals have continuously strengthened the investment team which now totals seven professionals.

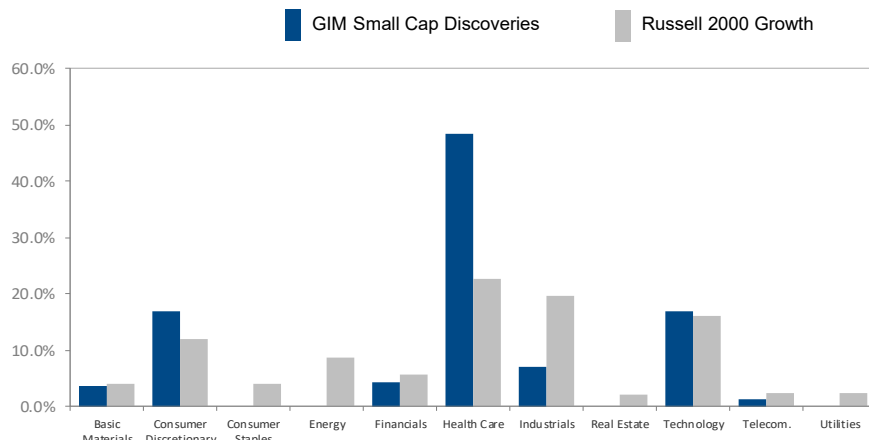
Annualized Performance: Net of Fees

As of December 31, 2022

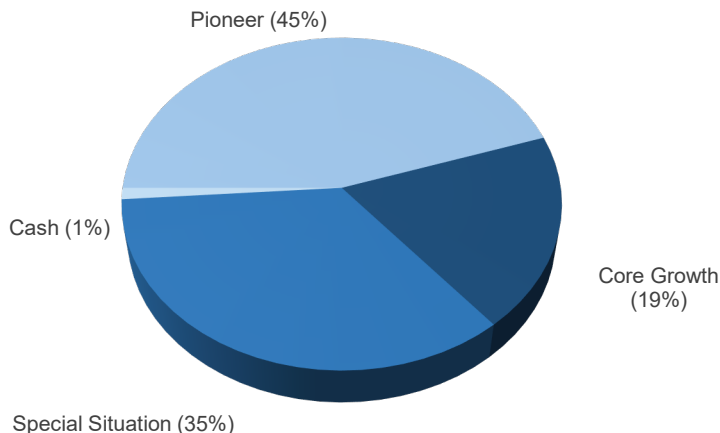


Performance is net of fees; Inception Date: 07/31/2004

Sector Diversification: Individual stock selection



Life Cycle Diversification: Adds stability



Small Cap Discoveries Composite											
Date											
As of	Composite	Composite	Russell 2000	Russell	Composite	Composite	Composite	Russell 2000	Russell	Composite	Firm Asset
12/31/22	Gross Return	Net Return	Growth	Micro-Cap	Assets	# Accts	3-Yr.	Growth	Micro-Cap	Dispersion	\$ Mil
			Return	Growth	\$ Mil		Std. Dev.	3-Yr. Std.	3-Yr. Std.		
2022	-38.97%	-39.76%	-26.36%	-29.76%	\$88.85	6	31.98	26.20	30.10	NA	\$3,326.8
2021	4.49%	3.21%	2.83%	0.88%	\$179.9	14	27.75	23.07	27.13	0.12	\$4,964.2
2020	47.05%	45.65%	34.63%	40.13%	\$166.4	13	28.69	25.10	27.95	0.57	\$4,573.1
2019	27.17%	25.93%	28.48%	23.33%	\$135.4	17	18.01	16.37	17.76	0.31	\$2,211.3
2018	-3.35%	-4.29%	-9.31%	-14.18%	\$100.5	18	19.77	16.46	18.46	NA	\$1,481.6
2017	41.87%	40.78%	22.17%	16.65%	\$74.7	5 or fewer	17.16	14.59	16.98	NA	\$1,350.8
2016	16.46%	15.87%	11.32%	6.86%	\$200.2	5 or fewer	17.65	16.67	19.40	NA	\$2,996.5
2015	-7.90%	-8.27%	-1.38%	-3.85%	\$154.3	5 or fewer	14.87	14.95	17.55	NA	\$3,045.4
2014	5.44%	5.05%	5.60%	4.30%	\$166.7	5 or fewer	13.54	13.82	16.49	NA	\$3,516.6
2013	57.97%	57.43%	43.30%	52.84%	\$167.0	5 or fewer	17.08	17.27	18.48	NA	\$4,056.7
2012	21.83%	21.43%	14.59%	15.17%	\$24.4	5 or fewer	20.02	20.72	21.58	NA	\$3,049.4
2011	0.09%	-0.31%	-2.91%	-8.42%	\$12.2	5 or fewer	25.39	24.31	25.23	NA	\$2,741.5
2010	46.74%	46.21%	29.09%	29.49%	\$9.6	5 or fewer	28.69	27.70	29.13	NA	\$3,150.3
2009	43.13%	42.60%	34.47%	39.18%	\$5.6	5 or fewer	25.90	24.85	26.15	NA	\$2,575.6
2008	-40.09%	-40.38%	-38.54%	-44.65%	\$2.8	5 or fewer	20.59	21.26	21.74	NA	\$2,080.5
2007	5.69%	5.18%	7.05%	-2.68%	\$5.0	5 or fewer	15.15	14.23	14.76	NA	\$3,870.6
2006	9.63%	9.19%	13.35%	11.39%	\$8.5	5 or fewer	NA	NA	NA	NA	\$3,908.5
2005	7.56%	7.17%	4.15%	2.05%	\$7.3	5 or fewer	NA	NA	NA	NA	\$3,507.4
2004*	21.37%	21.27%	18.83%	19.53%	\$4.2	5 or fewer	NA	NA	NA	NA	\$3,323.9

NA – Dispersion information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year; Standard deviation information has fewer than three years' data. *Partial Year Performance: July 31, 2004 through December 31, 2004

Composite Footnotes

Granahan Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Granahan Investment Management has been independently verified for the periods January 1, 1993 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Small Cap Discoveries Composite has had a performance examination for the periods July 31, 2004 through December 31, 2020. The verification and performance examination reports are available upon request. GIM is an independent, SEC-registered investment firm that oversees small and mid-cap equity portfolios for large institutions and wealthy individuals. The Small Cap Discoveries product utilizes fundamental, bottom-up research and analysis to invest in companies in the small and micro-cap sector of the market that exhibit high and/or accelerating earnings growth. Composite consists of time-weighted total returns for all accounts managed by GIM in the Small Cap Discoveries style. The benchmarks for the Small Cap Discoveries product are the Russell MicroCap Growth and the Russell 2000 Growth. In October 2014, the Russell 2000 Growth was moved from a secondary benchmark to a primary benchmark to reflect client use of both indices and the product's statistical fit with both indices. In July 2008, Gary Hatton became the sole portfolio manager for the Small Cap Discoveries product; prior to this time, a multi-manager format was utilized with each portfolio manager autonomously overseeing a portion of the client portfolio. Jeff Harrison began working on the Small Cap Discoveries strategy in June 2018 and assumed primary portfolio management duties in November 2021. The composite was created in August 2004 and the inception date is July 31, 2004 and is calculated by asset-weighting the performance of each account on a monthly basis. Accounts are included beginning with the first full month under management and terminated accounts are included in the composite. Performance calculations, expressed in U.S. dollars, produce a total return including cash and the reinvestment of dividends and interest. Effective July 1, 2016, the composite is subject to a significant cash flow removal policy for accounts with external flows greater than or equal to 75% of market value. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The dispersion is a standard deviation using equal-weighted gross of fees total returns for accounts in the composite the entire year. The three-year annualized standard deviation measures the variability of the composite gross of fees returns and the benchmark returns over the preceding 36-month period. Leverage is not utilized. Effective January 1, 2021, the standard management fee of 1.25% per annum is applied to all accounts to calculate the net return. Prior to that, net of fee returns were calculated using either actual investment fees charged to the account or for accounts that pay no management fee, the standard management was applied to calculate the net return. The fee for accounts managed in the Small Cap Discoveries style is payable quarterly in arrears and the standard fee is based on the ANNUAL rate of 1.25% times the average value of the assets in the account on the last day of each month in the quarter. Fees are collected quarterly, which produces a compounding effect on the total rate of return net of management fees. All fees are detailed in the firm's Form ADV. Market value is based on trade date and security pricing is supplied by Telemet. A complete list and description of all of the firm's composites is available upon request. Past performance is no guarantee of future results. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Top Ten Holdings

Security	Life Cycle Category	Percent of Portfolio	Characteristic	Portfolio	Russell 2000 Growth	Russell MicroCap Growth
Alta Equipment Group Inc	Special Situation	3.7%	Median Market Cap	\$830.3 mil	\$1,126.4 mil	\$164.3 mil
Materion Corp	Core Growth	3.7%	Weighted Avg. Market Cap	\$1,093.5 mil	\$3,082.8 mil	\$834.7 mil
Columbus McKinnon Corporation	Special Situation	3.6%	Active Share*	98.0%	-	-
CEVA Inc	Special Situation	3.5%	Est 3-5 Yr EPS Growth	13.0%	19.8%	19.1%
OrthoPediatrics Corp	Core Growth	3.3%	Forward P/E Ratio	14.2x	13.8x	11.9x
Olink Hldg AB	Pioneer	3.1%	Dividend Yield	0.2%	0.7%	0.6%
BioLife Solutions	Pioneer	3.1%	Price to Book	2.1x	3.4x	2.7x
Veeco Instruments Inc.	Special Situation	3.1%	* Active share vs. Russell 2000 Growth		Source: FactSet	
PROS Holdings Inc	Pioneer	3.1%	The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable. A complete list of holdings is available upon request. This information is presented as supplemental to the GIPS Presentation above.			
Harvard Bioscience	Special Situation	2.8%				

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