



Small Cap Core Growth Strategy

March 31, 2023

At a Glance

Strategy Assets: \$920 Million
Minimum Investment: \$10 Million
Status: Open
Inception Date: April 30, 1993
Benchmark: Russell 2000 Growth
Capitalization: Typically, \$200 Mil - \$5 Bil at purchase
Portfolio Managers: Team Managed

Philosophy

Granahan Investment Management (GIM) believes that small dynamic companies provide the greatest potential for superior long-term performance. Because the small-cap market is an inefficient sector of the overall market, we believe that active management is critical to success. Using a disciplined, fundamental, bottom-up approach to research, we invest in well-managed, rapidly growing companies that are undercovered and/or out of favor with the investment community.

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 drivers to provide true diversification and help mitigate risk in the portfolio.** The common theme across the LifeCycle categories is high and/or accelerating earnings growth and an established leadership position within the company's market. We believe that our success lies in our ability to ferret out the best opportunities among emerging growth stocks as well as to identify stocks that may have disappointed investors in the past but have underlying business strengths that will translate to strong earnings growth going forward.

Firm History

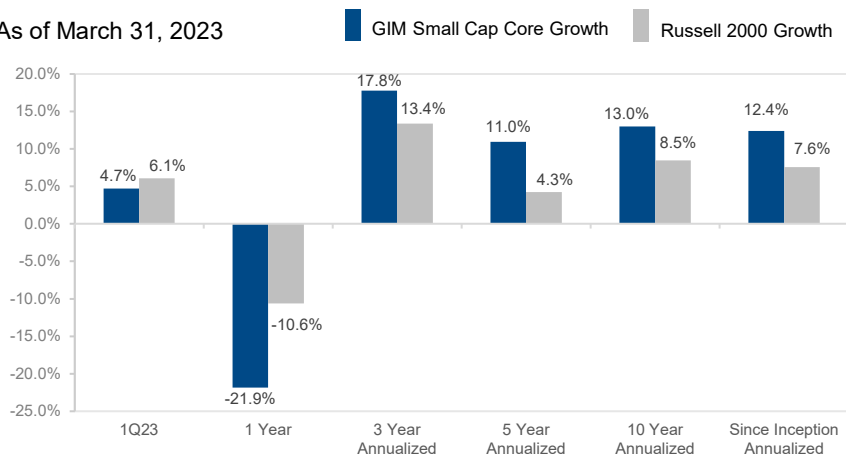
Founded in 1985, Granahan Investment Management is an employee-owned firm specializing in smaller cap equity investments for large institutions and wealthy individuals. The firm utilizes fundamental, bottom-up research to uncover and invest in fast growing companies. The firm has grown to over \$3 billion in assets under management representing several large institutional clients. The founding principals have continuously strengthened the investment team which now totals seven professionals.

Granahan's Differentiating Factors

- An investment team with an average of 30 years' investment experience.
- Mitigation of risk through diversification: industry, portfolio manager, and life cycle. The diversification by life cycle (pioneer, core growth, and special situation) provides a means to both capture performance in rising markets and to protect capital in volatile markets.
- An investment process that pushes accountability directly to the analyst and manager, and aligns the professionals' interests with those of the client.

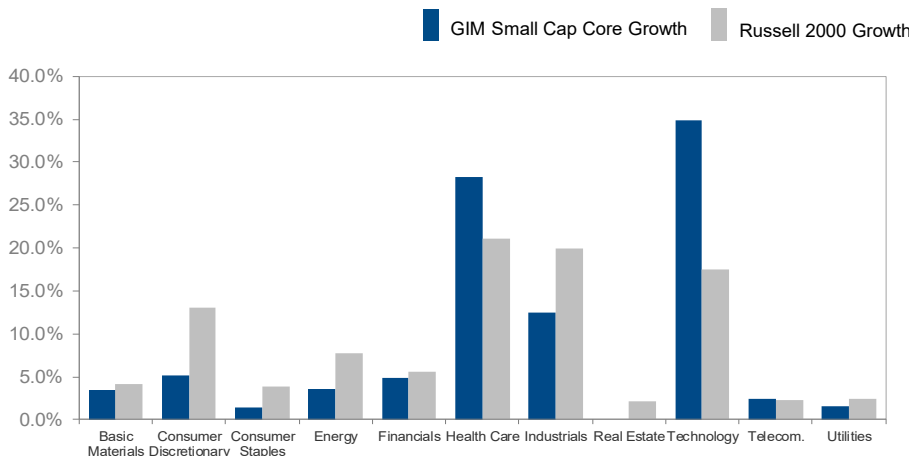
Annualized Performance: Net of Fees

As of March 31, 2023

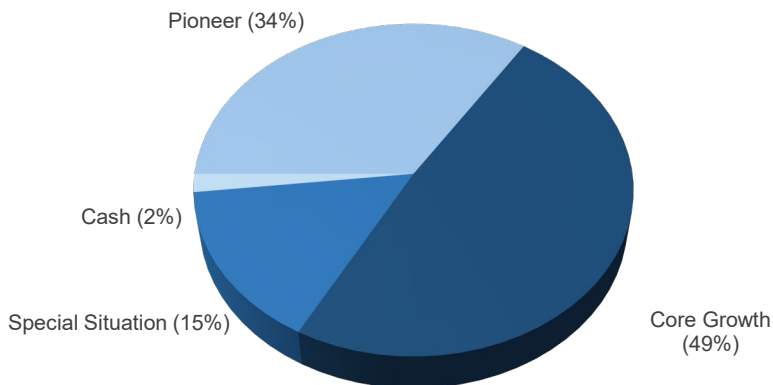


Performance is net of fees; Inception Date: 04/30/1993

Sector Diversification: Individual stock selection



Life Cycle Diversification: Adds stability



Graphs and Statistics are Supplemental Information.
 Please reference fully compliant GIPS Presentation on reverse side.

Small Cap Core Growth Composite										
Date	As of 12/31/2022	Composite Gross Return	Composite Net Return	Russell 2000 Growth Return	Composite Assets \$ Mil	Composite # Accts	Composite 3-Yr. Std. Dev.	Russell 2000 Growth 3-Yr. Std. Dev.	Composite Dispersion	Firm Assets \$ Mil
2022		-35.38%	-36.05%	-26.36%	\$869.3	7	30.67	26.20	0.50	\$3,326.8
2021		10.71%	9.62%	2.83%	\$883.5	6	26.43	23.07	NA	\$4,964.2
2020		73.45%	72.75%	34.63%	\$558.4	5 or fewer	27.59	25.10	NA	\$4,573.1
2019		39.90%	39.32 %	28.48%	\$510.7	5 or fewer	17.19	16.37	NA	\$2,211.3
2018		0.80%	0.27%	-9.31%	\$486.8	5 or fewer	17.57	16.46	NA	\$1,481.6
2017		32.30%	31.63%	22.17%	\$485.1	5 or fewer	15.36	14.59	NA	\$1,350.8
2016		15.93%	15.49%	11.32%	\$831.3	5 or fewer	16.97	16.67	NA	\$2,996.5
2015		-5.06%	-5.33%	-1.38%	\$712.8	5 or fewer	14.50	14.95	NA	\$3,045.4
2014		1.74%	1.44%	5.60%	\$1,238.3	5 or fewer	13.11	13.82	NA	\$3,516.6
2013		47.55%	47.18%	43.30%	\$1,296.2	5 or fewer	15.77	17.27	NA	\$4,056.7
2012		13.18%	12.93%	14.59%	\$845.0	5 or fewer	19.21	20.72	NA	\$3,049.4
2011		1.68%	1.48%	-2.91%	\$571.1	5 or fewer	22.64	24.31	NA	\$2,741.5
2010		34.03%	33.83%	29.09%	\$509.4	5 or fewer	26.13	27.70	NA	\$3,150.3
2009		43.91%	43.66%	34.47%	\$385.0	5 or fewer	23.25	24.85	NA	\$2,575.6
2008		-38.00%	-38.20%	-38.54%	\$326.5	5 or fewer	19.94	21.26	NA	\$2,080.5
2007		5.16%	4.77%	7.05%	\$807.1	14	13.91	14.23	0.55	\$3,870.6
2006		11.33%	10.83%	13.35%	\$922.6	17	15.57	15.57	0.33	\$3,908.5
2005		2.97%	2.45%	4.15%	\$991.8	19	15.23	16.51	0.67	\$3,507.4
2004		16.75%	16.21%	14.31%	\$1,214.9	21	18.12	21.40	0.74	\$3,323.9
2003		39.54%	38.85%	48.54%	\$1,098.9	22	20.60	27.00	0.97	\$2,883.6
2002		-24.07%	-24.27%	-30.26%	\$724.7	20	29.85	33.33	0.74	\$2,016.2
2001		6.55%	6.34%	-9.23%	\$527.2	5 or fewer	32.05	33.58	3.68	\$2,204.5
2000		16.19%	15.96%	-22.43%	\$479.2	5 or fewer	32.76	33.28	NA	\$2,092.9

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.

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 Core Growth Composite has had a performance examination for the periods December 31, 1998 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 Core Growth product utilizes fundamental, bottom-up research and analysis to invest in companies in the small 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 Core Growth style. The benchmark for the Small Cap Core Growth product is the Russell 2000 Growth. The composite was created in May 2000 and the inception date is April 30, 1993 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 January 1, 2021, 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. 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. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Gross returns are total returns gross of investment management fees, which when included, reduce investment returns. Effective January 1, 2021, the standard management fee of 1% 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 standard fee for accounts managed in the Small Cap Core Growth style is payable quarterly in arrears and is calculated by applying the ANNUAL rate of 1.00% times the average the average value of the assets in an 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. 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
WillScot Mobile Mini Hldgs Corp	Core Growth	2.4%	Median Market Cap	\$1,895.5 mil	\$1,177.7 mil
Euronet Worldwide, Inc.	Core Growth	2.2%	Weighted Avg. Market Cap	\$3,873.5 mil	\$3,350.8 mil
Magnite Inc	Core Growth	2.1%	Active Share	88.9%	-
indie Semiconductor Inc	Pioneer	2.0%	Est 3-5 Yr EPS Growth	20.0%	19.5%
Azenta Inc	Pioneer	2.0%	Forward P/E Ratio	24.8x	15.9x
Array Technologies Inc	Core Growth	1.9%	Dividend Yield	0.1%	0.7%
Texas Capital Bancshares Inc.	Special Situation	1.9%	Price to Book	2.7x	3.5x
Digital Turbine, Inc.	Core Growth	1.8%			
Kornit Digital Limited	Core Growth	1.7%			
RBC Bearings Inc	Core Growth	1.6%			

Source: FactSet

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.

