

Small Cap Advantage Strategy

June 30, 2023

At a Glance

- Strategy Assets:** \$370 Million
- Separate Account:** \$5mm minimum investment
- Other Vehicle(s):** Mutual Fund
- Inception Date:** September 28, 2015
- Benchmark:** Russell 2000 Growth
- Capitalization:** Typically, \$50 Mil - \$5 Bil at purchase
- Portfolio Managers:** Andrew L. Beja, CFA (2015)
Jeffrey A. Harrison, CFA (2018)
- Typical Number of Holdings:** ± 95

Distinguishing Factors

- GIM Advantage leverages the firm's long-standing sleeve-managed approach, which utilizes multiple PMs on the portfolio. This structure seeks to avoid the volatility of a star mentality and encourages creative thought that can be dampened by a committee.
- GIM believes investors seeking capital appreciation and have an intermediate term perspective can benefit, as enterprise growth drives stock prices; but over shorter time periods, market sentiment can have an equally vital impact. Both enterprise growth and market sentiment must be considered.
- 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, and thus provide true diversification and help to mitigate risk in varied market environments.
- Lifecycle Diversification has led our smaller company portfolios to deliver excellent relative performance in both rising and volatile markets, along with strong upside/downside capture ratios within our peer universe.

Investment Approach

Granahan Investment Management (GIM) uses a rigorous research approach in order to uncover and thoroughly vet what we believe to be the best opportunities in the small cap market.

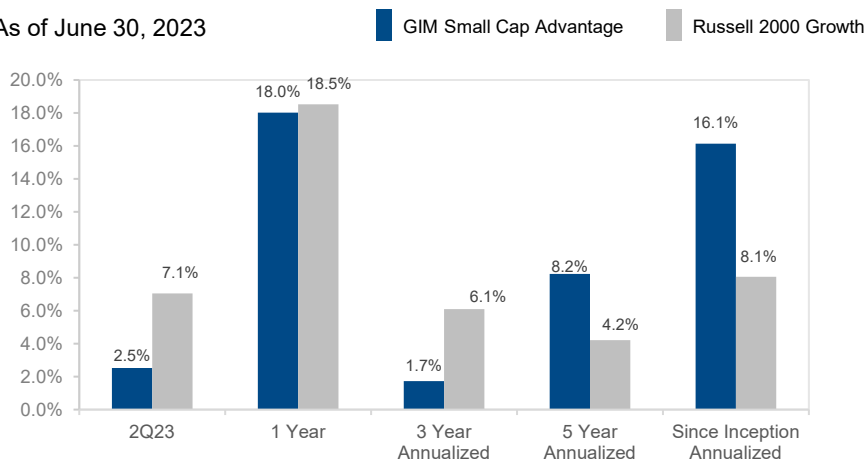
- With the depth and experience of our research staff, we attempt to locate growth in both traditional sectors and in unexpected areas of the market where other managers rarely venture.
- Our focus is on owning businesses that can generate predictable and expanding operating margins, benefit from barriers to competition, and that have strong balance sheets to enable the company to withstand shocks.
- We prefer solid businesses with an ability to execute an effective growth strategy, and management teams that have the breadth, integrity and vision to see around corners.
- We believe our edge is identifying company dynamics that will play out over time in a diversified small cap portfolio, not solely predicting quarterly earnings within a short term lens.

Firm History

Founded in 1985, Granahan Investment Management is an employee-owned firm that specializes 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 manages over \$3 billion in client assets, and the founding principals have continuously strengthened the investment team which now totals eight professionals.

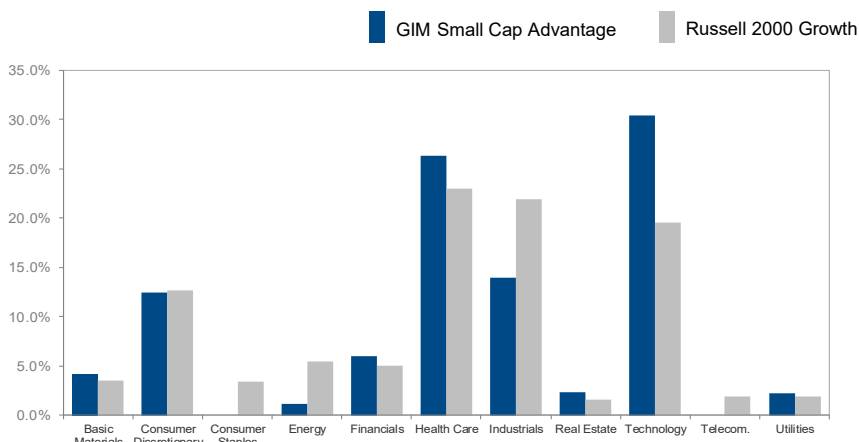
Annualized Performance: Net of Fees

As of June 30, 2023

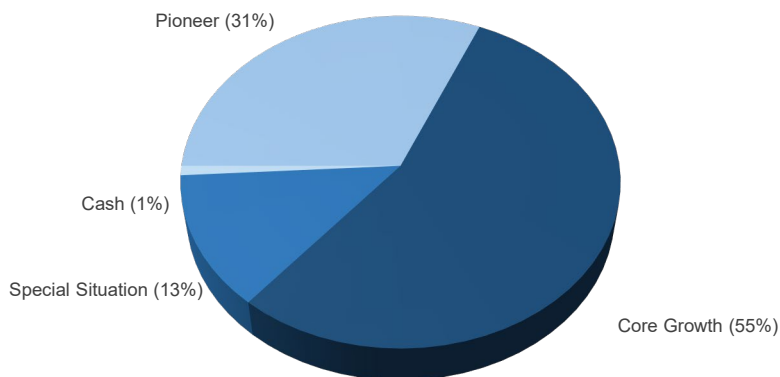


Performance is net of fees; Inception Date: 10/31/2015

Sector Diversification: Individual stock selection



Life Cycle Diversification: Adds stability



Date	Small Cap Advantage Composite								
As of 6/30/2023	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
YTD 2023	9.63%	9.09%	13.55%	\$369.9	5 or fewer	26.39	22.20	NA	\$3,304.9
2022	-33.91%	-34.59%	-26.36%	\$364.5	5 or fewer	31.29	26.20	NA	\$3,326.8
2021	1.13%	0.13%	2.83%	\$656.0	5 or fewer	27.29	23.07	NA	\$4,964.2
2020	65.69%	65.00%	34.63%	\$976.8	5 or fewer	27.91	25.10	NA	\$4,573.1
2019	44.01%	43.43%	28.48%	\$747.7	5 or fewer	18.36	16.37	NA	\$2,211.3
2018	12.57%	12.10%	-9.31%	\$545.1	5 or fewer	18.96	16.46	NA	\$1,481.6
2017	39.68%	39.13%	22.17%	\$455.3	5 or fewer	NA	NA	NA	\$1,350.8
2016	18.80%	18.26%	11.32%	\$272.8	5 or fewer	NA	NA	NA	\$2,996.5
2015*	1.02%	0.98%	-1.28%	\$266.1	5 or fewer	NA	NA	NA	\$3,045.4

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: October 31, 2015 through December 31, 2015.

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 Advantage Composite has had a performance examination for the periods October 31, 2015 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 Advantage strategy is a distinct combination of two long standing individual strategies – Small Cap Focused Growth and Small Cap Discoveries. The Small Cap Advantage product utilizes fundamental, bottom-up research and analysis to invest in companies in the small cap sector of the market. The Focused Growth PM seeks sustainable growth companies and the Discoveries PM looks for unrecognized growth. The benchmark for the Small Cap Advantage product is the Russell 2000 Growth. The composite was created in October 2015 and the inception date is October 31, 2015 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. Returns are 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 actual investment fees charged to the account. Net returns are total returns reduced by actual investment management fees. The standard fee for accounts managed in the Small Cap Advantage style is payable quarterly in arrears and is calculated by applying the ANNUAL rate of 1.00% 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. 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
SPS Commerce Inc	Core Growth	3.6%
Sprout Social Inc	Pioneer	3.2%
Axon Enterprise Inc	Core Growth	3.1%
Paycom Software Inc	Core Growth	3.1%
Toast Inc Cl A	Pioneer	2.9%
Topgolf Callaway Brands Corp	Core Growth	2.6%
Repligen Corporation	Core Growth	2.4%
CoStar Group Inc	Core Growth	2.4%
Genius Sports Ltd	Pioneer	2.4%
Guidewire Software Inc	Core Growth	2.2%

Characteristic	Portfolio	Russell 2000 Growth
Median Market Cap	\$2,109.4 mil	\$1,260.8 mil
Weighted Avg. Market Cap	\$6,011.5 mil	\$3,302.3 mil
Active Share	94.8%	-
Est 3-5 Yr EPS Growth	18.2%	17.8%
Forward P/E Ratio	32.6x	19.1x
Dividend Yield	0.1%	0.6%
Price to Book	3.0x	4.0x

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.

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Granahan Investment Management, LLC
Small Cap Equity Specialist Since 1985

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