

# Granahan US Focused Growth UCITS

28 February 2021

## Investment Summary

The Fund primarily invests in Equities of Small Cap Companies located in or having substantial business ties to the United States. Typically the Fund's assets will be invested in securities of approximately 40 companies from various sectors including: technology services, internet, consumer, and business services. At the time of investment the Fund may invest up to 7% of its assets in a security, the value of which may increase to up to 10% of the Fund's assets after purchase.

## Fund Highlights

- We believe that investing in businesses with sustainable growth helps to mitigate the risk of significant capital loss.
- We seek exceptional businesses – those with solid balance sheets, high incremental margins and strong customer value propositions.
- Our expected return methodology is a mechanism for mispricing and has helped us to generate alpha for clients over several investment cycles.
- We believe conviction leads to outperformance, 60%-80% portfolio held in top 15 holdings.

### Portfolio Manager

#### Andrew L. Beja, CFA

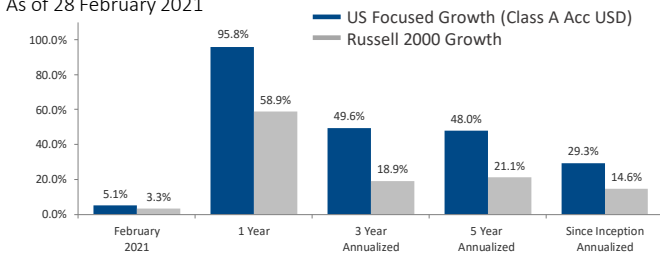
**36 Yrs. Experience** Drew Beja is a Senior Vice President and Managing Director of the firm. Mr. Beja is the Portfolio Manager of the GIM Small Cap Focused Growth strategy, and he also manages a portion of the multi-managed portfolios. Mr. Beja joined Granahan Investment Management at the end of 2011 bringing 30 years industry experience to the firm. From 2000 to 2011, Mr. Beja was with LMCG in Boston, a firm he co-founded and where he managed several small and SMID cap growth equity strategies, including the Focused Growth strategy that he continues to manage at Granahan. Prior to LMCG, Mr. Beja was a portfolio manager with Standish, Ayer & Wood, and before moving to the buy-side, he was an equities analyst for Advest. Mr. Beja received his BA from Miami University.

## About Granahan Investment Management

Founded in 1985, Granahan Investment Management, Inc. is a 100% 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 under \$6 billion in market cap.

## Annualized Performance

As of 28 February 2021



Inception Date: 04/11/2014

## Calendar Year Performance

	YTD 2021	2020	2019	2018	2017	2016	2015	Since Inception Cumulative
US Focused Growth (Class A Acc USD)	9.72%	83.13%	49.60%	23.86%	33.60%	15.88%	-9.61%	486.48%
Russell 2000 Growth	8.28%	34.63%	28.48%	-9.31%	22.17%	11.32%	-1.38%	155.67%

Inception Date: 04/11/2014

## Fund Facts

Fund Assets: \$1,005 Mil (*Strategy Assets: \$2,668 Mil*)  
 Fund Launch Date: 11 April 2014  
 Asset Class: US Equities  
 Market Cap: \$200 Mil - \$5 Bil at purchase  
 Benchmark: Russell 2000 Growth  
 Structure: UCITS  
 Domicile: Ireland  
 UK Reporting Status: Yes  
 Pricing: Daily  
 Deal Cut Off: 1700 Dublin Time T-1  
 Year End: 31 December  
 Custodian & Admin: RBC Investor & Treasury Svcs. Ireland Ltd.  
 Website: www.granahanfunds.com

## Share Class Information

### US Focused Growth Fund

Class I Acc (USD)	IE00BF5KD889	GUSFIUA
Class I Acc (GBP)	IE00BH3ZJL46	GUSFIGA
Class A Acc (USD)	IE00BGH16Q55	GUSFGAA
Class A Dist (USD)	IE00BDRK8L01	GUSFGAD
Class A Acc (GBP)	IE00BGHH8D43	GUSFAGA
Class F Acc (EUR)	IE00BGHH8F66	GUSFFEA

## For more information, please contact:

**Alexander Renwick**  
 Co-Founder & Director  
 Daymer Bay Capital  
 T: +44 20 3585 4186  
 Alexander.Renwick@daymerbaycapital.com

**Charlie Baillie, CFA**  
 Co-Founder & Director  
 Daymer Bay Capital  
 T: +44 20 3585 4185  
 Charlie.Baillie@daymerbaycapital.com



**Daymer Bay Capital**

83 Victoria Street  
 London  
 SW1H 0HW



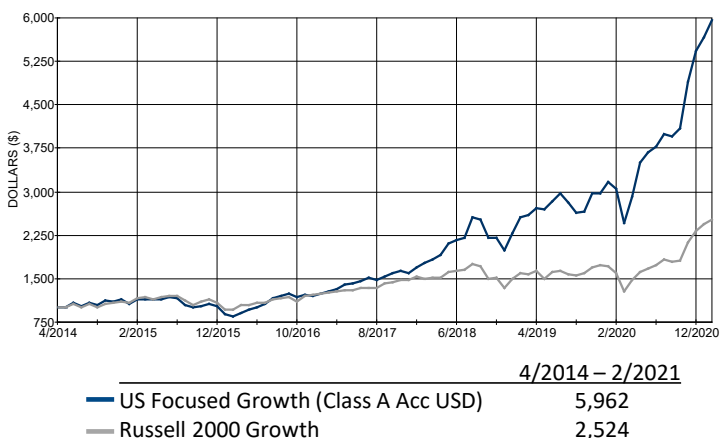
## Sector Diversification

Sector	Portfolio	Russell 2000 Growth
Basic Materials	0.00%	2.28%
Consumer Discretionary	18.75%	15.19%
Consumer Staples	0.00%	3.04%
Energy	5.72%	2.16%
Financials	7.70%	3.87%
Health Care	4.63%	32.83%
Industrials	15.61%	14.32%
Real Estate	2.95%	3.29%
Technology	43.21%	18.33%
Telecommunications	0.00%	2.24%
Utilities	0.00%	2.47%
[Cash]	1.43%	0.00%

## Top 10 Positions

Security	Percent of Portfolio
LivePerson, Inc.	6.8%
Workiva Inc. Class A	6.3%
Kornit Digital Ltd.	5.9%
Enphase Energy, Inc.	5.7%
Axon Enterprise Inc	5.4%
Etsy, Inc.	4.8%
Magnite, Inc.	4.5%
Sprout Social Inc Class A	4.1%
Chegg, Inc.	4.0%
SPS Commerce, Inc.	3.7%
<b>TOTAL</b>	<b>51.3%</b>

## Growth of \$1,000



## Characteristics

Characteristic	Portfolio	Russell 2000 Growth
Weighted Avg. Market Cap	\$8,974.3 mil	\$4,480.7 mil
Active Share	96.7%	-
Est 3-5 Yr EPS Growth	23.5%	20.4%
Forward P/E Ratio	54.4x	27.0x
LT Debt/Capital	32.4%	37.9%
Dividend Yield	0.07%	0.38%
Price to Book	7.6x	5.5x

Source: FactSet

## Monthly Commentary

February got off to a strong start with the Russell 2000 Growth Index return reaching +9% before investor sentiment turned sharply negative as interest rates ticked up and evidence of rising inflation surfaced. However, the Russell 2000 Growth benchmark ended the month in positive territory with a +3.3% return. Corrections are normal and healthy for the markets, particularly after the strength witnessed over the last several months; and while the Fund has not been immune to this downturn, the Focused Growth process allows us to take advantage of opportunities caused by price dislocations. In February, the US Focused Growth Fund outperformed, returning +5.1%. Stock selection attributed for the bulk of the outperformance, driven by technology holdings. Energy also showed strong stock selection, though much was offset by our overweight position in this poor performing sector. The portfolio's significant underweighting of the healthcare sector was a positive, as was our lack of exposure to utilities, consumer staples, and telecommunications. No exposure to the materials sector detracted to relative performance. Stock selection in consumer discretionary and real estate were the largest detractors, though our overweight position in consumer discretionary partially offset the negative selection here. We continue to adhere to the Focused Growth process, as we believe that our bottom-up selection of well-positioned companies whose stocks have good risk/reward should deliver strong returns in most market environments.

## Important Information for Investors

This material is directed at professional/sophisticated investors for their informational purposes only. It is not intended to be investment advice and does not constitute an offer to sell or solicitation to invest. Opinions contained herein reflect the judgment of GIM and are subject to change at any time. The Granahan US Focused Growth Fund, the Granahan US Small Cap Discoveries Fund and the Granahan US SMID Select Fund are sub-funds of the Granahan Funds plc (the "Company"), a public limited company (registered number 533587) authorized and regulated by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities ("UCITS"). Authorization of the Company by the Central Bank of Ireland is not an endorsement or guarantee, nor is the Central Bank of Ireland responsible for the contents of any marketing material or the Company's offering documents. Shares of the Funds are only available for certain non-U.S. persons outside the United States and are restricted in certain jurisdictions. Any entity forwarding this material to other parties takes full responsibility for ensuring compliance with applicable securities laws in connection with its distribution.

