

Granahan Funds plc (the "Company")

The Company is an open-ended umbrella investment company with variable capital and segregated liability between its sub-funds and is organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014, as amended. The Company is authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the "UCITS Regulations") and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). The Company was incorporated on October 3, 2013 under registration number 533587.

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the financial year ended December 31, 2022

GRANAHAN FUNDS PLC

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GRANAHAN FUNDS PLC

Granahan US Focused Growth Fund (GUSFGAA) Annual Report – December 31, 2022 Investment Manager Commentary

Attribution for the Year 2022

Focused Growth

This was the second worst return since the strategy's inception. The worst was 2008. We've written in prior 2022 quarterly letters about what led investors to shun equities, most notably the spike in interest rates, higher inflation, the war in Ukraine and fears of a recession. It is notable that for both the benchmark and the portfolio the losses came in the first half of the year. The Russell 2000 Growth Index bottomed on June 16th and then proceeded to gyrate for the remainder of the year closing up about 11% from the lows. The Focused Growth strategy underperformed the index in the first part of the year (-40.0% vs. -29.5% from 12/31/21 - 6/30/22) and outperformed in the second part of the year (+15.5% vs. +4.4% from 6/30/22-12/31/22). This is not to minimize in any way the extreme drawdown, just to point out its timing - and what has occurred over the past 6 1/2 months. Below, I discuss attribution in a bit more detail for 2022.

Granahan's Focused Growth strategy declined -30.7% in 2022 compared to the benchmark's -26.4% decline. As noted above, there was virtually nowhere to hide in terms of asset classes or equity sectors (an exception were Commodities, which rose sharply in 2022). Stock selection in the portfolio was overall modestly positive, with strong selection in Technology, Real Estate, and Health Care being partially offset with weak selection in Industrials, Consumer Discretionary and Financials.

Below is more detail on the largest contributors and detractors. However, a couple of broad observations first. The companies' earnings (i.e., the "E" in the "P/E" equation) rose and beat consensus expectations for each of the three winners, whereas the opposite was true for the three largest detractors. It is also noteworthy that there was multiple contraction in each of the six stocks--i.e., the winners were not unscathed. However, the multiple contraction was much more severe for the detractors.

Largest Relative Contributors:

- Enphase (ENPH) - Enphase is a leading provider of complete solar systems primarily for the residential power market. ENPH shares rose 47% in 2022 and contributed 218 basis points to relative performance. The company is executing well, has an excellent position and a very large opportunity. While we trimmed our position, we continue to hold a large position in ENPH shares.
- Axon (AXON) - Axon is a mission-driven company which sells products, platforms, and services designed to improve law-enforcement efficiency and efficacy, reduce social conflict, enable a fair and effective justice system, and aspirationally with its Taser non-lethal weapon to "obsolete the bullet." AXON shares rose 6% in 2022 contributing 199 basis points to performance. The company is well positioned and going after a very large opportunity, and we maintain a large position in AXON shares.
- CoStar Group (CSGP) - CoStar Group has three broad operating segments: 1) Commercial Real Estate Information Services (CRE); 2) Multi-Family Residential Services (MFR - the most recognizable being the Apartments.com website); 3) A newer entry into Single Family Residential real estate (SFR) under the Homes.com umbrella site. CSGP shares fell 6% in 2022, but due to the fact that the broad markets fell considerably more than that, the stock contributed 163 basis points to relative performance for the year. We believe CoStar's two core businesses (CRE and MFR) have very solid prospects for sustainable growth in revenue and cash flows. Meanwhile, CoStar is investing heavily in its residential initiative which negatively impacted operating earnings by over \$100 Million in 2022 and will likely do so to an even greater extent again in 2023. However, we believe this is a win/win. On the one hand we like CoStar's approach and odds of winning a large piece of the residential market, which would yield significant future earnings and cash flow. On the other hand, we believe that if after two or three years the company is not meeting its objectives in the residential business it would exit that business--and the \$100+ Million "drain" on cash flow would disappear. Net, we have trimmed the position, but continue to hold a large position in CSGP shares.

GRANAHAN FUNDS PLC

Granahan US Focused Growth Fund (GUSFGAA)
Annual Report – December 31, 2022
Investment Manager Commentary (continued)

Largest Relative Detractors:

- Kornit (KRNT) - Kornit has a suite of products leading the shift from analogue to digital printing in the garment, apparel and textile industries. The shares were hit extremely hard in 2023 (-84% impacting performance by -480 basis points). The company's business was very strong in 2020 and 2021, but in the first half of 2022 it became apparent that Kornit benefitted from pandemic tailwinds significantly more than we realized. As a result, several of the company's customers cut back or pushed out orders for both new machines and ink, and the company's strong profits turned into losses. While we expect another 2-3 quarters of losses, Kornit's solid balance can withstand such losses, and we believe the company remains well-positioned to capture a large share of a growing market. We currently hold a mid-sized position in the stock.
- Etsy (ETSY) - Etsy operates a global online marketplace connecting sellers and consumers of unique and creative goods. ETSY shares fell 44% in 2023 impacting performance by -167 basis points. The company reported decent Q1 results but guided for a lower Q2 than consensus after which analysts cut estimates by about 10%. It is now apparent that Etsy's strong 2020 and 2021 results benefitted materially from pandemic-related trends which makes earnings comparisons for most of 2022 and into Q1 2023 very difficult. That said, Etsy is doing a very impressive job retaining the large number of new customers earned during that period, and these new customers are largely behaving in a manner similar to the customers the company added pre-pandemic. Etsy has yet to report Q4 results, but at this juncture, we estimate Etsy will meet or exceed the estimates analysts forecasted after the first quarter. However, the multiple on ETSY shares has contracted significantly. We are maintaining a large position in ETSY shares believing the company is well positioned to generate strong earnings and free cash flow growth for the next several years, and that the stock's risk/reward is attractive.
- Porch (PRCH) - Porch provides software, insurance and other services for the residential housing market. PRCH shares lost -88% of their value in 2022 contributing -132 basis points to performance. The spike in interest rates led to an unprecedented decline in housing sales, which impacted Porch's results. The stock further suffered from investors turning sour on unprofitable companies and those that went public via a de-SPAC (as Porch did in 2020). This has been a very painful period for the stock, but despite these three strikes we don't believe PRCH shares should be out. The company has \$322 Million of cash and investments which we believe can carry it to free cash flow positive as early as Q3 2023. Further, while the near-term outlook for residential housing remains very bleak, the risk/reward in PRCH shares from current levels is attractive and we retain a small position in the stock.

GRANAHAN FUNDS PLC

Granahan US Small Cap Discoveries Fund (GUSDFUA)

Annual Report – December 31, 2022

Investment Manager Commentary

Targeted Discoveries

The Targeted Discoveries portfolio finished 2022 down -32.32% compared to the Russell 2000 Growth Index return of -26.35%. Performance was mixed across all sectors other than Health Care, which was the primary driver of underperformance. This primarily reflected poor stock selection and less so the fund's significant overweight in Health Care, one of the worst performing sector of the Russell 2000 Growth during the year. With respect to LifeCycles, the Pioneer category significantly underperformed and the fund's preferential weighting versus Core Growth and Special Situations was harmful to performance. In terms of stocks, primary detractors to performance included **Fate Therapeutics**, **Digital Turbine**, and **ThredUP**. Fate is developing cell therapies for cancer. The stock fell out of favor as recent pipeline updates fell short of expectations while competition intensified. Digital Turbine had slower than expected ramp in revenue and investors fled. With a very low valuation metric and a 16% free cash flow yield we are holding our stock. ThredUp has invested heavily in plant and has raised prices causing the stock to come under pressure as investors wait to see if the investment and model change reap benefits.

Positives for the year include: Hudson Technologies, has a refrigerant reclamation business that has been unaffected by the macro environment, Chemocentryx was bought out and Kiniksa Pharmaceutical inked a deal with Genetech.

Positioning

The primary factors plaguing small cap growth stocks generally, and biotech and technology disproportionately, are overcapacity and higher interest rates. The former is the result of an unprecedented multi-year run of IPOs driven by a robust funding environment, while the latter reflects dramatic policy shifts by the Fed recently to counter inflation. The net result of these dynamics is that there are more companies chasing less capital and those that can secure it are paying much more for it. It's no wonder that small cash-burning companies, which have strong representation in the Small Cap Discoveries UCITS portfolio, are underperforming while the market adjusts to the reality of a more difficult funding environment. This backdrop makes for a much less forgiving environment for small-cap growth stocks, leaving little to no room for error. Focusing specifically on biotech, management teams must make smart choices around which pipeline programs to fund and how to drive these programs to value-inflection points in an optimized manner. Most management teams are not up to this challenge and many of the technologies and pipelines that yielded excitement are now viewed ambivalently as the market becomes more discerning. While this sorting out period is driving near-term pain in the portfolio, it is also creating opportunities for GIM to concentrate around our highest conviction names. While the fund's focus on disruptive small-cap companies has always lent itself to higher risk tolerance, we do not invest in narratives or vaporware. We perform deep-dive diligence on portfolio candidates involving thorough technology, product, and market assessments, as well as several rounds of interviews with management. We continue this diligence on an ongoing basis and seek to build positions in high conviction names opportunistically during periods of volatility such as that which we are experiencing currently. We believe the portfolio will outperform as the fundamental strengths of our companies are recognized by investors regardless of the market backdrop.

Outlook

Our portfolio leverage GIM's team of experienced portfolio managers who are also sector specialists. We remain committed to our processes for finding great long-term growth opportunities by identifying companies early in their lifecycle with disruptive products addressing large markets. The value-creation process for these types of companies plays out over years, making patience and opportunistic position sizing key components of our investing process.

While the portfolio's performance during 2022 was disappointing, we believe that our processes are sound and aim to yield relative outperformance on a multi-year basis. Against a backdrop of unprecedented moves in Treasury yields during the past few years, we are not in a position (nor have we ever been) to predict near-term market performance. We do however have much higher conviction that the risk-reward tradeoffs for our holdings are more attractive than they've been in years, affording us the opportunity as we enter 2023 to tilt the portfolio modestly toward names with value-creating catalysts on the near-term horizon.

GRANAHAN FUNDS PLC

Granahan US SMID Select Fund (GUSSIGA)
Annual Report – December 31, 2022
Investment Manager Commentary

SMID

The Granahan SMID Select strategy was down 36.09% for the year, trailing the negative 26.20% return of its Russell 2500 Growth benchmark. Stock selection as a whole hurt the portfolio this year, with the exception of Information Technology. Industrials were responsible for the bulk of the negative return versus the Index, largely due to the holding of **Kornit**, which is detailed above in the Focused Growth discussion. Also detailed above is **Porch**, which hurt the Financials performance for the year. Our underweighting in Energy, Communications Services and Materials was also a penalty. **Digital Turbine** was also a detractor to performance as a slower than expected ramp in revenue had investors fleeing. With a very low valuation metric and a 16% free cash flow yield we are holding our stock.

Array Technologies and **Enphase Energy** (both solar energy beneficiaries), in the technology sector were the strongest names along with **Evolent**, a healthcare technology company that aims to lower the cost of treating oncology and cardiology patients. One of the growth drivers here came from new business brought in by an acquisition of New Century Health.

With respect to LifeCycle categories, the Special Situations were the strength in the portfolio and admittedly we sold some our stocks here too quickly. Core Growth performance largely reflected that of the Index and as one might expect Pioneers were down significantly. As the year progressed, we gradually moved our weighting from Pioneer and Special Situation stocks to Core Growth holdings that were trading at what we believed to be unusually compelling valuations. This effectively increased our Portfolio P/E as the lower valuation Special Situation stocks and the (no P/E to calculate) Pioneer stocks were sold. We felt that our Core growth stocks represented the best long-term risk reward potential, and so far, we believe this has been the right tactical change.

GRANAHAN FUNDS PLC

DIRECTORS' REPORT **For the financial year ended December 31, 2022**

The Directors of the Company (the "Directors") present their annual report for the financial year ended December 31, 2022.

Directors' Responsibilities Statement in respect of the Financial Statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014, as amended and the applicable regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with U.S. Generally Accepted Accounting Principles ('US GAAP') ("relevant financial reporting framework").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014, as amended.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable to ensure that the financial statements and Directors' report comply with the Companies Act 2014, as amended and with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 (as amended) and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Date of Incorporation

The Company was incorporated on October 3, 2013 and was authorized as an Undertaking for Collective Investment in Transferable Securities ("UCITS") by the Central Bank of Ireland on December 5, 2013.

The Company is an umbrella investment company with segregated liability between sub-funds and variable capital. As at December 31, 2022 the Company has three active sub-funds in existence: Granahan US Focused Growth Fund was launched on April 11, 2014, Granahan US Small Cap Discoveries Fund was launched on June 30, 2017 and Granahan US SMID Select Fund was launched on January 23, 2020.

Principal Activities and Future Developments

The Company intends to provide investors with a choice of Funds offering an array of investment objectives. Granahan US Focused Growth Fund, Granahan US Small Cap Discoveries Fund and Granahan US SMID Select Fund aim to achieve their investment objectives while spreading investment risks through investment in transferable securities or liquid financial assets or collective investment schemes or other permitted investments in accordance with the Regulations.

GRANAHAN FUNDS PLC**DIRECTORS' REPORT - continued
For the financial year ended December 31, 2022****Review of Development of the Business and Future Developments**

A detailed review of the business and potential future development is included in the Investment Manager's Reports, from page 3 to page 6.

Statement of Audit Information

The Directors confirm that during the financial year ended December 31, 2022:

- a) So far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and
- b) The Directors have taken all steps that ought to have been taken by the Directors in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Significant Events During the Financial Year

On 01 November 2022, the Manager and Secretary became members of the Waystone Group and, on 12 December 2022, changed their address to 35 Shelbourne Road, 4th Floor, Ballsbridge, Dublin, D04 A4E, Ireland. As part of the change, the registered office of the Company also changed to the same address.

The Board of Directors have noted the recent developments in the Ukraine and the sanctions being imposed on Russia by many countries as a result. Given the absence of exposure in the region, the Board of Directors' view is that those developments and sanctions are unlikely to have a significant direct adverse impact on the Company. Nonetheless, the situation continues to evolve, and it remains difficult at this stage to estimate all direct and indirect impacts which may arise from these emerging developments. The Board of Directors continues to monitor the developments closely and to take all the necessary actions.

Significant Events After the Financial Year End

There were no significant events to note after the financial year end.

COVID-19 update

As of the writing of this report, the Company's service providers are still largely operating remotely or through adapted models to ensure the safety of all employees from COVID-19 exposure. The ongoing and successful operation and investment processes of the Company have not been impacted by COVID-19, as given the robust work-from-anywhere technology available, the Company's service providers and investment team have been fully able to conduct their work either remotely, or within an office environment adapted with COVID-safe protocols.

Connected Persons

Any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group company such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the shareholders of the UCITS.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out above (as referred to in Regulation 43(1) of the Central Bank UCITS Regulations) are applied to all transactions with connected persons, and that transactions with connected parties entered into during the financial year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

Directors Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014, as amended which includes drawing up a compliance policy statement that sets out the Company's policies respecting compliance by the Company with its relevant obligations, putting in place appropriate arrangements or structures that are designed to secure material compliance with the Company's relevant obligations and conducting an annual review during the financial year of any arrangements or structures referred to that have been put into place.

GRANAHAN FUNDS PLC**DIRECTORS' REPORT - continued**
For the financial year ended December 31, 2022**Corporate Governance Code**

The Board adopted the voluntary Irish Funds Corporate Governance Code for Collective Investment Schemes and Management Companies (the "Code") on October 3, 2013 (the date of incorporation). The Board has reviewed and assessed the measures included in the Code and considers its corporate governance practices and procedures since its adoption of the Code as consistent therewith.

Risk management objectives and policies

Investment in the Company carries with it a degree of risk including, but not limited to, the risks referred to in note 9 of these audited financial statements.

Dividends

No dividends were announced or paid by the Company during the financial year ended December 31, 2022 or during the financial year ended December 31, 2021.

Key Performance Indicator

The financial position at and for the financial year ended December 31, 2022 is shown in the Statement of Assets and Liabilities on pages 27 to 34 and Statement of Operations on pages 35 to 38. Performance statistics for 2022 are detailed on pages 44 to 54.

The total Net Asset Value of the Company decreased from \$1,635,599,803 to \$897,072,500 during the financial year. The Directors believe that these are key indicators of the performance of the Company. A detailed review of the business and future developments is included in the Investment Manager's Reports from pages 3 to 6.

Directors

The names of the persons who were Directors during the financial year ended December 31, 2022 are listed in the Directory on pages 88 to 89. All Directors are non-executive Directors.

Directors' and Company Secretary's interests

Directors' and Company Secretary's interests in the share capital of the Company are disclosed in note 11.

None of the Directors, secretary or their families or nominees held any redeemable shares as at December 31, 2022 or as at December 31, 2021.

Audit Committee

The Directors have decided not to establish an audit committee pursuant to section 167(2)(b) of the Companies Act, 2014, as amended.

This has been decided on the basis of the following:

- a) the nature, scale and complexity of the Company's business range of services and activities undertaken in the course of that business;
- b) the resources available to the Company and the resources and expertise of the various third parties engaged to support the Company and carry out certain functions on its behalf; and
- c) the procedures in place for the review, approval and circulation of the audited financial accounts and statements which are appropriate for a self-managed investment company pursuant to the UCITS Regulations.

GRANAHAN FUNDS PLC

DIRECTORS' REPORT - continued
For the financial year ended December 31, 2022

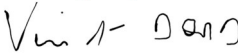
Accounting Records

To ensure that adequate accounting records are kept in accordance with Section 281 to 285 of the Companies Act 2014, as amended, the Directors have employed RBC Investor Services Ireland Limited as administrator. The books of account are maintained at the offices of the Administrator at 4th Floor, One George's Quay Plaza, George's Quay, Dublin 2, Ireland.

Independent Auditors

In accordance with Section 383(2) of the Companies Act 2014, as amended, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm have been appointed as Independent Auditor, and have signified their willingness to continue in office.

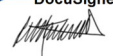
Signed on behalf of the Board

DocuSigned by:

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Vincent Dodd

Director

March 24, 2023

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Lisa Martensson

Director



**Report of the Depositary to the Shareholders
For the year ended 31 December 2022**

As required by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) ("the Regulations") and solely within the context of our oversight duties as depositary, we are pleased to present our report as follows.

In our opinion, Granahan Funds plc (the "Company") has been managed for the year ended 31 December 2022:

- (i) In accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and the Regulations; and
- (ii) Otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Regulations.

e-Signed by Robert Lucas
on 2023-03-30 14:55:00 GMT

e-Signed by Eoghan Cassidy
on 2023-03-30 14:21:56 GMT

**RBC INVESTOR SERVICES BANK S.A.
DUBLIN BRANCH**

Date: 30 March 2023

**RBC Investor Services Bank S.A.
Dublin Branch**
4th Floor
One George's Quay Plaza
George's Quay, Dublin 2, Ireland

T +353 1 613 0400
F +353 1 613 1198

RBC Investor Services Bank S.A., Dublin Branch
is a branch of RBC Investor Services Bank S.A.
Registered office: 14, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg
Registered in Ireland 905449
Incorporated in Luxembourg with Limited Liability
Registered in Luxembourg B 47 192

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GRANAHAN FUNDS PLC

Report on the audit of the financial statements

Opinion on the financial statements of Granahan Funds plc ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2022 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework, the applicable Regulations and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Schedule of Investments
- the Statement of Assets and Liabilities;
- the Statement of Operations;
- the Statement of Changes in Net Assets;
- the Financial Highlights; and
- the related notes 1 to 19, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting principles generally accepted in the United States of America ("US GAAP") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 ("the applicable Regulations").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Continued on next page/

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GRANAHAN FUNDS PLC

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not

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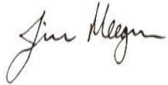
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GRANAHAN FUNDS PLC

identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Use of our report

This report is made solely to the company's shareholders, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Jim Meegan
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

31 March 2023

GRANAHAN FUNDS PLC

**GRANAHAN US FOCUSED GROWTH FUND
SCHEDULE OF INVESTMENTS
December 31, 2022**

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
1) LISTED SECURITIES : SHARES				
BAHAMAS				
OneSpaWorld Holdings Ltd	595,997	USD	5,560,652	1.11
			<u>5,560,652</u>	<u>1.11</u>
CANADA				
Ritchie Bros Auctioneers Inc	173,100	USD	10,010,373	2.00
			<u>10,010,373</u>	<u>2.00</u>
GUERNSEY				
Genius Sports Ltd	3,211,250	USD	11,464,163	2.29
			<u>11,464,163</u>	<u>2.29</u>
ISRAEL				
Kornit Digital Ltd	491,702	USD	11,294,395	2.26
Stratasys Ltd	667,541	USD	7,917,036	1.58
			<u>19,211,431</u>	<u>3.84</u>
LUXEMBOURG				
Globant SA	54,415	USD	9,150,426	1.83
			<u>9,150,426</u>	<u>1.83</u>
UNITED STATES (U.S.A.)				
Appian Corp	53,761	USD	1,750,458	0.35
Axon Enterprise Inc	135,056	USD	22,409,842	4.48
Azenta Inc	370,183	USD	21,552,054	4.31
Bumble Inc	300,088	USD	6,316,852	1.26
Chegg Inc	186,568	USD	4,714,573	0.94
CoStar Group Inc*	430,661	USD	33,281,482	6.65

* Securities represent more than 5% of the total Net Asset Value.

GRANAHAN FUNDS PLC

GRANAHAN US FOCUSED GROWTH FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
(continued)				
1) LISTED SECURITIES : SHARES (continued)				
UNITED STATES (U.S.A.) (continued)				
Domo Inc	268,906	USD	3,829,221	0.77
Enovix Corp	439,975	USD	5,473,289	1.09
Enphase Energy Inc*	96,380	USD	25,536,845	5.10
Etsy Inc*	260,242	USD	31,171,787	6.23
EverQuote Inc	592,569	USD	8,734,467	1.75
Evolent Health Inc	521,079	USD	14,631,898	2.92
First Watch Restaurant Group Inc	305,764	USD	4,136,987	0.83
HealthEquity Inc	212,656	USD	13,108,116	2.62
HubSpot Inc	68,759	USD	19,880,290	3.97
Life Time Group Holdings Inc	302,514	USD	3,618,067	0.72
Liquidity Services Inc	719,426	USD	10,115,130	2.02
LivePerson Inc	483,995	USD	4,907,709	0.98
Lovesac Co	405,492	USD	8,924,879	1.78
Magnite Inc	946,001	USD	10,018,151	2.00
Paycom Software Inc*	112,726	USD	34,980,005	6.99
Paylocity Holding Corp	66,065	USD	12,833,787	2.57
Phreesia Inc	266,112	USD	8,611,384	1.72
Porch Group Inc	2,492,693	USD	4,686,263	0.94
ShotSpotter Inc	159,945	USD	5,410,939	1.08
Sprout Social Inc	179,459	USD	10,132,255	2.03
SPS Commerce Inc*	256,023	USD	32,881,034	6.57
Toast Inc*	1,663,295	USD	29,989,209	5.99
Victory Capital Holdings Inc	412,449	USD	11,066,007	2.21
Workiva Inc	183,381	USD	15,398,503	3.08
Zeta Global Holdings Corp	2,400,668	USD	19,613,458	3.92
			<u>439,714,941</u>	<u>87.87</u>
TOTAL LISTED SECURITIES : SHARES			<u>495,111,986</u>	<u>98.94</u>

* Securities represent more than 5% of the total Net Asset Value.

GRANAHAN FUNDS PLC

**GRANAHAN US FOCUSED GROWTH FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022**

(expressed in USD) Description	Fair Value	% Net assets
<u>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</u>	<u>495,111,986</u>	<u>98.94</u>
TOTAL INVESTMENTS	495,111,986	98.94
OTHER ASSETS	9,830,424	1.96
OTHER LIABILITIES	(4,527,102)	(0.90)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	<u>500,415,308</u>	<u>100.00</u>

GRANAHAN FUNDS PLC

**GRANAHAN US FOCUSED GROWTH FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022**

At December 31, 2022 sector diversification of the Fund was as follows:

	% of Net Assets	Value
Common stock		
Aerospace & Defense	4.48	22,409,842
Diversified Consumer Services	1.66	8,332,640
Diversified Financials Services	5.44	27,216,433
Electronic Equipment Instruments & Components	1.58	7,917,036
Health Care Providers & Services	2.62	13,108,116
Health Care Technology	4.64	23,243,282
Hotels Restaurants & Leisure	1.94	9,697,639
Household Durables	1.78	8,924,879
Interactive Media & Services	1.75	8,734,467
Internet & Direct Marketing Retail	8.25	41,286,917
Life Sciences Tools & Services	4.31	21,552,054
Machinery	2.26	11,294,395
Media	2.00	10,018,151
Professional Services	8.65	43,291,855
Semiconductors & Semiconductor Equipment	6.20	31,010,134
Software	41.38	207,074,146
TOTAL INVESTMENTS	98.94	495,111,986
Other Assets and Cash in Excess of Liabilities	1.06	5,303,322
TOTAL NET ASSETS	100.00	500,415,308
<hr/>		
Analysis of Total Assets		% of Total Assets
Transferable Securities Admitted To An Official Stock Exchange or traded on a regulated market		98.05
Current Assets		1.95
TOTAL		100.00

GRANAHAN FUNDS PLC

**GRANAHAN US SMALL CAP DISCOVERIES FUND
SCHEDULE OF INVESTMENTS
December 31, 2022**

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
1) LISTED SECURITIES : SHARES				
BERMUDA ISLANDS				
Kiniksa Pharmaceuticals Ltd	53,350	USD	799,182	2.73
			799,182	2.73
GREAT BRITAIN				
Luxfer Holdings PLC	30,878	USD	423,646	1.45
			423,646	1.45
IRELAND				
Prothena Corp PLC	9,950	USD	599,488	2.05
			599,488	2.05
UNITED STATES (U.S.A.)				
908 Devices Inc	35,050	USD	267,081	0.91
Akoya Biosciences Inc	45,050	USD	431,129	1.47
Alta Equipment Group Inc	56,450	USD	744,575	2.54
American Well Corp	192,700	USD	545,341	1.86
Apellis Pharmaceuticals Inc	13,500	USD	698,085	2.39
Arcus Biosciences Inc	25,716	USD	531,807	1.82
Array Technologies Inc	18,050	USD	348,907	1.19
Beam Therapeutics Inc	4,951	USD	193,634	0.66
Bluebird Bio Inc	66,550	USD	460,526	1.57
Blueprint Medicines Corp	15,850	USD	694,389	2.37
Casella Waste Systems Inc	8,900	USD	705,859	2.41
Columbus McKinnon Corp	17,550	USD	569,849	1.95
CorVel Corp	5,000	USD	726,650	2.48
Digital Turbine Inc	24,900	USD	379,476	1.30
Douglas Dynamics Inc	19,555	USD	707,109	2.42

GRANAHAN FUNDS PLC

GRANAHAN US SMALL CAP DISCOVERIES FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
(continued)				
1) LISTED SECURITIES : SHARES (continued)				
UNITED STATES (U.S.A.) (continued)				
Fate Therapeutics Inc	33,550	USD	338,520	1.16
Grocery Outlet Holding Corp	25,000	USD	729,750	2.49
Heska Corp	10,900	USD	677,544	2.32
ImmunoGen Inc	133,050	USD	659,928	2.26
Insmed Inc	23,700	USD	473,526	1.62
Intellia Therapeutics Inc	14,170	USD	494,391	1.69
Kezar Life Sciences Inc	58,400	USD	411,136	1.41
Kinsale Capital Group Inc	2,800	USD	732,255	2.50
Magnite Inc	64,859	USD	686,857	2.35
Materion Corp	9,047	USD	791,702	2.71
MaxCyte Inc	57,826	USD	315,730	1.08
Mesa Laboratories Inc	3,947	USD	656,031	2.24
Mirati Therapeutics Inc	12,100	USD	548,251	1.87
Natera Inc	16,900	USD	678,873	2.32
OrthoPediatrics Corp	16,126	USD	640,686	2.19
Pacific Biosciences of California Inc	84,800	USD	693,664	2.37
Perficient Inc	10,400	USD	726,232	2.48
Pliant Therapeutics Inc	24,650	USD	476,485	1.63
Portillo's Inc	43,650	USD	712,368	2.43
PROS Holdings Inc	31,936	USD	774,766	2.65
Quanterix Corp	31,356	USD	434,281	1.48
Rapid7 Inc	19,950	USD	677,901	2.32
Revance Therapeutics Inc	40,600	USD	749,475	2.56
Rush Enterprises Inc	11,350	USD	593,378	2.03
Shockwave Medical Inc	2,650	USD	544,867	1.86
Silk Road Medical Inc	10,050	USD	531,143	1.82
Sprout Social Inc	9,750	USD	550,485	1.88
Stoke Therapeutics Inc	50,000	USD	461,500	1.58

GRANAHAN FUNDS PLC

**GRANAHAN US SMALL CAP DISCOVERIES FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022**

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING (continued)				
1) LISTED SECURITIES : SHARES (continued)				
UNITED STATES (U.S.A.) (continued)				
Texas Capital Bancshares Inc	13,650	USD	823,231	2.81
ThredUp Inc	283,406	USD	371,262	1.27
Veeco Instruments Inc	33,200	USD	616,856	2.11
Zymeworks Inc	59,927	USD	470,427	1.61
			<u>27,047,918</u>	<u>92.44</u>
TOTAL LISTED SECURITIES : SHARES			<u>28,870,234</u>	<u>98.67</u>
<u>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</u>			<u>28,870,234</u>	<u>98.67</u>
B) OTHER TRANSFERABLE SECURITIES				
1) OTHER TRANSFERABLE SECURITIES : SHARES				
UNITED STATES (U.S.A.)				
Contra Flexion Therape Npv	99,583	USD	996	-
			<u>996</u>	<u>-</u>
TOTAL OTHER TRANSFERABLE SECURITIES : SHARES			<u>996</u>	<u>-</u>
<u>TOTAL OTHER TRANSFERABLE SECURITIES</u>			<u>996</u>	<u>-</u>
TOTAL INVESTMENTS			28,871,230	98.67
OTHER ASSETS			477,604	1.63
OTHER LIABILITIES			(88,256)	(0.30)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES			<u>29,260,578</u>	<u>100.00</u>

GRANAHAN FUNDS PLC

**GRANAHAN US SMALL CAP DISCOVERIES FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022**

At December 31, 2022 sector diversification of the Fund was as follows:

	% of Net Assets	Value
Common stock		
Basic Materials	2.71	791,702
Consumer Discretionary	8.28	2,421,583
Consumer Staples	2.49	729,750
Energy	1.19	348,907
Financials	5.32	1,555,486
Health Care	53.14	15,548,735
Industrials	8.05	2,356,635
Technology	15.08	4,412,573
Utilities	2.41	705,859
TOTAL INVESTMENTS	98.67	28,871,230
Other Assets and Cash in Excess of Liabilities	1.33	389,348
TOTAL NET ASSETS	100.00	29,260,578
<hr/>		
Analysis of Total Assets		% of Total Assets
Transferable Securities Admitted To An Official Stock Exchange or traded on a regulated market		98.37
Other Transferable Securities		-
Current Assets		1.63
TOTAL		100.00

GRANAHAN FUNDS PLC

GRANAHAN US SMID SELECT FUND
SCHEDULE OF INVESTMENTS
December 31, 2022

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
1) LISTED SECURITIES : SHARES				
CANADA				
Neo Performance Materials Inc	144,610	CAD	1,025,299	0.28
			<u>1,025,299</u>	<u>0.28</u>
CAYMAN ISLANDS				
Ambarella Inc	74,689	USD	6,141,676	1.67
			<u>6,141,676</u>	<u>1.67</u>
ISRAEL				
Inmode Ltd	52,810	USD	1,885,317	0.51
Kornit Digital Ltd	799,597	USD	18,366,743	5.00
			<u>20,252,060</u>	<u>5.51</u>
NETHERLANDS				
Affimed NV	1,300,199	USD	1,612,247	0.44
			<u>1,612,247</u>	<u>0.44</u>
SINGAPORE				
Flex Ltd	160,630	USD	3,447,120	0.94
			<u>3,447,120</u>	<u>0.94</u>
UNITED STATES (U.S.A.)				
Ameresco Inc	138,846	USD	7,933,660	2.16
Array Technologies Inc*	1,481,193	USD	28,631,461	7.79
Axon Enterprise Inc	57,559	USD	9,550,765	2.60
Castle Biosciences Inc	117,793	USD	2,772,847	0.76
Chart Industries Inc	106,435	USD	12,264,505	3.34

* Securities represent more than 5% of the total Net Asset Value, therefore exposed to concentration risk.

GRANAHAH FUNDS PLC

GRANAHAH US SMID SELECT FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
(continued)				
1) LISTED SECURITIES : SHARES (continued)				
UNITED STATES (U.S.A.) (continued)				
Chicken Soup For The Soul Entertainment Inc	528,389	USD	2,705,352	0.74
Clean Energy Fuels Corp	373,978	USD	1,944,686	0.53
CryoPort Inc	120,905	USD	2,097,702	0.57
Darling Ingredients Inc	47,740	USD	2,988,047	0.81
Definitive Healthcare Corp	163,726	USD	1,799,349	0.49
Digital Turbine Inc*	1,331,221	USD	20,287,808	5.52
Edgio Inc	1,716,463	USD	1,939,603	0.53
Enphase Energy Inc	52,341	USD	13,868,271	3.78
EPAM Systems Inc	20,735	USD	6,795,689	1.85
Etsy Inc	47,667	USD	5,709,553	1.55
Euronet Worldwide Inc	179,179	USD	16,910,914	4.60
Evolut Health Inc*	716,791	USD	20,127,491	5.48
Expedia Group Inc	26,757	USD	2,343,913	0.64
Fate Therapeutics Inc	80,959	USD	816,876	0.22
Figs Inc	774,477	USD	5,212,230	1.42
First Solar Inc	29,730	USD	4,453,257	1.21
Gentherm Inc	80,530	USD	5,257,804	1.43
Grid Dynamics Holdings Inc	506,083	USD	5,678,251	1.55
Hagerty Inc	643,391	USD	5,410,918	1.47
Harmonic Inc	526,891	USD	6,902,272	1.88
iCAD Inc	728,941	USD	1,333,962	0.36
indie Semiconductor Inc	3,107,495	USD	18,116,696	4.93
LendingTree Inc	139,264	USD	2,970,501	0.81
Lithia Motors Inc	47,044	USD	9,631,789	2.62
Littelfuse Inc	15,056	USD	3,315,331	0.90
Magnite Inc*	3,207,557	USD	33,968,028	9.25
Match Group Inc	63,477	USD	2,633,661	0.72
Natera Inc	126,428	USD	5,078,613	1.38
PAR Technology Corp	90,769	USD	2,366,348	0.64

* Securities represent more than 5% of the total Net Asset Value, therefore exposed to concentration risk.

GRANAHAH FUNDS PLC

GRANAHAH US SMID SELECT FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022

(expressed in USD) Description	Quantity	Currency	Fair Value	% Net assets
A) TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
(continued)				
1) LISTED SECURITIES : SHARES (continued)				
UNITED STATES (U.S.A.) (continued)				
Porch Group Inc	2,190,508	USD	4,118,155	1.12
Pure Storage Inc	156,154	USD	4,178,681	1.14
Quanterix Corp	157,048	USD	2,175,115	0.59
Repligen Corp	14,663	USD	2,482,593	0.68
Silvergate Capital Corp	91,052	USD	1,584,305	0.43
SolarEdge Technologies Inc	15,285	USD	4,329,782	1.18
Stoneridge Inc	51,963	USD	1,120,322	0.31
Varonis Systems Inc	187,127	USD	4,479,820	1.22
Veracyte Inc	623,880	USD	14,804,672	4.03
Vicor Corp	32,381	USD	1,740,479	0.47
Vita Coco Co Inc	960,619	USD	13,275,755	3.61
WillScot Mobile Mini Holdings Corp	121,448	USD	5,485,806	1.49
			<u>333,593,638</u>	<u>90.80</u>
TOTAL LISTED SECURITIES : SHARES			<u>366,072,040</u>	<u>99.64</u>
<u>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</u>			<u>366,072,040</u>	<u>99.64</u>
TOTAL INVESTMENTS			366,072,040	99.64
OTHER ASSETS			3,431,820	0.93
OTHER LIABILITIES			(2,107,246)	(0.57)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES			<u><u>367,396,614</u></u>	<u><u>100.00</u></u>

GRANAHAH FUNDS PLC

**GRANAHAH US SMID SELECT FUND
SCHEDULE OF INVESTMENTS - continued
December 31, 2022**

At December 31, 2022 sector diversification of the Fund was as follows:

	% of Net Assets	Value
Common stock		
Communication Services	9.96	36,601,689
Consumer Discretionary	8.71	31,980,963
Consumer Staples	4.43	16,263,802
Energy	0.53	1,944,686
Financials	2.71	9,965,724
Health Care	15.51	56,986,784
Industrials	15.06	55,341,958
Information Technology	42.45	155,961,135
Materials	0.28	1,025,299
TOTAL INVESTMENTS	99.64	366,072,040
Other Assets and Cash in Excess of Liabilities	0.36	1,324,574
TOTAL NET ASSETS	100.00	367,396,614
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Analysis of Total Assets		% of Total Assets
Transferable Securities Admitted To An Official Stock Exchange or traded on a regulated market		99.07
Current Assets		0.93
TOTAL		100.00

GRANAHAN FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES
As of December 31, 2022

	Granahan US Focused Growth Fund \$	Granahan US Focused Growth Fund \$
	December 31, 2022	December 31, 2021
Assets		
Investments, at identified cost	\$543,120,971	\$766,387,483
Investments in securities, at fair value (See note 9)	\$495,111,986	\$941,161,320
Cash and cash equivalents (See note 10)	4,214,698	15,610,658
Receivable for subscriptions	20,987	761,875
Dividends and interest receivable	40,037	-
Receivable for securities sold	5,114,269	-
Prepaid expenses and other assets	310,921	-
Receivable from Investment Manager (See note 5)	129,512	343,492
Total assets	504,942,410	957,877,345
Liabilities		
Payable for securities purchased	2,461,494	-
Payable for redemptions	724,507	1,513,344
Payable to Investment Manager (See note 5)	1,169,531	2,246,137
Manager fees payable (See note 5)	27,739	56,066
Directors fees payable	43,532	3,890
Auditor fees payable	13,920	1,244
Performance fees payable (See note 5)	-	990,243
Other accrued expenses	86,379	77,897
Total liabilities	4,527,102	4,888,821
Net assets	\$500,415,308	\$952,988,524
Net assets consist of		
Paid in capital	\$361,371,657	\$539,533,881
Undistributed net investment loss	(28,608,445)	(23,556,622)
Accumulated net realized gain on investments and foreign currency related transactions	214,457,500	261,286,305
Net unrealized (depreciation)/appreciation on investments and foreign currency related transactions	(46,805,404)	175,724,960
Net assets	\$500,415,308	\$952,988,524

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Granahan US Focused Growth Fund December 31, 2022	Granahan US Focused Growth Fund December 31, 2021
Class A EUR Accumulating		
Shares issued (See note 3)	22,000.00	22,000.00
Net asset value per share	€6.76	€9.28
Class A GBP Accumulating		
Shares issued (See note 3)	1,085,818.68	1,212,791.96
Net asset value per share	£12.86	£16.76
Class A USD Accumulating		
Shares issued (See note 3)	218,400.07	299,760.50
Net asset value per share	\$362.39	\$528.75
Class A USD Distributing		
Shares issued (See note 3)	39,243.25	47,231.76
Net asset value per share	\$144.01	\$210.11
Class F EUR Accumulating		
Shares issued (See note 3)	91,514.53	156,462.89
Net asset value per share	€13.97	€19.21
Class F GBP Accumulating		
Shares issued (See note 3)	4,204.69	10,133.03
Net asset value per share	£9.61	£12.55
Class I EUR Accumulating		
Shares issued (See note 3)	1,877,890.04	6,748,435.69
Net asset value per share	€7.25	€9.93
Class I GBP Accumulating		
Shares issued (See note 3)	1,211,533.18	2,069,855.25
Net asset value per share	£12.27	£15.97

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

**STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022**

	Granahan US Focused Growth Fund December 31, 2022	Granahan US Focused Growth Fund December 31, 2021
Class I USD Accumulating		
Shares issued (See note 3)	14,905,941.60	10,294,662.56
Net asset value per share	\$16.59	\$24.16
Class I USD Distributing		
Shares issued (See note 3)	5,086,143.66	7,293,588.69
Net asset value per share	\$16.58	\$24.15
Class P USD Accumulating*		
Shares issued (See note 3)	-	2,990,259.04
Net asset value per share	-	\$23.03
Class P1 USD Accumulating		
Shares issued (See note 3)	3,434,005.00	9,956,225.00
Net asset value per share	\$9.62	\$13.91

* This share class was terminated on April 20, 2022.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Granahan US Small Cap Discoveries Fund	Granahan US Small Cap Discoveries Fund
	\$	\$
	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Assets		
Investments, at identified cost	\$35,348,885	\$39,287,726
Investments in securities, at fair value (See note 9)	\$28,871,230	\$43,946,097
Cash and cash equivalents (See note 10)	429,187	1,542,462
Dividends and interest receivable	1,433	7,968
Receivable for securities sold	8,836	-
Prepaid expenses and other assets	24,488	-
Receivable from Investment Manager (See note 5)	13,660	41,322
Total assets	29,348,834	45,537,849
Liabilities		
Payable for fund shares redeemed	11,208	256,070
Payable to Investment Manager (See note 5)	54,115	83,626
Manager fees payable (See note 5)	1,652	2,483
Directors fees payable	2,420	181
Auditor fees payable	774	58
Other accrued expenses	18,087	19,984
Total liabilities	88,256	362,402
Net assets	\$29,260,578	\$45,175,447
Net assets consist of		
Paid in capital	\$30,682,381	\$31,555,384
Undistributed net investment loss	(1,195,573)	(899,111)
Accumulated net realized gain on investments and foreign currency related transactions	6,010,529	9,664,403
Net unrealized (depreciation)/appreciation on investments and foreign currency related transactions	(6,236,759)	4,854,771
Net assets	\$29,260,578	\$45,175,447

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Granahan US Small Cap Discoveries Fund December 31, 2022	Granahan US Small Cap Discoveries Fund December 31, 2021
Class Founder GBP Accumulating		
Shares issued (See note 3)	1,106.29	1,447.67
Net asset value per share	£12.74	£17.11
Class Founder USD Accumulating		
Shares issued (See note 3)	2,074,125.65	2,128,499.06
Net asset value per share	\$14.10	\$21.21

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Granahan US SMID Select Fund \$	Granahan US SMID Select Fund \$
	December 31, 2022	December 31, 2021
Assets		
Investments, at identified cost	\$536,957,215	\$581,009,333
Investments in securities, at fair value (See note 9)	\$366,072,040	\$633,591,636
Cash and cash equivalents (See note 10)	2,301,171	4,692,809
Receivable for subscriptions	141,085	915,736
Dividends and interest receivable	7,621	48,477
Receivable for securities sold	633,381	-
Prepaid expenses and other assets	224,094	-
Receivable from Investment Manager (See note 5)	124,468	234,162
Total assets	369,503,860	639,482,820
Liabilities		
Payable for securities purchased	1,046,837	82,349
Payable for fund shares redeemed	93,456	344,279
Payable to Investment Manager (See note 5)	840,318	1,526,182
Manager fees payable (See note 5)	19,960	35,270
Directors fees payable	32,902	2,534
Auditor fees payable	10,521	810
Other accrued expenses	63,252	55,564
Total liabilities	2,107,246	2,046,988
Net assets	\$367,396,614	\$637,435,832
Net assets consist of		
Paid in capital	\$381,041,015	\$421,120,896
Undistributed net investment loss	(12,157,287)	(7,605,868)
Accumulated net realized gain on investments and foreign currency related transactions	167,990,598	170,356,569
Net unrealized (depreciation)/appreciation on investments and foreign currency related transactions	(169,477,712)	53,564,235
Net assets	\$367,396,614	\$637,435,832

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Granahan US SMID Select Fund December 31, 2022	Granahan US SMID Select Fund December 31, 2021
Class A EUR Accumulating*		
Shares issued (See note 3)	15.00	-
Net asset value per share	€86.37	-
Class A GBP Accumulating		
Shares issued (See note 3)	7,401.56	32,684.48
Net asset value per share	£72.95	£103.24
Class A GBP Distributing**		
Shares issued (See note 3)	-	750.00
Net asset value per share	-	£99.21
Class A USD Accumulating		
Shares issued (See note 3)	175,034.97	175,605.42
Net asset value per share	\$64.93	\$102.91
Class I GBP Accumulating		
Shares issued (See note 3)	1,489,499.84	1,568,342.47
Net asset value per share	£157.55	£222.78
Class I GBP Distributing		
Shares issued (See note 3)	476,304.68	541,967.95
Net asset value per share	£87.23	£123.36
Class I USD Accumulating		
Shares issued (See note 3)	199,288.15	322,673.70
Net asset value per share	\$75.77	\$119.95
Class I USD Distributing		
Shares issued (See note 3)	83,608.54	104,751.19
Net asset value per share	\$75.82	\$120.05

* This share class was launched on July 29, 2022.

** This share class was terminated on September 2, 2022.

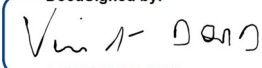
The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC


STATEMENT OF ASSETS AND LIABILITIES – continued
As of December 31, 2022

	Total \$	Total \$
	December 31, 2022	December 31, 2021
Assets		
Investments, at identified cost	\$1,115,427,071	\$1,386,684,542
Investments in securities, at fair value (See note 9)	\$890,055,256	\$1,618,699,053
Cash and cash equivalents (See note 10)	6,945,056	21,845,929
Receivable for subscriptions	162,072	1,677,611
Dividends and interest receivable	49,091	56,445
Receivable for securities sold	5,756,486	-
Prepaid expenses and other assets	559,503	-
Receivable from Investment Manager (See note 5)	267,640	618,976
Total assets	903,795,104	1,642,898,014
Liabilities		
Payable for securities purchased	3,508,331	82,349
Payable for fund shares redeemed	829,171	2,113,693
Payable to Investment Manager (See note 5)	2,063,964	3,855,945
Manager fees payable (See note 5)	49,351	93,819
Directors fees payable	78,854	6,605
Auditor fees payable	25,215	2,112
Performance fees payable (See note 5)	-	990,243
Other accrued expenses	167,718	153,445
Total liabilities	6,722,604	7,298,211
Net assets	\$897,072,500	\$1,635,599,803
Net assets consist of		
Paid in capital	\$773,095,053	\$992,210,161
Undistributed net investment loss	(41,961,305)	(32,061,601)
Accumulated net realized gain on investments and foreign currency related transactions	388,458,627	441,307,277
Net unrealized (depreciation)/appreciation on investments and foreign currency related transactions	(222,519,875)	234,143,966
Net assets	\$897,072,500	\$1,635,599,803

Signed on behalf of the Board of Directors on March 24, 2023:

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Vincent Dodd
Director

DocuSigned by:

 38369FAAAC0843D...

Lisa Martensson
Director

The accompanying notes are an integral part of these financial statements

GRANAHAH FUNDS PLC

STATEMENT OF OPERATIONS
For the financial year ended December 31, 2022

	Granahan US Focused Growth Fund	Granahan US Focused Growth Fund
	\$	\$
	Financial year ended	Financial year ended
	December 31, 2022	December 31, 2021
Investment income		
Dividends	\$375,374	\$632,974
Dividend withholding tax	(112,612)	(184,637)
Other income	850,240	692,959
Total investment income	1,113,002	1,141,296
Expenses (See note 5)		
Investment Management fees	5,163,101	8,420,872
Administration fees	328,674	388,556
Manager fees	124,982	213,436
Audit fees	12,677	15,933
Depository fees	203,631	272,784
Directors' fees	39,643	49,825
Legal fees	66,263	83,285
Transaction costs (See note 7)	616,083	475,838
Other expenses (See note 8)	52,020	253,894
Total expenses	6,607,074	10,174,423
Expense reimbursement from Investment Manager (See note 5)	(442,249)	(807,097)
Net expenses	6,164,825	9,367,326
Net investment loss	(5,051,823)	(8,226,030)
Realized and unrealized gain/(loss) on investments		
Net realized (loss)/gain on:		
Investments	(46,564,626)	136,450,979
Foreign currency related transactions	(264,179)	(330,827)
Net change in unrealized depreciation on:		
Investments	(222,530,364)	(144,058,315)
Net realized and unrealized loss on investments	(269,359,169)	(7,938,163)
Net decrease in net assets resulting from operations	\$(274,410,992)	\$(16,164,193)

For the financial year ended December 31, 2022, there are no other gains or losses other than those included in the Statement of Operations. All income arises from continuing operations.

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF OPERATIONS – continued
For the financial year ended December 31, 2022

	Granahan US Small Cap Discoveries Fund	Granahan US Small Cap Discoveries Fund
	\$	\$
	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Investment income		
Dividends	\$108,767	\$163,050
Dividend withholding tax	(25,064)	(33,942)
Other income	14,880	1,752
Total investment income	98,583	130,860
Expenses (See note 5)		
Investment Management fees	232,159	308,633
Administration fees	47,022	50,548
Manager fees	7,036	9,201
Audit fees	716	686
Depository fees	25,216	30,516
Directors' fees	2,240	2,144
Legal fees	3,744	3,583
Transaction costs (See note 7)	101,146	64,823
Other expenses (See note 8)	3,311	14,455
Total expenses	422,590	484,589
Expense reimbursement from Investment Manager (See note 5)	(27,545)	(69,525)
Net expenses	395,045	415,064
Net investment loss	(296,462)	(284,204)
Realized and unrealized gain/(loss) on investments		
Net realized (loss)/gain on:		
Investments	(3,654,096)	6,204,411
Foreign currency related transactions	222	(29)
Net change in unrealized depreciation on:		
Investments	(11,091,530)	(5,816,893)
Net realized and unrealized (loss)/gain on investments	(14,745,404)	387,489
Net (decrease)/increase in net assets resulting from operations	\$(15,041,866)	\$103,285

For the financial year ended December 31, 2022, there are no other gains or losses other than those included in the Statement of Operations. All income arises from continuing operations.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF OPERATIONS – continued
For the financial year ended December 31, 2022

	Granahan US SMID Select Fund	Granahan US SMID Select Fund
	\$	\$
	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Investment income		
Dividends	\$429,527	\$719,242
Dividend withholding tax	(108,819)	(174,651)
Other income	78,399	7,849
Total investment income	399,107	552,440
Expenses (See note 5)		
Investment Manager fees	4,063,531	5,455,183
Administration fees	214,398	177,349
Manager fees	95,818	126,575
Audit fees	9,710	9,408
Depository fees	162,633	198,341
Directors' fees	30,367	29,422
Legal fees	50,759	49,179
Transaction costs (See note 7)	768,380	830,533
Other expenses (See note 8)	35,377	127,368
Total expenses	5,430,973	7,003,358
Expense reimbursement from Investment Manager (See note 5)	(480,447)	(671,458)
Net expenses	4,950,526	6,331,900
Net investment loss	(4,551,419)	(5,779,460)
Realized and unrealized gain/(loss) on investments		
Net realized (loss)/gain on:		
Investments	(2,093,796)	123,378,748
Foreign currency related transactions	(272,175)	(487,191)
Net change in unrealized depreciation on:		
Investments	(223,041,947)	(83,276,387)
Net realized and unrealized (loss)/gain on investments	(225,407,918)	39,615,170
Net (decrease)/increase in net assets resulting from operations	\$(229,959,337)	\$33,835,710

For the financial year ended December 31, 2022, there are no other gains or losses other than those included in the Statement of Operations. All income arises from continuing operations.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF OPERATIONS – continued
For the financial year ended December 31, 2022

	Total \$	Total \$
	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Investment income		
Dividends	\$913,668	\$1,515,266
Dividend withholding tax	(246,495)	(393,230)
Other income	943,519	702,560
Total investment income	1,610,692	1,824,596
Expenses (See note 5)		
Investment Management fees	9,458,791	14,184,688
Administration fees	590,094	616,453
Manager fees	227,836	349,212
Audit fees	23,103	26,027
Depository fees	391,480	501,641
Directors' fees	72,250	81,391
Legal fees	120,766	136,047
Transaction costs (See note 7)	1,485,609	1,371,194
Other expenses (See note 8)	90,708	395,717
Total expenses	12,460,637	17,662,370
Expense reimbursement from Investment Manager (See note 5)	(950,241)	(1,548,080)
Net expenses	11,510,396	16,114,290
Net investment loss	(9,899,704)	(14,289,694)
Realized and unrealized gain/(loss) on investments		
Net realized (loss)/gain on:		
Investments	(52,312,518)	266,034,138
Foreign currency related transactions	(536,132)	(818,047)
Net change in unrealized depreciation on:		
Investments	(456,663,841)	(233,151,595)
Net realized and unrealized (loss)/gain on investments	(509,512,491)	32,064,496
Net (decrease)/increase in net assets resulting from operations	\$(519,412,195)	\$17,774,802

For the financial year ended December 31, 2022, there are no other gains or losses other than those included in the Statement of Operations. All income arises from continuing operations.

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS For the financial year ended December 31, 2022

	Granahan US Focused Growth Fund \$ Financial year ended December 31, 2022	Granahan US Focused Growth Fund \$ Financial year ended December 31, 2021
Operations		
Net investment loss	\$(5,051,823)	\$(8,226,030)
Net realized (loss)/gain on investments and foreign currency related transactions	(46,828,805)	136,120,152
Net change in unrealized depreciation on investments and foreign currency transactions	(222,530,364)	(144,058,315)
Net decrease in net assets resulting from operations	(274,410,992)	(16,164,193)
Capital Share Transactions (See note 3)		
Proceeds from shares sold		
Class A EUR Accumulating	-	259,127
Class A GBP Accumulating	4,701,180	15,292,437
Class A USD Accumulating	32,289,895	150,549,403
Class A USD Distributing	422,016	7,172,811
Class F EUR Accumulating	445,280	19,764,855
Class I EUR Accumulating	3,982,581	80,172,661
Class I GBP Accumulating	12,933,123	35,625,223
Class I USD Accumulating	156,035,970	144,587,172
Class I USD Distributing	23,084,685	63,202,975
Cost of shares redeemed		
Class A GBP Accumulating	(6,882,132)	(5,996,948)
Class A USD Accumulating	(64,164,793)	(131,440,557)
Class A USD Distributing	(1,590,569)	(14,612,714)
Class F EUR Accumulating	(1,579,737)	(17,505,801)
Class F GBP Accumulating	(83,642)	-
Class I EUR Accumulating	(49,885,172)	(47,391)
Class I GBP Accumulating	(23,243,099)	(10,606,658)
Class I USD Accumulating	(87,435,791)	(126,997,468)
Class I USD Distributing	(54,962,375)	(55,054,416)
Class P USD Accumulating*	(54,612,531)	(16,960,574)
Class P1 USD Accumulating	(67,617,113)	(27,288,000)

*This share class was terminated on April 20, 2022.

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS – continued
For the financial year ended December 31, 2022

	Granahan US Focused Growth Fund \$ Financial year ended December 31, 2022	Granahan US Focused Growth Fund \$ Financial year ended December 31, 2021
Net (decrease)/increase in net assets from capital share transactions	\$(178,162,224)	\$110,116,137
Distributions to Shareholders		
Class A USD Distributing	-	-
Class I USD Distributing	-	-
Total distributions	-	-
Total (decrease)/increase in net assets	\$(452,573,216)	\$93,951,944
Net assets beginning of financial year	\$952,988,524	\$859,036,580
Net assets end of financial year	\$500,415,308	\$952,988,524

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS – continued
For the financial year ended December 31, 2022

	Granahan US Small Cap Discoveries Fund \$ Financial year ended December 31, 2022	Granahan US Small Cap Discoveries Fund \$ Financial year ended December 31, 2021
Operations		
Net investment loss	\$(296,462)	\$(284,204)
Net realized (loss)/gain on investments and foreign currency related transactions	(3,653,874)	6,204,382
Net change in unrealized depreciation on investments and foreign currency transactions	(11,091,530)	(5,816,893)
Net (decrease)/increase in net assets resulting from operations	(15,041,866)	103,285
Capital Share Transactions (See note 3)		
Proceeds from shares sold		
Class Founder GBP Accumulating	2,513	11,624
Class Founder USD Accumulating	1,833,556	18,190,479
Cost of shares redeemed		
Class Founder GBP Accumulating	(7,905)	(25)
Class Founder USD Accumulating	(2,701,167)	(9,495,277)
Net (decrease)/increase in net assets from capital share transactions	\$(873,003)	\$8,706,801
Distributions to Shareholders		
Total distributions	-	-
Total (decrease)/increase in net assets	\$(15,914,869)	\$8,810,086
Net assets beginning of financial year	\$45,175,447	\$36,365,361
Net assets end of financial year	\$29,260,578	\$45,175,447

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS – continued
For the financial year ended December 31, 2022

	Granahan US SMID Select Fund Financial year ended December 31, 2022 \$	Granahan US SMID Select Fund Financial year ended December 31, 2021 \$
Operations		
Net investment loss	\$(4,551,419)	\$(5,779,460)
Net realized (loss)/gain on investments and foreign currency related transactions	(2,365,971)	122,891,557
Net change in unrealized depreciation on investments and foreign currency transactions	(223,041,947)	(83,276,387)
Net (decrease)/increase in net assets resulting from operations	(229,959,337)	33,835,710
Capital Share Transactions (See note 3)		
Proceeds from shares sold		
Class A EUR Accumulating*	1,533	-
Class A GBP Accumulating	254,069	6,073,956
Class A GBP Distributing**	-	103,001
Class A USD Accumulating	6,355,253	30,493,983
Class I GBP Accumulating	82,519,632	68,688,001
Class I GBP Distributing	21,433,560	95,286,528
Class I USD Accumulating	14,481,449	37,431,034
Class I USD Distributing	301,153	13,850,894
Cost of shares redeemed		
Class A GBP Accumulating	(2,740,491)	(1,215,445)
Class A GBP Distributing**	(69,321)	-
Class A USD Accumulating	(6,689,941)	(11,065,556)
Class I GBP Accumulating	(100,918,371)	(52,813,345)
Class I GBP Distributing	(28,658,833)	(6,790,986)
Class I USD Accumulating	(24,312,713)	(4,394,131)
Class I USD Distributing	(2,036,860)	(1,040,430)
Net (decrease)/increase in net assets from capital share transactions	\$(40,079,881)	\$174,607,504
Distributions to Shareholders		
Total distributions	-	-
Total (decrease)/increase in net assets	\$(270,039,218)	\$208,443,214
Net assets beginning of financial year	\$637,435,832	\$428,992,618
Net assets end of financial year	\$367,396,614	\$637,435,832

* This share class was launched on July 29, 2022.

** This share class was terminated on September 2, 2022.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS – continued
For the financial year ended December 31, 2022

	Total \$	Total \$
	Financial year ended December 31, 2022	Financial year ended December 31, 2021
Operations		
Net investment loss	\$(9,899,704)	\$(14,289,694)
Net realized (loss)/gain on investments and foreign currency related transactions	(52,848,650)	265,216,091
Net change in unrealized depreciation on investments and foreign currency transactions	(456,663,841)	(233,151,595)
Net (decrease)/increase in net assets resulting from operations	\$(519,412,195)	\$17,774,802
Capital Share Transactions (See note 3)		
Proceeds from shares sold	361,077,448	786,756,164
Cost of shares redeemed	(580,192,556)	(493,325,722)
Net (decrease)/increase in net assets from capital share	\$(219,115,108)	\$293,430,442
Distributions to Shareholders		
Class A USD Distributing	-	-
Class I USD Distributing	-	-
Total distributions	-	-
Total (decrease)/increase in net assets	\$(738,527,303)	\$311,205,244
Net assets beginning of financial year	\$1,635,599,803	\$1,324,394,559
Net assets end of financial year	\$897,072,500	\$1,635,599,803

The accompanying notes are an integral part of these financial statements

GRANAHAN FUNDS PLC

FINANCIAL HIGHLIGHTS

For a share outstanding throughout the financial year ended December 31, 2022 and comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class A EUR Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	€9.28	€10.00
Income from Investment Operations		
Net investment loss	(0.08)	(0.05)
Net realized and unrealized loss on investments	(2.44)	(0.67)
Total from investment operations	<u>€(2.52)</u>	<u>€(0.72)</u>
Net Asset Value – End of Financial year	<u>€6.76</u>	<u>€9.28</u>
Total Return	(27.16)%	(7.20)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	€149	€204
Ratio of expenses to average net assets:		
After expense reimbursement	1.14%	1.10%
Before expense reimbursement	1.14%	1.15%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.04)%	(1.07)%
Before expense reimbursement	(1.04)%	(1.12)%
 Class A GBP Accumulating	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	£16.76	£16.77
Income from Investment Operations		
Net investment loss	(0.17)	(0.26)
Net realized and unrealized (loss)/gain on investments	(3.73)	0.25
Total from investment operations	<u>£(3.90)</u>	<u>£(0.01)</u>
Net Asset Value – End of Financial year	<u>£12.86</u>	<u>£16.76</u>
Total Return	(23.27)%	(0.06)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£13,966	£20,321
Ratio of expenses to average net assets:		
After expense reimbursement	1.14%	1.06%
Before expense reimbursement	1.14%	1.11%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.04)%	(1.04)%
Before expense reimbursement	(1.05)%	(1.08)%

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class A USD Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$528.75	\$534.53
Income from Investment Operations		
Net investment loss	(4.02)	(6.06)
Net realized and unrealized (loss)/gain on investments	(162.34)	0.28
Total from investment operations	<u>\$(166.36)</u>	<u>\$(5.78)</u>
Net Asset Value – End of Financial year	<u>\$362.39</u>	<u>\$528.75</u>
Total Return	(31.46)%	(1.08)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$79,146	\$158,500
Ratio of expenses to average net assets:		
After expense reimbursement	1.14%	1.08%
Before expense reimbursement	1.14%	1.10%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.05)%	(1.05)%
Before expense reimbursement	(1.05)%	(1.08)%
 Class A USD Distributing	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	\$210.11	\$212.41
Income from Investment Operations		
Net investment loss	(1.60)	(2.40)
Net realized and unrealized (loss)/gain on investments	(64.50)	0.10
Total from investment operations	<u>\$(66.10)</u>	<u>\$(2.30)</u>
Net Asset Value – End of Financial year	<u>\$144.01</u>	<u>\$210.11</u>
Total Return	(31.46)%	(1.08)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$5,651	\$9,924
Ratio of expenses to average net assets:		
After expense reimbursement	1.14%	1.07%
Before expense reimbursement	1.14%	1.10%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.05)%	(1.05)%
Before expense reimbursement	(1.05)%	(1.08)%

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class F EUR Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	€19.21	€18.12
Income from Investment Operations		
Net investment loss	(0.21)	(0.30)
Net realized and unrealized (loss)/gain on investments	(5.03)	1.39
Total from investment operations	€(5.24)	€1.09
Net Asset Value – End of Financial year	€13.97	€19.21
Total Return	(27.28)%	6.02%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	€1,278	€3,006
Ratio of expenses to average net assets:		
After expense reimbursement	1.39%	1.33%
Before expense reimbursement	1.39%	1.35%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.30)%	(1.29)%
Before expense reimbursement	(1.30)%	(1.31)%
Class F GBP Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	£12.55	£12.61
Income from Investment Operations		
Net investment loss	(0.16)	(0.26)
Net realized and unrealized (loss)/gain on investments	(2.78)	0.20
Total from investment operations	£(2.94)	£(0.06)
Net Asset Value – End of Financial year	£9.61	£12.55
Total Return	(23.43)%	(0.48)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£40	£127
Ratio of expenses to average net assets:		
After expense reimbursement	1.38%	1.40%
Before expense reimbursement	1.38%	1.35%
Ratio of net investment income to average net assets:		
After expense reimbursement	(1.29)%	(1.38)%
Before expense reimbursement	(1.30)%	(1.33)%

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class I EUR Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	€9.93	€10.00
Income from Investment Operations		
Net investment loss	(0.08)	(0.08)
Net realized and unrealized (loss)/gain on investments	(2.60)	0.01
Total from investment operations	<u>€(2.68)</u>	<u>€(0.07)</u>
Net Asset Value – End of Financial year	<u>€7.25</u>	<u>€9.93</u>
Total Return	(26.99)%	(0.70)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	€13,613	€66,981
Ratio of expenses to average net assets:		
After expense reimbursement	0.98%	0.94%
Before expense reimbursement	1.09%	1.07%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.90)%	(0.92)%
Before expense reimbursement	(1.01)%	(1.04)%
 Class I GBP Accumulating	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	£15.97	£15.95
Income from Investment Operations		
Net investment loss	(0.14)	(0.21)
Net realized and unrealized (loss)/gain on investments	(3.56)	0.23
Total from investment operations	<u>£(3.70)</u>	<u>£0.02</u>
Net Asset Value – End of Financial year	<u>£12.27</u>	<u>£15.97</u>
Total Return	(23.17)%	0.13%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£14,862	£33,061
Ratio of expenses to average net assets:		
After expense reimbursement	0.98%	0.89%
Before expense reimbursement	1.09%	1.01%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.89)%	(0.87)%
Before expense reimbursement	(1.01)%	(0.99)%

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class I USD Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$24.16	\$24.39
Income from Investment Operations		
Net investment loss	(0.83)	(0.37)
Net realized and unrealized (loss)/gain on investments	(6.74)	0.14
Total from investment operations	<u>\$(7.57)</u>	<u>\$(0.23)</u>
Net Asset Value – End of Financial year	<u>\$16.59</u>	<u>\$24.16</u>
Total Return	(31.33)%	(0.94)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$247,261	\$248,738
Ratio of expenses to average net assets:		
After expense reimbursement	0.97%	0.94%
Before expense reimbursement	1.09%	1.06%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.87)%	(0.91)%
Before expense reimbursement	(0.99)%	(1.03)%
 Class I USD Distributing	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	\$24.15	\$24.38
Income from Investment Operations		
Net investment loss	(0.16)	(0.24)
Net realized and unrealized (loss)/gain on investments	(7.41)	0.01
Total from investment operations	<u>\$(7.57)</u>	<u>\$(0.23)</u>
Net Asset Value – End of Financial year	<u>\$16.58</u>	<u>\$24.15</u>
Total Return	(31.35)%	(0.94)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$84,319	\$176,140
Ratio of expenses to average net assets:		
After expense reimbursement	0.98%	0.94%
Before expense reimbursement	1.09%	1.06%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.89)%	(0.91)%
Before expense reimbursement	(1.00)%	(1.03)%

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Focused Growth Fund

Class P USD Accumulating*	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$23.03	\$23.00
Income from Investment Operations		
Net investment loss	(0.03)	(0.11)
Net realized and unrealized (loss)/gain on investments	(5.01)	0.14
Total from investment operations	<u>\$(5.04)</u>	<u>\$0.03</u>
Net Asset Value – End of Financial year	<u>\$17.99</u>	<u>\$23.03</u>
Total Return	(21.88)%	0.13%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$13,453	\$68,868
Ratio of expenses to average net assets:		
After expense reimbursement	0.53%	0.47%
Before expense reimbursement	0.53%	0.50%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.50)%	(0.45)%
Before expense reimbursement	(0.50)%	(0.48)%
Class P1 USD Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$13.91	\$13.88
Income from Investment Operations		
Net investment loss	(0.05)	(0.07)
Net realized and unrealized (loss)/gain on investments	(4.24)	0.10
Total from investment operations	<u>\$(4.29)</u>	<u>\$0.03</u>
Net Asset Value – End of Financial year	<u>\$9.62</u>	<u>\$13.91</u>
Total Return	(30.84)%	0.22%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$33,032	\$138,491
Ratio of expenses to average net assets:		
After expense reimbursement	0.53%	0.47%
Before expense reimbursement	0.54%	0.50%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.44)%	(0.45)%
Before expense reimbursement	(0.45)%	(0.48)%

*This share class was terminated on April 20, 2022.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US Small Cap Discoveries Fund

Class Founder GBP Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	£17.11	£16.35
Income from Investment Operations		
Net investment loss	(0.10)	(0.13)
Net realized and unrealized (loss)/gain on investments	(4.27)	0.89
Total from investment operations	£(4.37)	£0.76
Net Asset Value – End of Financial year	£12.74	£17.11
Total Return	(25.54)%	4.65%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£14	£25
Ratio of expenses to average net assets:		
After expense reimbursement	0.89%	0.77%
Before expense reimbursement	0.96%	0.93%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.60)%	(0.50)%
Before expense reimbursement	(0.67)%	(0.66)%
Class Founder USD Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$21.21	\$20.47
Income from Investment Operations		
Net investment loss	(0.09)	(0.12)
Net realized and unrealized (loss)/gain on investments	(7.02)	0.86
Total from investment operations	\$(7.11)	\$0.74
Net Asset Value – End of Financial year	\$14.10	\$21.21
Total Return	(33.52)%	3.62%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$29,244	\$45,142
Ratio of expenses to average net assets:		
After expense reimbursement	0.89%	0.77%
Before expense reimbursement	0.97%	0.93%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.59)%	(0.50)%
Before expense reimbursement	(0.67)%	(0.66)%

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US SMID Select Fund

Class A EUR Accumulating*	December 2022	December 2021
Net Asset Value – At Launch Date	£100.00	-
Income from Investment Operations		
Net investment loss	(0.35)	-
Net realized and unrealized loss on investments	(13.28)	-
Total from investment operations	£(13.63)	-
Net Asset Value – End of Financial year	£86.37	-
Total Return	(13.63)%	-
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£1	-
Ratio of expenses to average net assets: ⁽¹⁾		
After expense reimbursement	0.99%	-
Before expense reimbursement	0.99%	-
Ratio of net investment income to average net assets: ⁽¹⁾		
After expense reimbursement	(0.85)%	-
Before expense reimbursement	(0.85)%	-
 Class A GBP Accumulating	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	£103.24	£100.00
Income from Investment Operations		
Net investment loss	(0.99)	(1.29)
Net realized and unrealized (loss)/gain on investments	(29.30)	4.53
Total from investment operations	£(30.29)	£3.24
Net Asset Value – End of Financial year	£72.95	£103.24
Total Return	(29.34)%	3.24%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£540	£3,374
Ratio of expenses to average net assets:		
After expense reimbursement	1.03%	1.03%
Before expense reimbursement	1.03%	1.03%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.94)%	(0.90)%
Before expense reimbursement	(0.94)%	(0.90)%

* This share class was launched on July 29, 2022.

(1) Annualized

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US SMID Select Fund

Class A GBP Distributing*	December 2022	December 2021
Net Asset Value – Beginning of Financial year	£99.21	£100.00
Income from Investment Operations		
Net investment loss	(0.62)	(1.19)
Net realized and unrealized (loss)/gain on investments	(6.16)	0.40
Total from investment operations	<u>£(6.78)</u>	<u>£(0.79)</u>
Net Asset Value – End of Financial year	<u>£92.43</u>	<u>£99.21</u>
Total Return	(6.83)%	(0.79)%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£50	£74
Ratio of expenses to average net assets:		
After expense reimbursement	1.01%	1.00%
Before expense reimbursement	1.03%	1.02%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.92)%	(0.90)%
Before expense reimbursement	(0.94)%	(0.92)%
 Class A USD Accumulating	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	\$102.91	\$100.00
Income from Investment Operations		
Net investment loss	(0.69)	(0.96)
Net realized and unrealized (loss)/gain on investments	(37.29)	3.87
Total from investment operations	<u>\$(37.98)</u>	<u>\$2.91</u>
Net Asset Value – End of Financial year	<u>\$64.93</u>	<u>\$102.91</u>
Total Return	(36.91)%	2.91%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$11,366	\$18,071
Ratio of expenses to average net assets:		
After expense reimbursement	1.03%	1.01%
Before expense reimbursement	1.03%	1.04%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.94)%	(0.91)%
Before expense reimbursement	(0.94)%	(0.94)%

* This share class was terminated on September 2, 2022.

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US SMID Select Fund

Class I GBP Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	£222.78	£200.65
Income from Investment Operations		
Net investment loss	(1.79)	(2.60)
Net realized and unrealized (loss)/gain on investments	(63.44)	24.73
Total from investment operations	<u>£(65.23)</u>	<u>£22.13</u>
Net Asset Value – End of Financial year	<u>£157.55</u>	<u>£222.78</u>
Total Return	(29.28)%	11.03%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£234,671	£349,402
Ratio of expenses to average net assets:		
After expense reimbursement	0.92%	0.91%
Before expense reimbursement	1.03%	1.02%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.83)%	(0.82)%
Before expense reimbursement	(0.94)%	(0.93)%
 Class I GBP Distributing	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	£123.36	£111.12
Income from Investment Operations		
Net investment loss	(1.00)	(1.44)
Net realized and unrealized (loss)/gain on investments	(35.13)	13.68
Total from investment operations	<u>£(36.13)</u>	<u>£12.24</u>
Net Asset Value – End of Financial year	<u>£87.23</u>	<u>£123.36</u>
Total Return	(29.29)%	11.02%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	£41,549	£66,856
Ratio of expenses to average net assets:		
After expense reimbursement	0.92%	0.91%
Before expense reimbursement	1.03%	1.03%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.83)%	(0.81)%
Before expense reimbursement	(0.94)%	(0.93)%

The accompanying notes are an integral part of these financial statements.

GRANAHAH FUNDS PLC

FINANCIAL HIGHLIGHTS – continued
For a share outstanding throughout the financial year ended December 31, 2022 and
comparatives for the financial year ended December 31, 2021

Granahan US SMID Select Fund

Class I USD Accumulating	December 2022	December 2021
Net Asset Value – Beginning of Financial year	\$119.95	\$109.16
Income from Investment Operations		
Net investment loss	(0.72)	(1.04)
Net realized and unrealized (loss)/gain on investments	(43.46)	11.83
Total from investment operations	<u>\$(44.18)</u>	<u>\$10.79</u>
Net Asset Value – End of Financial year	<u>\$75.77</u>	<u>\$119.95</u>
Total Return	(36.83)%	9.88%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$15,100	\$38,705
Ratio of expenses to average net assets:		
After expense reimbursement	0.92%	0.91%
Before expense reimbursement	1.03%	1.03%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.83)%	(0.82)%
Before expense reimbursement	(0.94)%	(0.93)%
 Class I USD Distributing	 December 2022	 December 2021
Net Asset Value – Beginning of Financial year	\$120.05	\$109.25
Income from Investment Operations		
Net investment loss	(0.72)	(1.03)
Net realized and unrealized (loss)/gain on investments	(43.51)	11.83
Total from investment operations	<u>\$(44.23)</u>	<u>\$10.80</u>
Net Asset Value – End of Financial year	<u>\$75.82</u>	<u>\$120.05</u>
Total Return	(36.84)%	9.89%
Ratios and Supplemental Data		
Net assets, end of financial year (thousands)	\$6,340	\$12,575
Ratio of expenses to average net assets:		
After expense reimbursement	0.93%	0.91%
Before expense reimbursement	1.03%	1.02%
Ratio of net investment income to average net assets:		
After expense reimbursement	(0.84)%	(0.81)%
Before expense reimbursement	(0.94)%	(0.93)%

The accompanying notes are an integral part of these financial statements.

GRANAHAN FUNDS PLC**NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended December 31, 2022****1. Organization**

The Company is an open-ended umbrella investment company with variable capital and segregated liability between its sub-funds and is organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 (as amended). The Company is authorised by the Central Bank of Ireland pursuant to the UCITS Regulations and the Central Bank UCITS Regulations.

The Company was incorporated on October 3, 2013 under registration number 533587.

The Directors have established three sub-funds (the “Funds”, each a “Fund”):

- Granahan US Focused Growth Fund
- Granahan US Small Cap Discoveries Fund
- Granahan US SMID Select Fund

Granahan US Focused Growth Fund commenced operations on April 11, 2014, Granahan US Small Cap Discoveries Fund commenced operations on June 30, 2017 and Granahan US SMID Select Fund commenced operations on January 23, 2020.

The Company intends to provide investors with a choice of Funds offering an array of investment objectives. Granahan US Focused Growth Fund, Granahan US Small Cap Discoveries Fund and Granahan US SMID Select Fund aim to achieve their investment objectives while spreading investment risks through investment in transferable securities or liquid financial assets or collective investment schemes or other permitted investments in accordance with the Regulations

A separate portfolio of assets is maintained for each Fund and invests in accordance with its investment objectives and policies.

2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Company in the preparation of its financial statements. These policies are in conformity with U.S. Generally Accepted Accounting Principles (“US GAAP”).

- a) Valuation of Securities – Securities that are primarily traded on an official stock exchange are valued at the last traded price (or if no last traded price is available the latest mid-market price) on the exchange on which they are primarily traded on the day of valuation. Any securities or other assets for which market quotations are not readily available are valued at such value as shall be certified with care and good faith as the probable realization value by a competent person, appointed for such purpose by the Directors in consultation with the Investment Manager and approved by the Depository. The values for foreign securities are reported in local currency and converted to US Dollar using currency exchange rates at the time of valuation. Exchange rates are provided daily by recognized independent pricing agents.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

2. Significant Accounting Policies (continued)

- b) Distributions to Shareholders – For all accumulating classes of shares, the Directors intend to accumulate and to automatically reinvest all earnings, dividends and other distributions of whatever kind pursuant to the investment objectives and policies of the relevant fund for the benefit of Shareholders in the relevant fund. The Directors intend to declare a quarterly dividend in respect of the distributing classes for the net income earned in the period (interest plus dividends, less fund expenses). To date, none of the distributing share classes have accumulated net income in any period. Any change to the distribution policy of a fund will be notified in advance to Shareholders and will be noted in an addendum or a revision to the Prospectus.
- c) Basis of preparation – The accompanying financial statements have been prepared in conformity with US GAAP. The accompanying financial statements have been prepared under a going concern basis.
- d) Use of Estimates – The preparation of the financial statements in conformity with US GAAP requires Directors to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Directors believe that the estimates utilized in preparing its financial statements are reasonable and prudent; however, actual results could differ from these estimates.
- e) Guarantees and Indemnification – In the normal course of business, the Company enters into contracts with service providers that contain general indemnification clauses. The Company’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. Based on experience, however, the Company expects the risk of loss to be remote.
- f) Other – Investment and Shareholder transactions are recorded on trade date. The Company determines the gain or loss realized from the investment transactions by comparing the original cost of the security sold with the net sales proceeds on a high cost basis. Within the Funds, dividend income is recognized on the ex-dividend date or as soon as information is available and interest income is recognized on an accrual basis.
- g) Functional and Presentation Currency – Items included in the financial statements are measured using the currency of the primary economic environment in which it operates (the “Functional Currency”). The Company’s Functional and presentation currency is US Dollar.
- h) Foreign Exchange Contracts – Transactions during the financial year ended denominated in foreign currencies have been translated at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the financial year ended end date. The results of operations due to fluctuations in foreign exchange rates on investments from gains or losses arising from the sales or changes in values of the portfolio securities are reported separately. Net realized gains (losses) and net change in unrealized gains (losses) on foreign currency related transactions arise for sales of foreign currencies and currency gains or losses between trade date or ex-date and settlement date on security or dividend transactions.
- i) Transaction Costs – Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Only transaction costs which are separately identifiable are disclosed. These include transaction costs paid to depositaries and sub-custodians, identifiable brokerage charges and commissions. These requirements are disclosed in note 7.
- j) Expenses - are recognized in the statement of operations on an accruals basis.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

2. Significant Accounting Policies (continued)

- k) Income - Dividend income is recorded gross of any non-reclaimable withholding taxes suffered on an ex-date. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount basis.
- l) Recent Accounting Pronouncements – A number of new standards, amendments to standards and interpretations in issue are not yet effective, and have not been applied in preparing these financial statements. None of these are currently expected to have a material effect on the financial statements of the Company.
- m) Recognition/Derecognition – The Company recognizes financial assets or financial liabilities at fair value through profit or loss on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they originated. Financial instruments are measured initially at fair value (transaction price) on trade date with transaction costs recognized immediately in the Statement of Operations directly. In cases where a financial asset or financial liability is not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability are recognized in the Statement of Operations. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognized in the Statement of Operations. Financial liabilities, other than those at fair value through profit or loss, are measured at amortized cost. Financial liabilities arising from the redeemable shares issued by each Fund are carried at the redemption amount representing the investors' right to a residual interest in each Fund's assets.
- n) Realized gains and losses - The Company records investment transactions on a trade date basis, matching the cost of investments for the purpose of calculating realized gains and losses on an average cost basis. The Company records an unrealized gain or loss to the extent of the difference between the cost and the fair value of the position at any particular point in time. The Company records a realized gain or loss when the position is sold or closed. Realized gains and losses and the movement in unrealized gains and losses are recorded in the Statement of Operations within "Net realized and unrealized gain/ (loss) on investments".
- o) Uncertain tax positions - Accounting Standards Codification 740, Accounting for Uncertainty in Income Taxes ("ASC 740") clarifies the accounting for uncertainty in income taxes recognized in the Company's financial statements. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740 requires that the Company determines whether it is more likely than not that a tax position will be sustained upon examination including resolution of any related appeals or litigation processes based on the technical merit position. In evaluating whether a tax position has met the more likely than not recognition threshold, the Company should presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information.

A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

3. Share Capital

The authorised share capital of the Company at the date of prospectus (the “Prospectus”) is 500,000,000,000 Shares of no par value and 300,002 redeemable Non-Participating Shares of €1.00 each. Non-Participating Shares do not entitle the holders thereof to any dividend. On a winding up, the Non-Participating Shares entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Non-Participating Shares are held on behalf of the Granahan Investment Management LLC (“Investment Manager”) and in trust for the benefit of Investment Manager.

The Company intends to provide investors with a choice of funds offering different investment objectives. The Funds aim to achieve their investment objectives while spreading investment risks through investment in transferable securities or liquid financial assets or collective investment schemes or other permitted investments in accordance with the UCITS Regulations.

The Company may compulsorily redeem all of the Shares of the Company if the net asset value of the Company is less than \$30,000,000 or compulsorily redeem all of the Shares of a Fund if the net asset value of that Fund is less than \$30,000,000.

The Company has the right at any time compulsorily to redeem or transfer Shares if in the reasonable belief of the Directors such Shares are acquired or held directly or beneficially by: (i) any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Shares including without limitation any exchange control regulations; (ii) by any person who holds less than the minimum holding for the relevant Class (if any) or who does not supply any information or declaration required under the Constitution or the Application Form; (iii) where the continued ownership of such Shares by the Shareholder is deemed to be harmful or injurious to the business or reputation of the Company or a Fund; or (iv) by any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstance appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Company or Fund or the Shareholders as a whole or of any Fund or Class incurring any liability to taxation or suffering legal, pecuniary, regulatory or material administrative disadvantage which the Company or Fund or the Shareholders as a whole or of any Class might not otherwise have incurred or suffered.

None of the active share classes were hedged during the year.

Share transactions for the financial year ended December 31, 2022 and the financial year ended December 31, 2021 were as follows:

	Granahan US Focused Growth Fund	Granahan US Focused Growth Fund
	December 31, 2022	December 31, 2021
Class A EUR Accumulating		
Opening number of shares	22,000.00	-
Shares sold	-	22,000.00
Shares redeemed	-	-
Closing number of shares	22,000.00	22,000.00

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

3. Share Capital (continued)

	Granahan US Focused Growth Fund December 31, 2022	Granahan US Focused Growth Fund December 31, 2021
Class A GBP Accumulating		
Opening number of shares	1,212,791.96	840,909.86
Shares sold	290,379.57	616,946.06
Shares redeemed	(417,352.85)	(245,063.96)
Closing number of shares	1,085,818.68	1,212,791.96
Class A USD Accumulating		
Opening number of shares	299,760.50	275,955.16
Shares sold	83,640.57	259,176.31
Shares redeemed	(165,001.00)	(235,370.97)
Closing number of shares	218,400.07	299,760.50
Class A USD Distributing		
Opening number of shares	47,231.76	82,197.61
Shares sold	2,461.38	31,149.12
Shares redeemed	(10,449.89)	(66,114.97)
Closing number of shares	39,243.25	47,231.76
Class F EUR Accumulating		
Opening number of shares	156,462.89	104,363.53
Shares sold	26,180.00	809,419.49
Shares redeemed	(91,128.36)	(757,320.13)
Closing number of shares	91,514.53	156,462.89
Class F GBP Accumulating		
Opening number of shares	10,133.03	10,133.03
Shares sold	-	-
Shares redeemed	(5,928.34)	-
Closing number of shares	4,204.69	10,133.03
Class I EUR Accumulating		
Opening number of shares	6,748,435.69	-
Shares sold	462,802.88	6,752,435.69
Shares redeemed	(5,333,348.53)	(4,000.00)
Closing number of shares	1,877,890.04	6,748,435.69
Class I GBP Accumulating		
Opening number of shares	2,069,855.25	966,109.05
Shares sold	791,149.24	1,544,400.39
Shares redeemed	(1,649,471.31)	(440,654.19)
Closing number of shares	1,211,533.18	2,069,855.25

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

3. Share Capital (continued)

	Granahan US Focused Growth Fund	Granahan US Focused Growth Fund
	December 31, 2022	December 31, 2021
Class I USD Accumulating		
Opening number of shares	10,294,662.56	9,556,819.82
Shares sold	9,516,072.42	5,540,688.63
Shares redeemed	(4,904,793.38)	(4,802,845.89)
Closing number of shares	14,905,941.60	10,294,662.56
Class I USD Distributing		
Opening number of shares	7,293,588.69	6,968,875.82
Shares sold	1,235,146.75	2,424,546.26
Shares redeemed	(3,442,591.78)	(2,099,833.39)
Closing number of shares	5,086,143.66	7,293,588.69
Class P USD Accumulating*		
Opening number of shares	2,990,259.04	3,695,893.70
Shares sold	-	-
Shares redeemed	(2,990,259.04)	(705,634.66)
Closing number of shares	-	2,990,259.04
Class P1 USD Accumulating		
Opening number of shares	9,956,225.00	11,756,225.00
Shares sold	-	-
Shares redeemed	(6,522,220.00)	(1,800,000.00)
Closing number of shares	3,434,005.00	9,956,225.00
	Granahan US Small Cap Discoveries Fund	Granahan US Small Cap Discoveries Fund
	December 31, 2022	December 31, 2021
Class Founder GBP Accumulating		
Opening number of shares	1,447.67	1,018.43
Shares sold	156.28	430.24
Shares redeemed	(497.66)	(1.00)
Closing number of shares	1,106.29	1,447.67
Class Founder USD Accumulating		
Opening number of shares	2,128,499.06	1,775,456.87
Shares sold	111,392.00	769,104.33
Shares redeemed	(165,765.41)	(416,062.14)
Closing number of shares	2,074,125.65	2,128,499.06

*This share class was terminated on April 20, 2022.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

3. Share Capital (continued)

	Granahan US SMID Select Fund December 31, 2022	Granahan US SMID Select Fund December 31, 2021
Class A EUR Accumulating*		
Opening number of shares	-	-
Shares sold	15.00	-
Shares redeemed	-	-
Closing number of shares	15.00	-
Class A GBP Accumulating		
Opening number of shares	32,684.48	-
Shares sold	2,432.85	40,680.48
Shares redeemed	(27,715.77)	(7,996.00)
Closing number of shares	7,401.56	32,684.48
Class A GBP Distributing**		
Opening number of shares	750.00	-
Shares sold	-	750.00
Shares redeemed	(750.00)	-
Closing number of shares	-	750.00
Class A USD Accumulating		
Opening number of shares	175,605.42	-
Shares sold	84,676.22	276,883.42
Shares redeemed	(85,246.67)	(101,278.00)
Closing number of shares	175,034.97	175,605.42
Class I GBP Accumulating		
Opening number of shares	1,568,342.47	1,509,144.98
Shares sold	376,966.07	217,668.74
Shares redeemed	(455,808.70)	(158,471.25)
Closing number of shares	1,489,499.84	1,568,342.47
Class I GBP Distributing		
Opening number of shares	541,967.95	44,681.89
Shares sold	171,030.86	536,145.89
Shares redeemed	(236,694.13)	(38,859.83)
Closing number of shares	476,304.68	541,967.95
Class I USD Accumulating		
Opening number of shares	322,673.70	68,792.18
Shares sold	165,728.94	289,989.97
Shares redeemed	(289,114.49)	(36,108.45)
Closing number of shares	199,288.15	322,673.70

* This share class was launched on July 29, 2022.

** This share class was terminated on September 2, 2022.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

3. Share Capital (continued)

	Granahan US SMID Select Fund	Granahan US SMID Select Fund
	December 31, 2022	December 31, 2021
Class I USD Distributing		
Opening number of shares	104,751.19	5,451.53
Shares sold	3,267.00	107,341.51
Shares redeemed	(24,409.65)	(8,041.85)
Closing number of shares	83,608.54	104,751.19

4. Taxation

The Company intends to conduct its affairs so that it is resident in Ireland for tax purposes. On the basis that the Company is Irish tax resident, the Company qualifies as an ‘investment undertaking’, as defined in Section 739B (1) of the Taxes Acts and, consequently, is exempt from Irish corporation tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the Company. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of Shares or appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of the tax payable on a gain arising on a transfer of an entitlement to a Share. It also includes “Eighth Anniversary Events” regardless of whether the Shares have been encashed, redeemed, cancelled or transferred.

No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish resident nor Irish ordinarily resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is not or is no longer materially correct, or provided a written notice of approval from the Revenue Commissioners of Ireland (the “Revenue Commissioners”) to the effect that a Relevant Declaration is deemed to be in place has been provided to the Company and not withdrawn. In the absence of a Relevant Declaration, or a written notice of approval from the Revenue Commissioners, there is a presumption that the investor is Irish resident or Irish ordinarily resident.

A chargeable event does not include:

1. an exchange by a Shareholder, effected by way of an arm’s length bargain of Shares in the Company for other Shares in the Company;
2. any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognized clearing system as designated by order of the Irish Revenue Commissioners;
3. a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses and former spouses, subject to certain conditions;
4. an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another investment undertaking (within the meaning of Section 739H or Section 739HA of the Taxes Act);
5. any transaction in relation to, or in respect of, relevant Shares in an investment undertaking which transaction only arises by virtue of a change of court funds manager for that undertaking.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

4. Taxation (continued)

If the Company becomes liable to account for tax where a chargeable event occurs, the Company shall be required to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

5. Fees and Expenses

Manager fees

KBA Consulting Management Limited (the “Manager”) has been appointed as manager for the Company pursuant to the management agreement. Under the terms of the management agreement, the Manager has responsibility for the management and administration of the Company's affairs, subject to the overall supervision and control of the Directors.

The Manager shall be entitled to receive out of the assets of the relevant Fund, an annual fee, accrued on each Dealing Day and payable quarterly in arrears, at an annual rate of up to and not exceeding 0.01% of the net asset value of the Company subject to a minimum fee of up to €50,000 per annum for the initial Fund and €10,000 for each incremental Fund thereafter. The Manager is also entitled to be reimbursed out of the assets of each Fund for the reasonable out-of-pocket costs and expenses incurred by the Manager in the performance of its duties (plus VAT thereon, if any).

The Manager earned fees of \$227,836 for the financial year ended December 31, 2022 (December 31, 2021: \$349,212). Manager fees payable as at December 31, 2022 amounted to \$49,351 (December 31, 2021: \$93,819).

Investment Manager fees

The Company has appointed the Investment Manager as the discretionary investment manager for the Company pursuant to an investment management agreement. The Investment Manager is a registered investment adviser regulated by the Securities and Exchange Commission (“SEC”).

Under the investment management agreement, the Company will pay to the Investment Manager a maximum fee at an annual rate equal to the percentage of the average daily net asset value of the relevant class of each Fund as set out in the supplement to the Prospectus with the exception of Class X shares which are set out in a separate agreement. The investment management fee shall accrue and be calculated daily and shall be payable monthly in arrears.

In addition, the Investment Manager shall be entitled to be reimbursed its reasonable vouched out-of-pocket expenses.

For Granahan US Focused Growth Fund, the Investment Manager earned fees of \$5,163,101 (December 31, 2021: \$8,420,872) for the financial year ended December 31, 2022 with fees payable as at December 31, 2022 amounting to \$1,169,531 (December 31, 2021: \$2,246,137).

For Granahan US Small Cap Discoveries Fund, the Investment Manager earned fees of \$232,159 (December 31, 2021: \$308,633) for the financial year ended December 31, 2022 with fees payable as at December 31, 2022 amounting to \$54,115 (December 31, 2021: \$83,626).

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

5. Fees and Expenses (continued)

Investment Manager fees (continued)

For Granahan US SMID Select Fund, the Investment Manager earned fees of \$4,063,531 (December 31, 2021: \$5,455,183) For the financial year ended December 31, 2022 with fees payable as at December 31, 2022 amounting to \$840,318 (December 31, 2021: \$1,526,182).

For the financial year ended December 31, 2022 the expense reimbursement from the Investment Manager back to the Granahan US Focused Growth Fund in relation to the total expense limitation of 1.35% of the annual net asset value of the funds amounted to \$442,249 (December 31, 2021: \$807,097), and the related receivable amounted to \$129,512 (December 31, 2021: \$343,492).

For the financial year ended December 31, 2022 the expense reimbursement from the Investment Manager back to the Granahan US Small Cap Discoveries Fund in relation to the total expense limitation of 0.85% of the annual net asset value of the funds amounted to \$27,545 (December 31, 2021: \$69,525), and the related receivable amounted to \$13,660 (December 31, 2021: \$41,322).

For the financial year ended December 31, 2022 the expense reimbursement from the Investment Manager back to the Granahan US SMID Select Fund in relation to the total expense limitation of 1.25% of the annual net asset value of the funds amounted to \$480,447 (December 31, 2021: \$671,458), and the related receivable amounted to \$124,468 (December 31, 2021: \$234,162).

Administration fees

RBC Investor Services Ireland Limited (the “Administrator”) serves as the Company’s administrator. The Administrator is entitled to receive out of the assets of the Fund an annual fee of up to 2.5 bps of the net asset value of the Fund which will be accrued and payable monthly in arrears, subject to a monthly minimum fee for the Fund of \$2,530 per Fund. The Administrator may also receive out of the assets of the relevant Fund such additional charges as agreed at normal commercial rates. The Administrator shall be reimbursed out of the assets of the relevant Fund for all reasonable and vouched out-of-pocket expenses incurred by it.

The Administrator earned fees of \$590,094 for the financial year ended December 31, 2022 (December 31, 2021: \$616,453). Administrator fees payable as at December 31, 2022 amounted to \$63,270 (December 31, 2021: \$61,108).

Depositary fees

RBC Investor Services Bank S.A., Dublin Branch serves as the Company’s depositary (the “Depositary”). The Depositary shall be entitled to receive an annual oversight fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 2.5 bps of the net asset value of the Fund (plus VAT thereon, if any), subject to a monthly minimum of \$1,167 per Fund (plus VAT, if any).

In addition, the Depositary shall also be entitled to receive, in respect of cash-flow monitoring and reconciliation, a monthly fee of \$550 per Fund (plus VAT, if any).

The combined Depositary fees accrue and are calculated on each Dealing Day and are payable monthly in arrears.

The Depositary shall also be entitled to receive out of the assets of the relevant Fund all agreed sub-custodian fees, transaction charges (which will be charged at normal commercial rates) together with reasonable out-of-pocket expenses (plus VAT thereon, if any) incurred by the Depositary in the performance of its duties under the Depositary Agreement.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

5. Fees and Expenses (continued)

Depository fees (continued)

The Depository earned fees of \$391,480 for the financial year ended December 31, 2022 (December 31, 2021: \$501,641). Depository fees payable as at December 31, 2022 amounted to \$52,805 (December 31, 2021: \$75,186).

Director fees

The Constitution provides that the Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. Directors affiliated with the Investment Manager are not entitled to a fee. The aggregate amount of Directors' remuneration in any one year shall not exceed €100,000 without the approval of the Directors. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

The Directors earned fees of \$72,250 for the financial year ended December 31, 2022 (December 31, 2021: \$81,391). Directors' fees payable as at December 31, 2022 amounted to \$78,854 (December 31, 2021: \$6,605).

The Manager assists the Company with payroll compliance services.

Performance fees – Granahan US Focused Growth Fund

In respect to Class P and Class P1 Shares, the Investment Manager is entitled to a performance fee (the "Performance Fee") if there is an Outperformance (the net asset value of Class P and Class P1 Shares less the value of the Hurdle (the amount of capital subscribed during the initial offer period adjusted for any subsequent subscriptions, redemptions and dividends paid) as adjusted by the Hurdle Rate (the return of the Russell 2000 Growth Index) (provided that the resulting number is positive)) during a Performance Period (the first Business Day through to the last Business Day of the annual period which commences on 1 April and ends on 31 March, with the exception of the First Performance Period (commences on the close of the initial offer period for Class P1 Shares and ends on 31 March 2021)) and, where Shares are redeemed during a Performance Period, to a pro-rata portion of the Performance Fee accrual (if any) at the time of redemption.

The Performance Fee will be calculated in respect of each Performance Period. The Performance Fee will accrue on each Business Day and the accrual will be reflected in the net asset value per Class P and P1 Share.

Entitlement to a Performance Fee will be calculated if the Outperformance of Class P and P1 Shares on the last Dealing Day of a Performance Period are positive. The Performance Fee will be equal to Outperformance multiplied by 15%.

The Performance Fee is payable on the last Dealing Day of each Performance Period, or if the Class is terminated before the end of a Performance Period, the Dealing Day on which the final redemption of Class P and P1 Shares takes place, or in the case of Shares redeemed during a Performance Period, the accrued Performance Fee in respect of those Shares will be payable within 14 calendar days of the date of redemption (each a "Payment Date"). Any amount of Performance Fee calculated with respect to redeemed Class P and P1 Shares during a Performance Period will be calculated according to the net asset value of the redeemed Shares, and the Hurdle Rate as at the date of redemption (as opposed to at the end of the Performance Period in which the redemption takes place). It is therefore possible that, although the net asset value is not in Outperformance for a full Performance Period, a Performance Fee may be earned by the Investment Manager in respect of Shares redeemed where the redemption took place when the net asset value at redemption was higher than the Hurdle Rate.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022**5. Fees and Expenses (continued)****Performance fees (continued)**

Outperformance will be adjusted for any dividends paid by the Fund during the Performance Period.

In the event of an Outperformance on the last Dealing Day of a Performance Period, the value of the Hurdle for the next Performance Period will be reset on 1 April to the net asset value of the Class P and P1 Shares on the last Dealing Day of the preceding Performance Period. If there is no Outperformance on the last Dealing Day of a Performance Period, the value of the Hurdle will not be reset for the next Performance Period and the underperformance of the Class P and P1 Shares in the preceding Performance Period, by reference to the Hurdle adjusted by the Hurdle Rate, will be clawed back (i.e. until under performance is made good) before a Performance Fee becomes due in a subsequent Performance Period. For the avoidance of doubt, any Performance Fee payable in relation to a given Performance Period will not be clawed back.

The Performance Fee is calculated based on the net asset value of Class P and P1 Shares and no Shareholder level equalisation is undertaken. This may result in inequalities between Shareholders in relation to the payment of Performance Fees (with some Shareholders paying disproportionately higher performance fees in certain circumstances). Because there is no Shareholder level equalisation, this may also result in certain Shareholders having more of their capital at risk at any given time than other Shareholders. The methodology may, in certain circumstances, result in certain Shareholders being charged a Performance Fee in circumstances where the net asset value per Share of their Shares has not increased over the relevant calculation period as a whole.

Calculation of the Hurdle for the Performance Period beginning at launch

The initial value of the Hurdle, upon the launch of the Class P and P1 Shares, will be the net asset value of Class P Shares as at the close of the first Dealing Day of Class P and P1 Shares.

The Performance Fee is payable where there is an Outperformance during the Performance Period, although this may be due to market movements impacting on retained holdings in the Fund rather than specific actions undertaken by the Investment Manager.

Any change to the index relating to the Hurdle Rate will be disclosed in the periodic reports of the Fund.

For the purposes of the Performance Fee calculation, the net asset value shall be calculated before the deduction of any accrual for Performance Fee for that Performance Period, other than Performance Fee accrued in relation to the Class in respect of redemptions during the Performance Period but not yet paid.

As the Performance Fee depends on the performance of the net asset value per Share of Class P and P1 Shares, it is not possible to predict the amount of Performance Fee that will be payable and there is in effect, no maximum Performance Fee as it is impossible to quantify any outperformance in advance.

Investors may request additional information on the way in which the Performance Fee calculation works from the Company.

For the financial year ended December 31, 2022 the performance fees amounted to \$Nil (December 31, 2021: \$Nil). Performance fees payable as at December 31, 2022 amounted to \$Nil (December 31, 2021: \$990,243).

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

5. Fees and Expenses (continued)

Audit fees

Remuneration charged by the Company's audit firm for the year was as follows:

	Total	Total
	December 31, 2022	December 31, 2021
- Audit of statutory financial statements	\$25,289	\$25,616
- Other assurance services	-	-
- Tax advisory services	-	-
- Other non-audit services	-	-
	\$25,289	\$25,616

6. Efficient Portfolio Management

The Company does not currently use Financial Derivative Instruments (“FDIs”) for efficient portfolio management or for investment purposes. The Company may, however, in conjunction with its investment in transferable securities, liquid financial assets, collective investment schemes or other permitted investments in accordance with the UCITS Regulations, indirectly acquire warrants and rights which are issued to such permitted investments.

7. Transaction Costs

Transaction costs on the purchase and sale of investments are expensed through the Statement of Operations as incurred. The total amount for the financial year ended December 31, 2022 and December 31, 2021 are shown below:

	Granahan US Focused Growth Fund	Granahan US Focused Growth Fund	Granahan US Small Cap Discoveries Fund	Granahan US Small Cap Discoveries Fund
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Total transaction costs on purchases	\$252,458	\$271,431	\$44,495	\$37,367
Total transaction costs on sales	\$363,625	\$204,407	\$56,651	\$27,456
Total transaction costs	\$616,083	\$475,838	\$101,146	\$64,823

	Granahan US SMID Select Fund	Granahan US SMID Select Fund	Total	Total
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Total transaction costs on purchases	\$425,530	\$476,812	\$722,483	\$785,610
Total transaction costs on sales	\$342,850	\$353,721	\$763,126	\$585,584
Total transaction costs	\$768,380	\$830,533	\$1,485,609	\$1,371,194

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

8. Other expenses and expense reimbursement

The Company pays the general costs and expenses incurred in its operation. Other expenses paid during the financial year as per the Statement of Operations are shown below:

	Granahan US Focused Growth Fund	Granahan US Focused Growth Fund
	December 31, 2022	December 31, 2021
Bank Interests	\$17,486	\$70,107
Consulting fees	6,050	7,604
Correspondence / Secretarial fees	6,626	8,328
FATCA fees	1,613	2,028
Investment compliance fees	2,302	2,260
MIFID fees	1,261	-
Miscellaneous expenses	5,734	149,807
Registration fees	8,067	10,139
Tax fees / Stock fees	2,881	3,621
Total Other Expenses	\$52,020	\$253,894

	Granahan US Small Cap Discoveries Fund	Granahan US Small Cap Discoveries Fund
	December 31, 2022	December 31, 2021
Bank Interests	\$1,037	\$4,242
Consulting fees	342	327
Correspondence / Secretarial fees	374	358
FATCA fees	91	87
Investment compliance fees	-	1,325
MIFID fees	72	-
Miscellaneous fees	776	7,524
Registration fees	456	436
Tax fees / Stock fees	163	156
Total Other Expenses	\$3,311	\$14,455

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

8. Other expenses and expense reimbursement (continued)

	Granahan US SMID Select Fund	Granahan US SMID Select Fund
	December 31, 2022	December 31, 2021
Bank Interests	\$8,878	\$29,599
Consulting fees	4,635	4,490
Correspondence / Secretarial fees	5,076	4,918
FATCA fees	1,236	1,198
Investment compliance fees	1,797	-
MIFID fees	975	-
Miscellaneous fees	4,394	79,038
Registration fees	6,179	5,987
Tax fees / Stock fees	2,207	2,138
Total Other Expenses	\$35,377	\$127,368

An expense reimbursement was paid to the Company during the financial year from the Investment Manager for each Fund as outlined in Note 5.

9. Financial Instruments and Associated Risks

The securities and instruments in which the Company invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

The Company's activities expose it to a variety of financial risks: market, liquidity and credit risk. The Investment Manager seeks to minimize these risks through diversification of the investment portfolio in accordance with the specific investment policies and restrictions set out in the Prospectus and Supplement for each Fund. The nature and extent of the financial instruments outstanding at the Statement of Assets and Liabilities date and the risk management policies employed by the Company are discussed below.

Market Risk

Market risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

The Company is exposed, particularly in its equity assets, to market risk. The Company invests in securities traded on global markets and market risk is a risk to which exposure is unavoidable.

Market risk comprises of market price risk, currency risk and interest rate risk.

(i) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting equity instruments traded in the market.

As the majority of the Company's investments are carried at fair value with fair value changes recognized in the Statement of Operations, all changes in market conditions will directly affect net income. The risk is mitigated through diversification of the portfolio in investments in various geographic zones and industries.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

9. Financial Instruments and Associated Risks (continued)

Market Risk (continued)

(i) Market price risk (continued)

The investment strategy of the Company is not to replicate a market index and therefore correlation between the return from the Company and any market index is likely to vary. As a result, it is appropriate to use the financial year end portfolio as a risk variable in any market sensitivity analysis. To illustrate the sensitivity of the portfolio based on a reasonably possible estimate of market price movements for a financial year, if the price of each of the equity securities to which the Company had exposure had increased by 5% there would have been the following approximate increases in net assets:

	December 31, 2022	December 31, 2021
	USD	USD
Granahan US Focused Growth Fund	24,755,599	47,058,066
Granahan US Small Cap Discoveries Fund	1,443,562	2,197,305
Granahan US SMID Select Fund	18,303,602	31,679,582

(ii) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the Company mainly enters into transactions denominated in USD, the Company's exposure to foreign currency risk is minimal.

(iii) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises when the Company invests in interest bearing financial instruments. At the financial year ended end, the Company held no interest bearing financial instruments and interest rate risk in relation to cash and cash equivalents is not regarded a material risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The main liquidity risk to the Company arises from the redemption requests of investors. The Company's Shareholders may redeem their Shares on each dealing day for cash equal to a proportionate share of the relevant Fund's net asset value and it is therefore potentially exposed to the liquidity risk of meeting the daily redemptions by its Shareholders. In order for the Company to meet these requests, the Company may need to dispose of the underlying assets at an inopportune time.

To help manage this risk, if the number of Shares to be redeemed on any dealing day equals 10% or more of the total number of Shares of the Fund in issue on that day the Directors or their delegate may at their discretion refuse to redeem any Shares in excess of 10% of the total number of Shares in issue. If the Directors so refuse, the requests for redemption on such dealing day shall be reduced pro-rata and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent dealing day until all Shares to which the original request related have been redeemed.

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

9. Financial Instruments and Associated Risks (continued)

Liquidity Risk (continued)

Each Fund's listed securities are considered readily realizable, as they are quoted on reputable stock exchanges. The Investment Manager monitors the liquidity position on a daily basis.

The tables below show the analysis for the Funds' financial liabilities by relevant maturity groupings based on the remaining financial year ended to the contractual maturity date.

Granahan US Focused Growth Fund

December 31, 2022	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
Payable for securities purchased	\$2,461,494	-	-	-	\$2,461,494
Payable for fund shares redeemed	724,507	-	-	-	724,507
Payable to Investment Manager	1,169,531	-	-	-	1,169,531
Manager fees payable	27,739	-	-	-	27,739
Directors' fees payable	43,532	-	-	-	43,532
Auditor fees payable	13,920	-	-	-	13,920
Other accrued expenses	86,379	-	-	-	86,379
Total	\$4,527,102	-	-	-	\$4,527,102

December 31, 2021	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
Payable for fund shares redeemed	\$1,513,344	-	-	-	\$1,513,344
Payable to Investment Manager	2,246,137	-	-	-	2,246,137
Manager fees payable	56,066	-	-	-	56,066
Directors' fees payable	3,890	-	-	-	3,890
Auditor fees payable	1,244	-	-	-	1,244
Performance fees payable	990,243	-	-	-	990,243
Other accrued expenses	77,897	-	-	-	77,897
Total	\$4,888,821	-	-	-	\$4,888,821

Granahan US Small Cap Discoveries Fund

December 31, 2022	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
Payable for fund shares redeemed	\$11,208	-	-	-	\$11,208
Payable to Investment Manager	54,115	-	-	-	54,115
Manager fees payable	1,652	-	-	-	1,652
Directors fees payable	2,420	-	-	-	2,420
Auditor fees payable	774	-	-	-	774
Other accrued expenses	18,087	-	-	-	18,087
Total	\$88,256	-	-	-	\$88,256

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

9. Financial Instruments and Associated Risks (continued)

Liquidity Risk (continued)

Granahan US Small Cap Discoveries Fund (continued)

	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
December 31, 2021					
Payable for fund shares redeemed	\$256,070	-	-	-	\$256,070
Payable to Investment Manager	83,626	-	-	-	83,626
Manager fees payable	2,483	-	-	-	2,483
Directors fees payable	181	-	-	-	181
Auditor fees payable	58	-	-	-	58
Other accrued expenses	19,984	-	-	-	19,984
Total	\$362,402	-	-	-	\$362,402

Granahan US SMID Select Fund

	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
December 31, 2022					
Payable for securities purchased	\$1,046,837	-	-	-	\$1,046,837
Payable for fund shares redeemed	93,456	-	-	-	93,456
Payable to Investment Manager	840,318	-	-	-	840,318
Manager fees payable	19,960	-	-	-	19,960
Directors fees payable	32,902	-	-	-	32,902
Auditor fees payable	10,521	-	-	-	10,521
Other accrued expenses and	63,252	-	-	-	63,252
Total	\$2,107,246	-	-	-	\$2,107,246

	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total
December 31, 2021					
Payable for securities purchased	\$82,349	-	-	-	\$82,349
Payable for fund shares redeemed	344,279	-	-	-	344,279
Payable to Investment Manager	1,526,182	-	-	-	1,526,182
Manager fees payable	35,270	-	-	-	35,270
Directors fees payable	2,534	-	-	-	2,534
Auditor fees payable	810	-	-	-	810
Other accrued expenses	55,564	-	-	-	55,564
Total	\$2,046,988	-	-	-	\$2,046,988

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

9. Financial Instruments and Associated Risks (continued)

Credit Risk

Credit risk is the risk that the Company may incur a loss if other parties fail to perform their obligations under the financial instruments which comprise the Fund's investment portfolio. The Company assumes credit risk on parties with whom it trades and it will also bear the risk of settlement default. The Company has a credit risk exposure in relation to its transactions with counterparties such as brokers, banks and other financial intermediaries.

As at December 31, 2022, substantially all of the assets of the Company including investments and cash at bank as noted in the Statement of Assets and Liabilities are held in custody with the Depositary. The Company monitors its risk by monitoring the credit quality and financial positions of the Depositary. Depending on the requirements of the jurisdictions in which the investments of the Funds are issued, the Depositary may use the services of one or more sub-custodians. As at December 31, 2022, the Depositary, has a long-term credit rating of AA- with S&P (December 31, 2021: AA-).

The total credit risk for the Funds arising from recognized financial instruments is limited to the value of the Fund's investments shown on the Statements of Assets and Liabilities on pages 27 to 34.

Fair Value of Financial Instruments

ASC 820 establishes a three-tier fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1 – quoted prices in active markets for identical securities.

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, prepayment speeds, etc.).

Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments).

The following is a summary of the inputs used as of December 31, 2022 and December 31, 2021 in valuing the Fund's assets/liabilities carried at fair value:

Granahan US Focused Growth Fund

December 31, 2022	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$495,111,986	-	-	\$495,111,986
Total	\$495,111,986	-	-	\$495,111,986

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

9. Financial Instruments and Associated Risks (continued)

Fair Value of Financial Instruments (continued)

Granahan US Focused Growth Fund (continued)

December 31, 2021	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$941,161,320	-	-	\$941,161,320
Total	\$941,161,320	-	-	\$941,161,320

Granahan US Small Cap Discoveries Fund

December 31, 2022	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$28,871,230	-	-	\$28,871,230
Total	\$28,871,230	-	-	\$28,871,230

Granahan US Small Cap Discoveries Fund

December 31, 2021	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$43,946,097	-	-	\$43,946,097
Total	\$43,946,097	-	-	\$43,946,097

Granahan US SMID Select Fund

December 31, 2022	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$366,072,040	-	-	\$366,072,040
Total	\$366,072,040	-	-	\$366,072,040

Granahan US SMID Select Fund

December 31, 2021	Level 1	Level 2	Level 3	Total
Financial asset at fair value through profit and loss				
Investment in securities				
- Shares	\$633,591,636	-	-	\$633,591,636
Total	\$633,591,636	-	-	\$633,591,636

GRANAHAN FUNDS PLC**NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022****9. Financial Instruments and Associated Risks (continued)****Fair Value of Financial Instruments (continued)**

The Funds invest in listed transferable securities whose values are based on quoted prices in active markets. Consequently, these investments are categorized as Level 1.

There were no transfers between levels during the financial year ended December 31, 2022.

Global Exposure

Per the Central Bank UCITS Regulations, and as part of the risk management and reporting requirements, the Funds must be monitored and measured in accordance with the regulatory requirements. In accordance with the regulatory requirements, global exposure can be calculated in two ways, either Commitment Approach or Value at Risk ("VaR").

The Commitment approach is used by the Funds to calculate global exposure. The Funds held no financial derivative position at any point during the year but, in the event that it does in the future, it would convert the Funds' financial derivative position into an equivalent position of the underlying asset based on the market value of the underlying asset.

10. Cash and cash equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. The cash held on current accounts with the Depositary at December 31, 2022 represented 0.77% (December 31, 2021: 1.34%) of the net asset value of the Funds.

11. Related Parties

The Directors are all non-executive Directors. Jane M. White is co-founder and President and CEO of Granahan Investment Management, Inc. as well as a Managing Director. Brian S. Granahan is Chief Operating Officer and Chief Compliance Officer of Granahan Investment Management, Inc., as well as a Managing Director. Vincent Dodd is the Chairman of the Company and is an Independent Director. Lisa Martensson is an Independent Director. KBA Consulting Management Limited (the "Manager") has been appointed as manager for the Company. During the financial year ended December 31, 2022, manager fees of \$227,836 (December 31, 2021: \$349,212) were charged to the Company. The Directors who are employees of the Investment Manager are not entitled to any remuneration for their services, as disclosed in note 5, for the life of the Company. Directors' remuneration for the financial year ended December 31, 2022 amounted to \$72,250 (December 31, 2021: \$81,391).

No other Directors or any connected person, had any interest in the Shares of the Company, nor have been granted any options in respect of Shares of the Company.

The Investment Manager is deemed to be a related party of the Company. During the financial year ended December 31, 2022, investment manager fees of \$9,458,791 (December 31, 2021: \$14,184,688) were charged to the Company.

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

12. Statement of Net Assets for the financial year**Granahan US Focused Growth Fund**

	December 31, 2022	
	Net Assets at class level	NAV per share
Class A EUR Accumulating	€148,797	€6.76
Class A GBP Accumulating	£13,966,236	£12.86
Class A USD Accumulating	\$79,146,140	\$362.39
Class A USD Distributing	\$5,651,262	\$144.01
Class F EUR Accumulating	€1,278,100	€13.97
Class F GBP Accumulating	£40,414	£9.61
Class I EUR Accumulating	€13,613,365	€7.25
Class I GBP Accumulating	£14,861,687	£12.27
Class I USD Accumulating	\$247,261,426	\$16.59
Class I USD Distributing	\$84,319,256	\$16.58
Class P USD Accumulating*	-	-
Class P1 USD Accumulating	\$33,032,441	\$9.62

*This share class was terminated on April 20, 2022.

	December 31, 2021	
	Net Assets at class level	NAV per share
Class A EUR Accumulating	€204,251	€9.28
Class A GBP Accumulating	£20,321,467	£16.76
Class A USD Accumulating	\$158,499,622	\$528.75
Class A USD Distributing	\$9,924,077	\$210.11
Class F EUR Accumulating	€3,005,572	€19.21
Class F GBP Accumulating	£127,192	£12.55
Class I EUR Accumulating	€66,980,521	€9.93
Class I GBP Accumulating	£33,061,409	£15.97
Class I USD Accumulating	\$248,737,597	\$24.16
Class I USD Distributing	\$176,140,467	\$24.15
Class P USD Accumulating	\$68,868,249	\$23.03
Class P1 USD Accumulating	\$138,490,531	\$13.91

	December 31, 2020	
	Net Assets at class level	NAV per share
Class A GBP Accumulating	£14,100,229	£16.77
Class A USD Accumulating	\$147,507,584	\$534.53
Class A USD Distributing	\$17,459,375	\$212.41
Class F EUR Accumulating	€1,891,383	€18.12
Class F GBP Accumulating	£127,747	£12.61
Class I GBP Accumulating	£15,408,291	£15.95
Class I USD Accumulating	\$233,116,617	\$24.39
Class I USD Distributing	\$169,902,695	\$24.38
Class P USD Accumulating	\$85,017,911	\$23.00
Class P1 USD Accumulating	\$163,193,452	\$13.88

GRANAHAH FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

12. Statement of Net Assets for the financial year (continued)**Granahan US Small Cap Discoveries Fund**

	December 31, 2022	
	Net Assets	NAV
	at class level	per share
Class Founder GBP Accumulating	£14,092	£12.74
Class Founder USD Accumulating	\$29,243,546	\$14.10
	December 31, 2021	
	Net Assets	NAV
	at class level	per share
Class Founder GBP Accumulating	£24,771	£17.11
Class Founder USD Accumulating	\$45,141,918	\$21.21
	December 31, 2020	
	Net Assets	NAV
	at class level	per share
Class Founder GBP Accumulating	£16,652	£16.35
Class Founder USD Accumulating	\$36,342,591	\$20.47

Granahan US SMID Select Fund

	December 31, 2022	
	Net Assets	NAV
	at class level	per share
Class A EUR Accumulating*	€1,295	€86.37
Class A GBP Accumulating	£539,926	£72.95
Class A GBP Distributing**	-	-
Class A USD Accumulating	\$11,365,623	\$64.93
Class I GBP Accumulating	£234,670,610	£157.55
Class I GBP Distributing	£41,549,354	£87.23
Class I USD Accumulating	\$15,099,566	\$75.77
Class I USD Distributing	\$6,339,505	\$75.82
	December 31, 2021	
	Net Assets	NAV
	at class level	per share
Class A GBP Accumulating	£3,374,334	£103.24
Class A GBP Distributing	£74,404	£99.21
Class A USD Accumulating	\$18,070,866	\$102.91
Class I GBP Accumulating	£349,402,439	£222.78
Class I GBP Distributing	£66,855,594	£123.36
Class I USD Accumulating	\$38,705,340	\$119.95
Class I USD Distributing	\$12,575,185	\$120.05

* This share class was launched on July 29, 2022.

** This share class was terminated on September 2, 2022.

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued
For the financial year ended December 31, 2022

12. Statement of Net Assets for the financial year ended (continued)

Granahan US SMID Select Fund (continued)

	December 31, 2020
	Net Assets at class level
	NAV per share
Class I GBP Accumulating	£302,811,182
Class I GBP Distributing	£4,964,836
Class I USD Accumulating	\$7,509,315
Class I USD Distributing	\$595,569

13. Contingent Liabilities

The Directors are not aware of any material contingent liabilities As at December 31, 2022.

14. Soft Commissions

For the financial year ended December 31, 2022, the Investment Manager received soft commissions from brokers/dealers in consideration for trade execution services for investments of the Funds. These soft commissions were in the form of goods and services such as subscriptions to research services which are of demonstrable benefit to the Shareholders. Examples of these services include: Factset Research Systems, a market data, news and analysis tool for equities research; Bloomberg, market data, news and analysis; William O'Neil, analytical research and tools; Insider Score, analysis of trading activity by insiders; Mackey, tools managing proprietary research. During 2022, commissions paid by the Funds for soft goods and services approximated 34%, 28% & 35% of total fund trading commissions for Granahan US Focused Growth Fund, Granahan US Small Cap Discoveries Fund and Granahan US SMID Select Fund respectively.

15. Significant Investors

For the Granahan US Focused Growth Fund, there are two significant investors who hold 18% and 12% respectively of the total Shares as at December 31, 2022 (December 31, 2021: two significant investors who hold 24% and 13% respectively).

For the Granahan US Small Cap Discoveries Fund, there are four significant investors who hold 19%, 19%, 16% and 14% respectively of the total Shares as at December 31, 2022 (December 31, 2021: four significant investors who hold 19%, 18%, 17% and 13% respectively).

For the Granahan US SMID Select Fund, there are two significant investors who hold 18% and 15% respectively of the total Shares as at December 31, 2022 (December 31, 2021: three significant investors who hold 19%, 15% and 12% respectively).

GRANAHAN FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS – continued For the financial year ended December 31, 2022

16. Significant Events during the financial year

On 01 November 2022, the Manager and Secretary became members of the Waystone Group and, on 12 December 2022, changed their address to 35 Shelbourne Road, 4th Floor, Ballsbridge, Dublin, D04 A4E, Ireland. As part of the change, the registered office of the Company also changed to the same address.

The Board of Directors have noted the recent developments in the Ukraine and the sanctions being imposed on Russia by many countries as a result. Given the absence of exposure in the region, the Board of Directors' view is that those developments and sanctions are unlikely to have a significant direct adverse impact on the Company. Nonetheless, the situation continues to evolve, and it remains difficult at this stage to estimate all direct and indirect impacts which may arise from these emerging developments. The Board of Directors continues to monitor the developments closely and to take all the necessary actions.

17. Subsequent Events

There were no significant events to note after the financial year end.

18. Exchange Rates

The following exchange rates were used to translate assets and liabilities into one \$:

	December 31, 2022	December 31, 2021
Canadian Dollar	1.354001	1.264950
Euro	0.934187	0.878349
Great British Pound	0.827164	0.738798
Swiss Franc	-	0.911200

19. Approval of Financial Statements

The financial statements were approved by the Directors on March 24, 2023.

GRANAHAN FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) For the financial year ended December 31, 2022

Material portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

GRANAHAN US FOCUSED GROWTH FUND

Purchases Security	Quantity	Cost (in \$)
Etsy Inc	304,015	38,941,336
Toast Inc	1,952,315	31,030,537
CoStar Group Inc	414,891	24,588,777
HubSpot Inc	69,513	21,012,953
Coupa Software Inc	159,242	16,418,432
Paylocity Holding Corp	72,372	14,417,651
Chegg Inc	611,387	13,472,891
Paycom Software Inc	37,801	11,731,317
Genius Sports Ltd	2,512,026	11,678,469
Lovesac Co	248,667	10,119,516
Porch Group Inc	1,956,101	9,973,799
Ritchie Bros Auctioneers Inc	173,100	9,848,753
Azenta Inc	181,935	9,386,419
Globant SA	42,777	9,138,046
SPS Commerce Inc	73,162	8,261,374
Bumble Inc	392,147	8,240,655
Workiva Inc	89,957	7,202,638
Sprout Social Inc	130,064	6,910,460
Phreesia Inc	274,612	6,639,331
Liquidity Services Inc	360,918	6,072,435
Axon Enterprise Inc	57,905	6,015,948
Kornit Digital Ltd	159,071	5,992,359
Enphase Energy Inc	24,786	5,252,227
Victory Capital Holdings Inc	157,070	4,303,053
Zeta Global Holdings Corp	501,306	3,990,816
Stratasys Ltd	188,484	3,565,650
Magnite Inc	328,453	3,478,462

GRANAHAH FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) – continued
For the financial year ended December 31, 2022

GRANAHAH US FOCUSED GROWTH FUND (CONTINUED)

Sales		
Security	Quantity	Cost (in \$)
Axon Enterprise Inc	307,636	37,911,751
CoStar Group Inc	496,798	34,246,120
Workiva Inc	287,723	29,751,121
Etsy Inc	273,325	28,569,058
SPS Commerce Inc	232,290	28,522,714
Datto Holding Corp	728,383	23,787,687
Enphase Energy Inc	103,841	22,778,041
OSI Systems Inc	251,843	21,302,910
Paycom Software Inc	60,112	19,614,147
Bright Horizons Family Solutions Inc	209,638	18,678,246
Chegg Inc	795,031	17,851,175
Life Time Group Holdings Inc	1,307,918	17,233,845
Kornit Digital Ltd	214,209	15,935,409
Enovix Corp	737,754	12,742,926
Globant SA	46,029	11,221,419
Stratasys Ltd	555,829	10,980,290
Bumble Inc	368,159	10,627,990
Overstock.com Inc	313,289	10,266,050
Evolent Health Inc	323,535	9,913,434
Coupa Software Inc	159,242	9,505,975
Grand Canyon Education Inc	101,023	8,844,820
Zeta Global Holdings Corp	749,950	7,804,371
HealthEquity Inc	128,708	7,793,106
Cricut Inc	573,930	7,595,711
Azenta Inc	95,218	7,033,696
OneSpaWorld Holdings Ltd	715,590	6,775,470
LivePerson Inc	322,414	6,388,027
2U Inc	578,620	6,328,692
Liquidity Services Inc	400,902	6,209,600
Executive Network Partnering Corp	631,055	6,172,129
First Watch Restaurant Group Inc	389,578	5,425,779
Sprinklr Inc	452,904	5,397,505
Toast Inc	289,020	5,300,462
Lovesac Co	110,871	5,198,265

GRANAHAN FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) – continued
For the financial year ended December 31, 2022

GRANAHAN US SMALL CAP DISCOVERIES FUND

Purchases		
Security	Quantity	Cost (in \$)
ThredUp Inc	432,206	1,633,503
Portillo's Inc	58,400	1,367,186
Blueprint Medicines Corp	19,100	1,198,416
Perficient Inc	11,450	1,074,445
Pacific Biosciences of California Inc	117,200	1,052,033
Arcus Biosciences Inc	39,150	1,020,503
Intellia Therapeutics Inc	16,350	1,009,467
Mirati Therapeutics Inc	17,350	994,949
Heska Corp	9,950	974,534
Fate Therapeutics Inc	33,550	922,451
Grocery Outlet Holding Corp	25,000	918,545
ImmunoGen Inc	177,800	914,652
Kinsale Capital Group Inc	4,500	850,570
Casella Waste Systems Inc	10,750	850,269
Rapid7 Inc	22,500	844,533
Revance Therapeutics Inc	58,850	827,330
Natera Inc	16,900	800,060
Apellis Pharmaceuticals Inc	17,650	787,365
CorVel Corp	5,000	767,346
Kezar Life Sciences Inc	71,950	749,254
Stoke Therapeutics Inc	53,600	683,695
ChemoCentryx Inc	25,100	669,397
Shockwave Medical Inc	3,600	664,656
Prothena Corp PLC	19,850	659,607
Sprout Social Inc	9,750	613,745
American Well Corp	136,850	608,681
BioCryst Pharmaceuticals Inc	37,850	603,375
Akoya Biosciences Inc	45,050	566,228
Kiniksa Pharmaceuticals Ltd	48,200	544,296
Edgio Inc	157,200	544,283
Insmed Inc	23,700	502,264
Magnite Inc	50,600	463,100
Coupa Software Inc	8,871	442,102
CRISPR Therapeutics AG	6,550	424,053
Bluebird Bio Inc	66,550	418,874
Materion Corp	4,800	396,878
MaxCyte Inc	57,826	394,341
Zymeworks Inc	62,227	387,121
Mesa Laboratories Inc	1,500	362,312
Caribou Biosciences Inc	38,350	350,764
Digital Turbine Inc	12,300	340,397

GRANAHAN FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) – continued
For the financial year ended December 31, 2022

GRANAHAN US SMALL CAP DISCOVERIES FUND (CONTINUED)**Sales**

Security	Quantity	Cost (in \$)
Harvard Bioscience Inc	277,703	1,581,038
ChemoCentryx Inc	25,100	1,268,093
CONMED Corp	10,010	1,174,544
Computer Task Group Inc	136,541	1,120,313
Hudson Technologies Inc	139,252	1,099,684
Innovative Industrial Properties Inc	7,654	928,664
Materion Corp	10,850	891,571
Vericel Corp	30,688	857,911
Enanta Pharmaceuticals Inc	14,100	803,580
Distribution Solutions Group Inc	20,618	802,339
Castle Biosciences Inc	22,368	770,401
Organogenesis Holdings Inc	104,110	770,358
Sharps Compliance Corp	170,177	770,221
Alta Equipment Group Inc	59,250	746,865
Arcus Biosciences Inc	22,334	726,861
Veracyte Inc	27,591	702,228
SI-BONE Inc	45,850	697,621
Titan Machinery Inc	26,835	685,918
Coupa Software Inc	8,871	655,994
Stoneridge Inc	32,150	635,743
CRISPR Therapeutics AG	10,060	611,700
CEVA Inc	17,723	594,923
ImmunoGen Inc	108,300	591,512
Columbus McKinnon Corp	12,950	562,553
BioLife Solutions Inc	24,159	548,277
Edgio Inc	204,200	477,367
James River Group Holdings Ltd	16,850	456,340
Aerie Pharmaceuticals Inc	62,850	452,860
Luxfer Holdings PLC	26,800	441,696
Kinsale Capital Group Inc	1,700	425,711
ThredUp Inc	175,850	413,295
Health Catalyst Inc	14,450	412,201
CryoPort Inc	14,469	394,248
Spero Therapeutics Inc	32,636	375,136
Rush Enterprises Inc	6,800	366,280
Revance Therapeutics Inc	18,250	357,469
Prothena Corp PLC	9,900	354,780
Portillo's Inc	14,750	354,398
Pacific Biosciences of California Inc	32,400	352,543
BioCryst Pharmaceuticals Inc	37,850	348,500
Kiniksa Pharmaceuticals Ltd	27,050	343,194
Douglas Dynamics Inc	9,300	338,683

GRANAHAN FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) – continued
For the financial year ended December 31, 2022

GRANAHAN US SMID SELECT FUND

Purchases

Security	Quantity	Cost (in \$)
Kornit Digital Ltd	558,501	31,027,512
indie Semiconductor Inc	3,138,738	24,803,509
Enphase Energy Inc	157,853	21,551,686
Chart Industries Inc	154,004	20,695,634
Digital Turbine Inc	601,854	16,679,406
Array Technologies Inc	1,730,469	16,589,474
Chegg Inc	514,968	15,146,124
Etsy Inc	104,466	14,595,947
EPAM Systems Inc	35,262	10,333,649
Repligen Corp	54,130	9,697,266
Silvergate Capital Corp	98,085	9,622,692
Euronet Worldwide Inc	79,823	9,589,961
Magnite Inc	889,007	9,240,128
Gentherm Inc	124,823	8,845,812
Ameresco Inc	164,366	8,562,104
Ambarella Inc	69,998	8,447,306
Evolent Health Inc	326,728	8,431,417
WillScot Mobile Mini Holdings Corp	235,347	8,431,411
Grid Dynamics Holdings Inc	513,304	8,269,932
Porch Group Inc	1,526,656	7,807,134
Natera Inc	153,732	7,289,036
Figs Inc	832,461	7,159,168
Inmode Ltd	167,086	6,909,188
Harmonic Inc	531,314	6,747,608
Lithia Motors Inc	27,669	6,638,519
Vita Coco Co Inc	580,116	5,969,644
Edgio Inc	1,843,206	5,911,692
Littelfuse Inc	22,518	5,783,360
Match Group Inc	69,107	5,265,211
Revolve Group Inc	113,211	5,028,511
Flex Ltd	251,483	4,857,759
SolarEdge Technologies Inc	15,285	4,531,659
Castle Biosciences Inc	170,569	4,487,929

GRANAHAH FUNDS PLC

SCHEDULE OF MATERIAL PORTFOLIO CHANGES (UNAUDITED) – continued
For the financial year ended December 31, 2022

GRANAHAH US SMID SELECT FUND (CONTINUED)

Sales		
Security	Quantity	Cost (in \$)
Enphase Energy Inc	180,902	41,792,022
Evolent Health Inc	1,197,921	37,628,752
Array Technologies Inc	1,999,329	35,402,396
Chart Industries Inc	143,168	26,004,684
Flex Ltd	1,388,425	23,810,595
Kulicke & Soffa Industries Inc	442,481	20,302,772
Darling Ingredients Inc	242,763	16,988,660
Chegg Inc	813,044	16,399,124
Lithia Motors Inc	46,665	13,609,903
Gentherm Inc	148,943	12,177,494
Power Integrations Inc	128,654	10,528,289
Euronet Worldwide Inc	86,714	10,382,462
WillScot Mobile Mini Holdings Corp	249,645	10,315,089
Digital Turbine Inc	254,421	8,957,919
Repligen Corp	39,467	8,735,349
Silicon Motion Technology Corp	93,576	8,362,346
Varonis Systems Inc	178,784	7,579,430
Newmark Group Inc	443,184	7,057,875
Etsy Inc	75,140	7,014,206
Canadian Solar Inc	237,504	6,297,834
Wix.com Ltd	72,387	5,728,057
Green Brick Partners Inc	248,430	5,659,442
Sierra Wireless Inc	184,435	5,586,509
EPAM Systems Inc	14,527	5,516,654
Pure Storage Inc	189,521	5,504,735
Gray Television Inc	257,909	5,432,702
Inmode Ltd	191,876	4,821,560

GRANAHAN FUNDS PLC

Appendix 1: UCITS Remuneration Disclosure (Unaudited)

The Manager has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The Manager’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV. The Manager’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the Manager pays a variable component as performance related pay certain criteria, as set out in the Manager’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines.

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the ICAV that have a material impact on the ICAV’s risk profile during the financial year to 31 December 2022:

Fixed remuneration	EUR
Senior Management	1,387,113
Other identified staff	-
Variable remuneration	
Senior Management	180,517
Other identified staff	-
Total remuneration paid	1,567,630

Number of identified staff – 15

Neither the Manager nor the ICAV pays any fixed or variable remuneration to identified staff of the Investment Manager.

GRANAHAN FUNDS PLC

Appendix 2: Information concerning SFT (Securities Financing Transactions) & SFDR (Sustainable Finance Disclosure Regulation)

A Securities Financing Transaction (“SFT”) is defined as per Article 3(11) of the Securities Financing Transactions Regulations as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

UCITS are required to disclose the use of SFTs and Total Return Swaps. For the financial year ended 31 December 2022, Granahan Fund did not trade in any SFTs or Total Return Swaps.

In the frame of the SFDR regulation, all the sub-funds of the structure are subject to the article 6 of the regulation. Therefore, the investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities.

GRANAHAN FUNDS PLC

DIRECTORY

DIRECTORS

Jane M. White* (U.S. Resident)
Brian S. Granahan* (U.S. Resident)
Vincent Dodd*^ (Irish Resident)
Lisa Martensson*^ (Irish Resident)

* Non-executive Director

^ Independent Director

REGISTERED OFFICE

35 Shelbourne Road
4th Floor, Ballsbridge
Dublin, D04 A4E
Ireland

**INVESTMENT MANAGER
AND PROMOTER**

Granahan Investment Management, Inc.
404 Wyman Street
Suite 460
Waltham
Massachusetts 02451
U.S.A

INDEPENDENT AUDITOR

Deloitte Ireland LLP
Chartered Accountants & Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2 D02 AY28
Ireland

LEGAL COUNSEL

Dechert
Second Floor
5 Earlsfort Terrace
Dublin 2
Ireland

GRANAHAN FUNDS PLC

DIRECTORY - continued

COMPANY SECRETARY

Clifton Fund Consulting Limited
35 Shelbourne Road
4th Floor, Ballsbridge
Dublin, D04 A4E
Ireland

DEPOSITARY

RBC Investor Services Bank S.A.
Dublin Branch
4th Floor,
One George's Quay Plaza,
George's Quay
Dublin 2
Ireland

**ADMINISTRATOR, REGISTRAR
AND TRANSFER AGENT**

RBC Investor Services Ireland Limited
4th Floor,
One George's Quay Plaza,
George's Quay
Dublin 2
Ireland

MANAGER

KBA Consulting Management Limited
35 Shelbourne Road
4th Floor, Ballsbridge
Dublin, D04 A4E
Ireland

GERMAN INFORMATION AGENT

GerFis - German Fund Information Service UG (Haftungsbeschränkt)
Zum Eichhagen 4
21382 Britlingen
Germany

The Prospectus, the Key Investor Information Documents, the Constitution, the annual and semi-annual reports, a list of changes in the composition of the portfolios as well as the issue and redemption prices are available free of charge pursuant to Sec. 297(1) of the German Capital Investment Code from the office of the German information agent (GerFIS - German Fund Information Service UG (Haftungsbeschränkt), Zum Eichhagen 4, 21383 Britlingen, Germany.)