

Small Cap Specialist Granahan Investment Management Receives Minority Investment From Kudu Investment Management

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Kudu Investment Management, LLC →

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NEW YORK and WALTHAM, Mass., Nov. 16, 2021 /PRNewswire/ -- Granahan Investment Management, Inc. (GIM), a small cap equity investment boutique with \$5.8 billion in assets under management, and Kudu Investment Management, LLC, a leading provider of permanent capital solutions to asset and wealth managers, today announced that Kudu has acquired a minority interest in GIM. Financial terms were not disclosed.

As part of the new partnership, more than 75% of the equity in GIM will continue to be held by its employees, broadly distributed across the firm. In addition, GIM will retain its autonomy over the operations of the firm.

Founded in 1985, GIM focuses on small cap equity portfolios for institutional investors across the globe. GIM's suite of offerings includes U.S. micro, small, SMID, and mid cap strategies, as well as international and global small cap. The firm serves as sub-advisor on four unaffiliated mutual funds in the U.S. and offers a range of Irish-domiciled UCITS funds to non-U.S. investors.



"We were seeking a partner to support our growth initiatives and assist with our long-term succession plans," said Jane White, founding partner, president and CEO of GIM. "Kudu's permanent capital philosophy represents the perfect solution for us."

"Our culture is grounded in collaboration and performance with team members who are curious, purposeful investors," said Drew Beja, CFA, managing director and portfolio manager of GIM. "Kudu's investment will help us continue to pursue our mission as we grow."

"Granahan is an exceptional investment management firm with ambitious plans," said Rob Jakacki, CEO of Kudu. "As Granahan continues to build out its investments and client base both in the U.S. and beyond, Kudu's global reach and broad experience will be a great resource for its expansion efforts."

Bottom-up stock selection drives the performance of all the Granahan Investment Management strategies, though each has a distinct emphasis—secular growth, unrecognized growth, or a sector bias. GIM's Small Cap Focused Growth, Small Cap Select, SMID Select, and Small Cap Advantage all rank within the top 5% of their respective U.S. universes for the five years ending Sept. 30, 2021, according to eVestment, a Nasdaq company and a leading provider of institutional investment data. GIM's flagship Small Cap Core Growth strategy is a broadly diversified portfolio with a 28-year record that, through Sept. 30, 2021, has outperformed its Russell 2000 Growth small cap benchmark by over 5% on an annualized basis.

Founded in 2015, Kudu now has made minority investments in 18 asset and wealth management firms, including two managed for a third party. Kudu's portfolio firms collectively invest approximately \$100 billion on behalf of individual and institutional investors worldwide in traditional and alternative strategies, as of Sept. 30, 2021. Kudu has more than \$650 million in capital commitments to date.

Colchester Partners LLC served as financial advisor and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. was the legal counsel to Granahan. Seward & Kissel LLP served as legal advisor to Kudu.

About Granahan Investment Management, Inc.

Granahan Investment Management, Inc. (GIM), founded in 1985, is a small cap equity specialist with broad employee ownership and \$5.8 billion in assets under management as of today. The firm offers micro cap, small cap, mid cap, and SMID strategies for institutions and high net worth individuals worldwide. For more information, visit www.granahan.com.

About Kudu Investment Management, LLC

Kudu provides long-term capital solutions—including generational ownership transfers, management buyouts, acquisition and growth finance, as well as liquidity for legacy partners—to asset and wealth managers globally. Kudu was founded in 2015 and is backed by capital partner White Mountains Insurance Group, Ltd. (NYSE: WTM). For more information, visit <https://www.kuduinvestment.com/>.

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