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# TANAKA GROWTH FUND

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## SEMI-ANNUAL FINANCIAL STATEMENTS

**May 31, 2025**

(Unaudited)

Fund Advisor:

Tanaka Capital Management, Inc.  
60 East 42<sup>nd</sup> Street, Suite 4000  
New York, NY 10165

Toll Free (877) 4TANAKA

# TANAKA Growth Fund

## Schedule of Investments May 31, 2025 (Unaudited)

<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS - 96.97%</b>	
<b>Accident &amp; Health Insurance - 4.01%</b>	
8,290 Aflac, Inc.	\$ 858,347
<b>Beverages - 0.67%</b>	
1,100 PepsiCo, Inc.	144,595
<b>Biotech - 1.88%</b>	
190,000 Nuvation Bio, Inc. Class A	402,800
<b>Cigarettes - 2.92%</b>	
3,460 Philip Morris International, Inc.	624,841
<b>Electronic Computers - 10.20%</b>	
10,888 Apple, Inc.	2,186,855
<b>General Industrial Machinery &amp; Equipment - 4.21%</b>	
31,500 Symbolic, Inc. Class A *	903,105
<b>Investment Advice - 4.35%</b>	
20,625 The Carlyle Group, Inc.	932,250
<b>Measuring &amp; Controlling Device - 2.25%</b>	
5,253 Onto Innovation, Inc. *	482,961
<b>Miscellaneous Metal Ores - 10.08%</b>	
16,500 Aura Minerals, Inc. (British Virgin Islands) #	373,970
6,500 Cameco Corp. (Canada) # *	380,445
190,889 NexGen Energy Ltd. (Canada) # *	1,173,891
39,000 Uranium Energy Corp. *	231,270
	<hr/> 2,159,576
<b>Pharmaceutical Preparations - 28.36%</b>	
81,098 Catalyst Pharmaceuticals, Inc. *	2,024,206
52,255 Corcept Therapeutics, Inc. *	4,052,898
	<hr/> 6,077,104
<b>Radio &amp; TV Broadcasting &amp; Communications Equipment - 2.25%</b>	
3,323 Qualcomm, Inc.	482,500
<b>Retail-Catalog &amp; Mail-Order Houses - 2.76%</b>	
2,880 Amazon.com, Inc. *	590,429
<b>Security Brokers, Dealers &amp; Flotation Companies - 4.73%</b>	
10,760 Stifel Financial Corp.	1,013,807

# TANAKA Growth Fund

## Schedule of Investments May 31, 2025 (Unaudited)

### Semiconductors & Related Devices - 13.05%

3,870	Applied Materials, Inc.	\$ 606,622
16,200	NVIDIA Corp.	<u>2,189,106</u>
		2,795,728

### Services-Business Services - 1.53%

560	MasterCard, Inc. Class A	327,936
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### Services-Computer Programming, Data - 2.30%

760	Meta Platforms, Inc. Class A	492,092
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### Special Industry Machinery - 1.42%

1,945	Chart Industries, Inc. *	<u>305,093</u>
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TOTAL FOR COMMON STOCKS (Cost \$7,071,702) - 96.97%

20,780,019

### EXCHANGE TRADED FUND - 1.92%

21,000	ProShares UltraPro Short S&P500 ETF	<u>411,180</u>
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TOTAL FOR EXCHANGE TRADED FUND (Cost \$735,758) - 1.92%

411,180

### SHORT-TERM INVESTMENTS - 1.23%

264,678	Huntington Conservative Deposit Account 4.16% **	<u>264,678</u>
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TOTAL FOR SHORT-TERM INVESTMENTS (Cost \$264,678) - 1.23%

264,678

TOTAL INVESTMENTS (Cost \$8,072,138) - 100.12%

21,455,877

LIABILITIES LESS OTHER ASSETS, NET - (0.12)%

(26,786)

NET ASSETS - 100.00%

\$ 21,429,091

\* Non-income producing securities during the period.

\*\* The Conservative Deposit Account ("CDA") is a short-term investment vehicle in which the Fund holds cash balances. The CDA will bear interest at a variable rate that is determined based on conditions and may change daily and by any amount. The coupon rate shown represents the yield at May 31, 2025.

# Total value for foreign common stock is \$1,928,306, representing 9.00% of net assets.

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

# TANAKA Growth Fund

## Statement of Assets and Liabilities

**May 31, 2025 (Unaudited)**

**Assets:**

Investments, at Value (Cost \$8,072,138)	\$ 21,455,877
Receivables:	
Dividends and Interest	8,645
Prepaid Expenses	17,571
Total Assets	<u>21,482,093</u>

**Liabilities:**

Due to Advisor	19,140
Shareholder Redemptions	7,962
Directors' Fees	2,366
Audit Fees	7,237
Custody Fees	2,011
Distribution (12b-1) Fees	3,716
Printing and Mailing Fees	1,380
Transfer Agent and Fund Accounting Fees	7,481
Miscellaneous Fees	1,709
Total Liabilities	<u>53,002</u>

Net Assets	<u><u>\$ 21,429,091</u></u>
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**Net Assets Consist of:**

Paid-In Capital	\$ 7,373,747
Distributable Earnings	14,055,344

Net Assets, for 453,795 Shares Outstanding	<u><u>\$ 21,429,091</u></u>
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Net Asset Value and Offering Price Per Share	<u><u>\$ 47.22</u></u>
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Minimum Redemption Price Per Share (\$47.22*0.98) (Note 6) (a)	<u><u>\$ 46.28</u></u>
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(a) A minimum redemption fee of 2% is imposed in the event of certain redemption transactions occurring within 5 days of purchase.

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

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# TANAKA Growth Fund

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## Statement of Operations

For the six months ended May 31, 2025 (Unaudited)

Investment Income:

Dividends	\$ 77,724
Interest	8,926
Total Investment Income	<u>86,650</u>

Expenses:

Advisory	106,270
Distribution (12b-1) Fees	26,568
Transfer Agent and Fund Accounting	21,854
Administrative	10,627
Audit	9,224
Registration	8,108
Legal	7,968
Printing and Mailing	7,784
Directors' Fees	5,056
Insurance	5,021
Miscellaneous	4,271
Custody Fees	<u>3,878</u>
Total Expenses	216,629

Net Investment Loss	<u>(129,979)</u>
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Realized and Unrealized Gain on Investments and Foreign Currency Transactions:

Net Realized Gain on Investments and Foreign Currency Transactions	1,295,205
Net Change in Unrealized Depreciation on Investments and Foreign Currency Transactions	<u>(2,081,465)</u>

Realized and Unrealized Loss on Investments and Foreign Currency Transactions:	<u>(786,260)</u>
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Net Decrease in Net Assets Resulting from Operations	<u>\$ (916,239)</u>
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The accompanying notes are an integral part of these financial statements.

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# TANAKA Growth Fund

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Statements of Changes in Net Assets

	(Unaudited)	
	Six Months	Year Ended
	Ended	Year Ended
	<u>5/31/2025</u>	<u>11/30/2024</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Loss	\$ (129,979)	\$ (265,843)
Net Realized Gain on Investments and Foreign Currency Transactions	1,295,205	3,178,916
Net Change in Unrealized Appreciation (Depreciation) on Investments and Foreign Currency Transactions	<u>(2,081,465)</u>	<u>3,057,464</u>
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>(916,239)</u>	<u>5,970,537</u>
Total Distributions Paid to Shareholders		
Realized Gains	(1,390,141)	-
Return of Capital	-	-
Total Distributions	<u>(1,390,141)</u>	<u>-</u>
Capital Share Transactions (Note 6)	<u>463,623</u>	<u>(3,529,603)</u>
Total Increase (Decrease)	(1,842,757)	2,440,934
Net Assets:		
Beginning of Period/Year	<u>23,271,848</u>	<u>20,830,914</u>
End of Period/Year	<u>\$ 21,429,091</u>	<u>\$ 23,271,848</u>

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

# TANAKA Growth Fund

## Financial Highlights

Selected data for a share outstanding throughout each period/year.

	(Unaudited) Six Months Ended	Years Ended				
	<u>5/31/2025</u>	<u>11/30/2024</u>	<u>11/30/2023</u>	<u>11/30/2022</u>	<u>11/30/2021</u>	<u>11/30/2020</u>
Net Asset Value, at Beginning of Period/Year	\$ 52.37	\$ 39.51	\$ 29.65	\$ 40.09	\$ 24.71	\$ 19.94
Income From Investment Operations:						
Net Investment Loss *	(0.28)	(0.56)	(0.35)	(0.37)	(0.64)	(0.29)
Net Gain (Loss) on Securities (Realized and Unrealized) ****	(1.71)	13.42	10.24	(7.42)	16.02	5.06
Total from Investment Operations	(1.99)	12.86	9.89	(7.79)	15.38	4.77
Distributions:						
Realized Gains	(3.16)	-	(0.03)	(2.65)	-	-
Return of Capital	-	-	-	-	†	-
Total from Distributions	(3.16)	-	(0.03)	(2.65)	-	-
Redemption Fees ***	-	-	-	-	-	†
Net Asset Value, at End of Period/Year	\$ 47.22	\$ 52.37	\$ 39.51	\$ 29.65	\$ 40.09	\$ 24.71
Total Return **	(3.76)% (b)	32.55%	33.41%	(20.58)%	62.24%	23.92%
Ratios/Supplemental Data:						
Net Assets at End of Period/Year (Thousands)	\$ 21,429	\$ 23,272	\$ 20,831	\$ 15,465	\$ 22,638	\$ 11,082
Before Waivers or Recoupments						
Ratio of Expenses to Average Net Assets	2.04% (a)	1.99%	2.15%	2.14%	1.98%	2.70%
Ratio of Net Investment Loss to Average Net Assets	(1.22)% (a)	(1.26)%	(1.08)%	(1.19)%	(1.37)%	(1.69)%
After Waivers or Recoupments						
Ratio of Expenses to Average Net Assets	2.04% (a)	1.99%	2.15%	2.14%	2.19%	2.45%
Ratio of Net Investment Loss to Average Net Assets	(1.22)% (a)	(1.26)%	(1.08)%	(1.19)%	(1.58)%	(1.44)%
Portfolio Turnover	8.15% (b)	15.04%	8.60%	7.65%	37.50%	15.08%

\* Per share net investment loss has been determined on the basis of average shares outstanding during the year.

\*\* Assumes reinvestment of dividends, if any.

\*\*\* The Fund will impose a 2.00% redemption fee on shares redeemed within 5 days of purchase.

\*\*\*\* Realized and unrealized gains per share are balancing amounts necessary to reconcile the change in net asset value per share for the period, and may not accord with the aggregate gains and losses in the Statement of Operations due to share transactions for the period.

(a) Annualized.

(b) Not Annualized.

† Amount less than \$0.005 per share.

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

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

### NOTE 1. ORGANIZATION

The TANAKA Growth Fund (the "Fund") was organized as a series of TANAKA Funds, Inc., a Maryland corporation (the "Company") on November 5, 1997; the Fund commenced operations on December 30, 1998. The Fund is registered under the Investment Company Act of 1940, as amended, as a non-diversified open-end management investment company. The Fund's investment objective is to provide growth of capital. The Investment Advisor of the Fund is Tanaka Capital Management, Inc. (the "Advisor").

**NON-DIVERSIFICATION RISK:** As a non-diversified fund, the Fund may invest larger positions in small number of companies of its total assets. The Fund's performance may be more sensitive to any single economic, business, political or regulatory occurrence than the value of shares of a diversified investment company. The Fund's performance may be affected disproportionately by the performance of relatively few stocks. In addition, the volatility of the Fund may be greater than the overall volatility of the market.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements. The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.

*Securities Valuations* - All investments in securities are recorded at their estimated fair value, as described in Note 3.

*Federal Income Taxes* – The Fund makes no provision for federal income or excise tax. The Fund intends to qualify each year as “regulated investment companies” (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of its taxable income. The Fund also intends to distribute sufficient net investment income and net capital gains, if any, so that it will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense. Therefore, no federal income tax or excise provision is required.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained, assuming examination by tax authorities. Management has analyzed the Fund's tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2021-2023) or expected to be taken in the Fund's 2024 tax returns. The Fund identifies its major tax jurisdiction as U.S. Federal, however the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.



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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the six months ended May 31, 2025, the Fund did not incur any interest or penalties.

*Security Transactions and Related Income* - The Fund follows industry practice and records security transactions on the trade date. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income less foreign taxes withheld is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Discounts and premiums on securities purchased are amortized over the life of the respective securities. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

*Dividends and Distributions* - The Fund intends to distribute substantially all of its net investment income as dividends to its shareholders on at least an annual basis. The Fund intends to distribute its net realized long-term capital gains and its net realized short-term capital gains at least once a year. Distributions to shareholders which are determined in accordance with income tax regulations and are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from its ultimate treatment for federal income tax purposes. These differences are caused by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset values per share of the Fund.

*Foreign Currency* - Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments. Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on a Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

*Use of Estimates* - The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

*Cash and cash equivalents* – The Fund considers all highly liquid debt instruments having original maturities of three months or less at the date of purchase to be cash equivalents. The Fund may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits. The Fund has not experienced losses on these accounts, and management believes that the Fund is not exposed to significant risks on such accounts.

### NOTE 3. SECURITIES VALUATIONS

#### *Processes and Structure*

The Fund’s Board of Directors (the “Board”) has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has designated the Advisor as the valuation designee in accordance with Rule 2a-5 of the Investment Company Act of 1940.

*Fair Value Pricing* – Under certain circumstances, the Advisor will use its best efforts to arrive at the fair value of a security held by the Fund under all reasonably ascertainable facts and circumstances. The Advisor must prepare a report for the Board not less than quarterly containing a complete listing of any securities for which fair value pricing was employed and detailing the specific reasons for such fair value pricing. The Fund has adopted written policies and procedures to guide the Advisor with respect to the circumstances under which, and the methods to be used, in fair valuing securities.

The Fund invests the majority of its assets in frequently traded exchange listed securities of domestic issuers with relatively liquid markets and calculates its NAV as of the time those exchanges close. However, the Fund may invest in securities on foreign exchanges or in illiquid or restricted securities. Accordingly, there may be circumstances under which the Fund would hold a security that would need to be fair value priced. Examples of when it would be likely that the Fund security would require fair value pricing include but are not limited to: if the exchange on which a portfolio security trades were to close early; if trading in a particular security were to be halted on an exchange and did not resume trading prior to calculation of NAV; if a significant event that materially affected the value of a security were to occur after the securities’ exchange had closed but before the Fund’s NAV had been calculated; and if a security that had a significant exposure to foreign operations was subject to a material event or occurrence in a foreign jurisdiction in which the company had significant operations.

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

### *Hierarchy of Fair Value Inputs*

The Fund utilizes various methods to measure the fair value of most of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- *Level 1.* Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- *Level 2.* Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- *Level 3.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions that a market participant would use in valuing the asset or liability at the measurement date, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

### *Fair Value Measurements*

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows.

*Equity securities (Domestic and Foreign common stock)* - Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday

# TANAKA GROWTH FUND

## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship, and are categorized in Level 2.

*Fixed income securities (convertible bonds)* - The fair value of fixed income securities is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (when observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. Although most fixed income securities are categorized in level 2 of the fair value hierarchy, in instances when lower relative weight is placed on transaction prices, quotations, or similar observable inputs, they are categorized in level 3.

*Short term investments* - Short term investments are valued using amortized cost, which approximates fair value. These securities will be categorized in Level 1 of the fair value hierarchy. Money market funds are valued at their net asset value of \$1 per share and are categorized in Level 1.

The following table summarizes the inputs used to value the Fund's assets measured at fair value as of May 31, 2025:

Categories	Financial Instruments—Assets			
	Level 1	Level 2	Level 3	Fair Value
Common Stocks *	\$ 20,780,019	\$ -	\$ -	\$ 20,780,019
Exchange Traded Fund	411,180	-	-	411,180
Short-Term Investments	264,678	-	-	264,678
	<u>\$ 21,455,877</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,455,877</u>

\*Industry classifications for these categories are detailed in the Schedule of Investments.

### NOTE 4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES

The Fund retains the Advisor to manage the Fund's investments and act as Administrator to the Fund. The Advisor was organized as a Delaware corporation in 1986. Graham Y. Tanaka, portfolio manager and President of the Advisor, and Benjamin Bratt, portfolio manager and Treasurer, are primarily responsible for the day-to-day management of the Fund's portfolio. Certain officers of the Advisor serve as director and officers of the Fund.

Under the terms of an Investment Advisory Agreement, (the "Advisory Agreement"), the Advisor manages the Fund's investments subject to approval by the Board. As compensation for its management services, the Fund is obligated to pay the Advisor a fee computed and accrued daily and paid monthly at an annual rate of 1.00% of the average daily net assets of the Fund. For the six months ended May 31, 2025, the Advisor earned

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

a fee of \$106,270 from the Fund. At May 31, 2025, the Fund owed the Advisor \$17,367 for management fees.

Pursuant to a written expense limitation agreement, the Fund's Adviser has agreed to waive or limit its fees and assume other expenses of the Fund (excluding interest, taxes, brokerage commissions and other expenditures capitalized in accordance with generally accepted accounting principles or other extraordinary expenses), so that the Fund's ratio of total annual operating expenses is limited to 2.45% for Class R shares. The expense limitation agreement is effective on an annual basis and may be terminated only by the Board of Trustees by providing 90 days notice, or if the Adviser ceases to serve as adviser to the Fund. The Adviser is entitled to reimbursement of fees waived or expenses assumed subject to the limitations that (i) the reimbursements is made for fees waived or expenses incurred not more than three years prior to the date of the reimbursement and (ii) the reimbursement may not be made if it would cause the Fund's annual expense limitation to be exceeded for Class R Shares. Further, any recoupments will be subject to any lower expenses limitations that have been later implemented by the Board. As of the six months ended May 31, 2025, there are no previously reimbursed fees available for recoupment.

Under the terms of the Administrative Agreement, the Advisor will provide administrative services which are necessary for the day-to-day operations of the Fund. As compensation for the administrative services, the Fund is obligated to pay the Advisor a fee computed and accrued daily and paid monthly at an annual rate of 0.10% of the first \$50 million in average daily net assets of the Fund. For the six months ended May 31, 2025, the Advisor earned a fee of \$10,627 from the Fund under the Administrative Agreement. At May 31, 2025, the Fund owed the Advisor \$1,773 for administrative fees.

The Fund has adopted a plan pursuant to Rule 12b-1 under the Investment Company Act of 1940 for each class of shares authorized (each such plan, a "Distribution Plan") as amended and approved on December 14, 2020. The Fund is obligated to pay a fee computed and accrued daily at an annual rate not greater than 0.25% of the average daily net assets. The 12b-1 fees are paid to brokers, dealers and other financial institutions, including the investment adviser to the "Fund", (collectively, the "Service Organizations") for services in connection with sales of shares of the Fund. Total fees incurred under the Distribution Plan for the six months ended May 31, 2025, were \$26,568. For the six months ended May 31, 2025, the Advisor received 12b-1 fees of \$16,315 that were used by the Advisor to cover allowable expenses under the Distribution Plan.

# TANAKA GROWTH FUND

## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

### NOTE 5. INVESTMENTS

For the six months ended May 31, 2025, purchases and sales of investment securities, excluding short-term investments were as follows:

	<u>Amount</u>
Purchases	\$ 1,747,740
Sales	\$ 3,033,427

### NOTE 6. CAPITAL SHARES

The Company is authorized to issue up to 250,000,000 shares of common stock, par value \$0.01 per share, of which it currently has allocated 150,000,000 shares to the Fund. Capital share transactions for the six months ended May 31, 2025 and year ended November 30, 2024, respectively, were as follows:

	<u>Six Months Ended 5/31/25</u>		<u>Year Ended 11/30/24</u>	
	<u>Shares</u>	<u>\$ Amount</u>	<u>Shares</u>	<u>\$ Amount</u>
Shares sold	11,450	\$ 517,256	38,697	\$ 1,623,391
Shares reinvested	28,906	1,354,267	-	-
Shares redeemed	<u>(30,955)</u>	<u>(1,407,900)</u>	<u>(121,499)</u>	<u>(5,152,994)</u>
Net increase (decrease)	<u>9,401</u>	<u>\$ 463,623</u>	<u>(82,802)</u>	<u>\$ (3,529,603)</u>

For the six months ended May 31, 2025, the shares redeemed amounts include account servicing fees of \$1,236 which were used to offset Transfer Agent fees on the Statement of Operations.

Shareholders will be subject to a Redemption Fee on redemptions and exchanges equal to 2.00% of the net asset value of Fund shares redeemed within 5 days after their purchase. For the six months ended May 31, 2025 and year ended November 30, 2024, no redemption fees were collected from shareholder transactions.

### NOTE 7. TAX MATTERS

As of November 30, 2024, unrealized appreciation (depreciation) and cost of investment securities on a tax basis, were as follows:

Gross unrealized appreciation on investment securities	\$ 15,490,959
Gross unrealized depreciation on investment securities	<u>(25,755)</u>
Net unrealized appreciation on investment securities	<u>\$ 15,465,204</u>
Tax Cost of investment securities *	<u>\$ 7,923,206</u>

\* Includes short-term investment.

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

The Fund's distributable earnings on a tax basis are determined only at the end of each fiscal year. As of November 30, 2024, the Fund's most recent fiscal year-end, the components of distributable earnings on a tax basis were as follows:

Unrealized Appreciation	\$ 15,465,204
Ordinary Late Year Losses	(240,994)
Undistributed Capital Gains	<u>1,137,514</u>
Total Distributable Earnings, Net	\$ <u>16,361,724</u>

Under current tax law, net capital losses realized after October 31 and net ordinary losses incurred after December 31 may be deferred and treated as occurring on the first day of the following fiscal year. The Fund's carryforward losses, post-October losses and late year losses are determined only at the end of each fiscal year. As of November 30, 2024, the Fund elected to defer ordinary late year losses as indicated in the chart below.

Ordinary Late Year Losses Deferred	\$ 240,994
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As of November 30, 2024, the Fund recorded permanent book/tax differences of \$63,107 from distributable earnings (a decrease to distributable earnings) to paid-in-capital (an increase to paid-in-capital) due to net operating losses and the utilization of earnings and profits distributed to shareholders on redemption of shares.

For tax purposes, net realized capital losses may be carried over to offset future capital gains, if any. Funds are permitted to carry forward capital losses for an indefinite period, and such losses will retain their character as either short-term or long-term capital losses. As of November 30, 2024, the Fund did not have any capital loss carryforwards. During the fiscal year, the Fund utilized \$1,777,065 of capital loss carry forwards to offset current year net realized gains.

No distributions were paid by the Fund for the year ended November 30, 2024.

For the six months ended May 31, 2025, there was a long-term capital gain distribution of \$1,390,145 paid.

### NOTE 8. INDEMNIFICATIONS

In the normal course of business, the Fund enters into contracts that contain general indemnification to other parties. The Fund's maximum exposure under these contracts is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The Fund expects the risk of loss to be remote.

### NOTE 9. SECTOR RISK

If the Fund's portfolio is overweighted in a certain industry sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not overweighted in that sector. For example, to the extent the Fund is overweighted in

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# TANAKA GROWTH FUND

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## NOTES TO FINANCIAL STATEMENTS MAY 31, 2025 (UNAUDITED)

the technology sector it will be affected by developments affecting the applicable sector. The sector is subject to changing government regulations that may limit profits and restrict services offered. Companies in this sector also may be significantly affected by intense competition. In addition, technology products may be subject to rapid obsolescence.

### **NOTE 10. MARKET RISK**

Overall market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions and depressions, or other events could have a significant impact on the Fund and its investments and may impair market liquidity, thereby increasing liquidity risk. The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest rates can have the same impact on all types of securities and instruments.

### **NOTE 11. SUBSEQUENT EVENTS**

Management has evaluated the impact of all subsequent events on the Fund through the issuance of these financial statements and has noted no further events requiring disclosure or adjustment.



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# **TANAKA GROWTH FUND**

## **ADDITIONAL INFORMATION**

**MAY 31, 2025 (UNAUDITED)**

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The Fund's Statement of Additional Information (SAI) includes additional information about the Directors and Officers and is available, without charge, upon request. You may call toll-free 1-877-4TANAKA to request a copy of the SAI or to make shareholder inquiries.

## **PROXY VOTING AND QUARTERLY PORTFOLIO SCHEDULE (UNAUDITED)**

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies during the most recent 12 month period ended June 30, are available without charge upon request (1) by calling the Fund at 1-877-4TANAKA and (2) from Fund documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at [www.sec.gov](http://www.sec.gov).

The Fund files a complete schedule of investments with the SEC for the first and third quarter of each fiscal year on Form N-PORT. The Fund's first and third fiscal quarters end on February 28 and August 31. The Fund's Forms N-PORT are available on the SEC's website at [www.sec.gov](http://www.sec.gov), or they may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-877-4TANAKA.

This report is intended only for the information of shareholders or those who have received the Fund's prospectus which contains information about the Fund's management fee and expenses. Please read the prospectus carefully before investing.

The Fund's Statement of Additional Information includes additional information about the Fund and is available upon request at no charge by calling the Fund.