

# SMid Growth Portfolio

*Our SMid Growth Portfolio seeks companies that demonstrate earnings growth at consistently higher levels of profitability than other companies in their industry. We emphasize companies with the resources in managerial, financial, product and/or technical strength that will drive outperformance through the full market cycle. It is our view that diversification rather than market timing provides investors with the greatest level of safety.*

## Company Snapshot

Firm Assets	\$17.2 b
Founded	1985

## Investment Committee

### Company Tenure

Dan Lagan, CFA Committee Chair	1989
Nancy Huynh Committee Chair	1998
Matt Lagan, CFA	2003
Eric Meyers, CFA	2017
Aaron Fellows, CFA	2017
Zach Zeller, CFA	2017

## Portfolio Construction

40-50 Holdings

Market Capitalization at Initial Purchase between \$300 mm and \$20 billion

2.0% Initial Weighting

5/15% Maximum allowance at time of purchase to security weight and industry, in general

Average cash allocation of 1 to 3%

25-50% annual portfolio turnover

## Average Annualized Performance % as of 3/31/2021

	QTD	YTD	1 Yr	3 Yr	Inception (4/1/2017)
SMid Growth (Gross)	8.6	8.6	94.9	27.0	24.5
SMid Growth (Net)	8.5	8.5	94.1	26.5	24.0
Russell 2500 Growth <sup>*</sup>	2.5	2.5	87.5	20.0	20.0

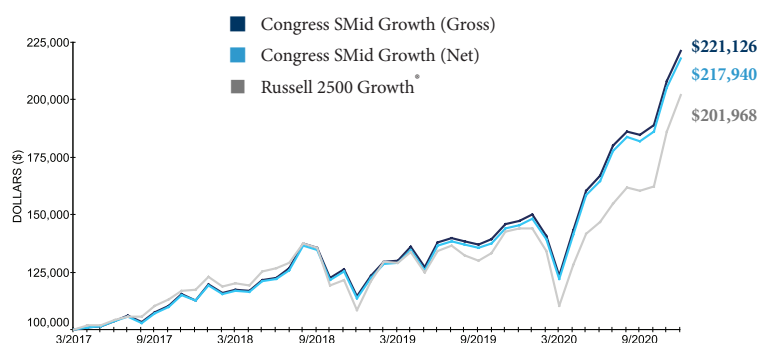
Performance is preliminary and subject to change at any time

Data is as of 3/31/2021. Sources throughout this presentation: Congress Asset Management, FactSet, Russell Investments, and Informa Investment Solutions. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings and sector weightings are subject to change and should not be considered investment advice or a recommendation to buy or sell a particular security. Actual holdings may vary by client. Past performance does not guarantee future results. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. This information is supplemental to the GIPS Composite Report. Performance returns of less than one year are not annualized. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication. <sup>1</sup>The information shown is for a representative account as of 3/31/2021. Actual client account holdings and sector allocations may vary.

Characteristics <sup>1</sup>	SMid Growth	Russell 2500 Growth <sup>*</sup>
Total Assets \$	\$83 mm	-
Number of Holdings	42	1,353
Price/Earnings - trailing 12 months	36.0x	33.1x
Return on Equity %	24.2	3.6
Weighted Avg. Market Cap.	\$15.1 b	\$7.6 b
Operating Margin %	18.3	5.0
Long-Term Debt to Capital %	30.9	38.3
Active Share %	91.7	--

Risk Return 7/1/2013 - 3/31/2021	SMid Growth	Russell 2500 Growth <sup>*</sup>
Standard Deviation %	18.35	21.00
Beta	0.84	1.00
Sharpe Ratio	1.26	0.89
Alpha	6.58	-
Upside Capture	95.3	100.0
Downside Capture	78.3	100.0

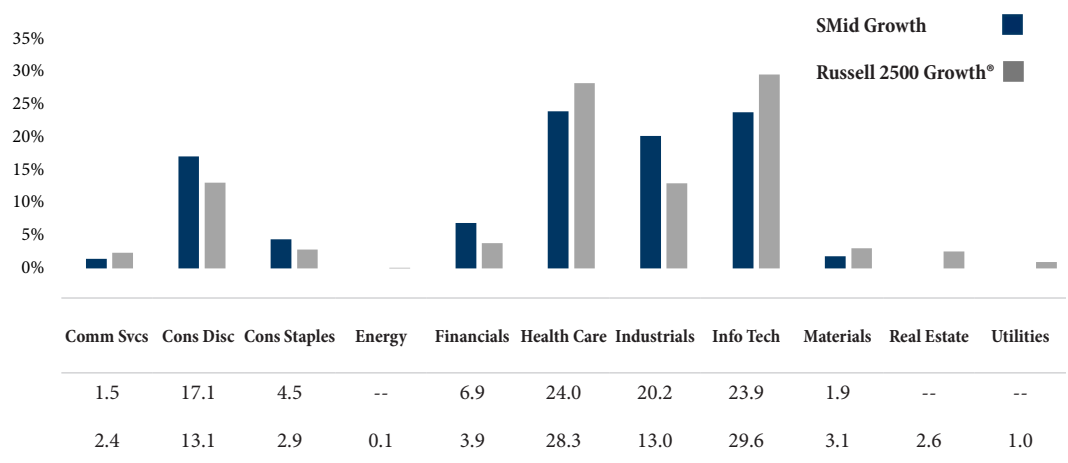
## Growth of \$100,000 7/1/2013 through 3/31/2021



Top Ten Holdings<sup>1</sup> (%) as of 3/31/2021

Etsy, Inc.	4.5
Generac Holdings Inc.	4.5
Repligen Corporation	3.6
Williams-Sonoma, Inc.	3.5
Monolithic Power Systems, Inc.	3.2
Horizon Therapeutics plc	3.0
CDW Corp.	2.9
Pool Corporation	2.9
Entegris, Inc.	2.9
Charles River Laboratories Intl., Inc.	2.8
<b>Total:</b>	<b>33.8</b>

Sector Allocation vs. Benchmark<sup>1</sup> 3/31/2021



**Definitions: Russell 2500 Growth Index®** measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher growth earning potential as defined by Russell's leading style methodology. The Russell 2500 Growth Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap growth market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set and that the represented companies continue to reflect growth characteristics. **Price/Book** ratio used to compare a company's current market price to its book value **Price/Earnings** valuation of a company's share price compared to its earnings per share; commonly used by investors to determine the value of a company **Weighted Average Market Cap** is the portfolio-weighted mean capitalizations of all equity securities. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

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Congress Asset Management Co. SMid Growth Composite 4/1/2017 - 12/31/2019										
Year	Total Return of Fees%	Gross Total Return Net of Fees%	Russell 2500 Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell 2500 Growth 3-Yr annualized ex-post St Dev (%)	Number of Portfolios	Gross Dispersion %	Total Composite Assets End of Period (\$ millions)	Total Firm Discretionary Assets End of Period (\$ millions)	Total Firm Assets End of Period # (\$ millions)
2019	28.7	28.2	32.7	n/a	n/a	14	n/a	37	8,445	12,528
2018	1.3	0.9	-7.5	n/a	n/a	≤5	n/a	27	7,102	10,234
3/31/17-12/31/17	12.8	12.5	17.1	n/a	n/a	≤5	n/a	35	7,272	10,546

#The "Total Firm Assets" column is provided as supplemental information and also includes unified managed account (UMA) assets

Congress Asset Management claims compliance with the Global Investment Performance Standards (GIPS)® and has prepared and presented this report in compliance with the GIPS standards. Congress Asset Management has been independently verified for the periods 1/1/96 – 12/31/19. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Firm Information: Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Registration does not imply a certain level of skill or training. CAM manages a variety of public equity, private equity, fixed income and ETF managed portfolios for private and institutional clients. CAM acquired Prelude Asset Management, LLC on March 15, 2010. CAM merged with Congress Capital Partners, LLP on June 30, 2015. CAM acquired certain strategies of Century Capital Management, LLC on September 15, 2017.

Composite Characteristics: The SMid Growth Composite was created on April 1, 2017. This inception date reflects the first full month an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary accounts with a value over \$100 thousand (US dollars) managed in the SMid growth style for a minimum of one full month. The SMid growth strategy invests in the equity of high quality companies with market capitalizations between \$300 million and \$20 billion (at the time of purchase) exhibiting consistent earnings growth. Accounts with wrap commissions are excluded from the composite. The primary composite benchmark is the Russell 2500 Growth. The benchmark returns are not covered by the report of the independent verifiers. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. A complete list and description of all firm composites is available upon request.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars. Monthly composite performance is calculated as an asset-weighted return using the aggregate method. This method aggregates market values and cash flows for all accounts and treats the composite as if it were one account. Monthly composite returns are geometrically linked to produce a time-weighted annual return. The composite is valued daily. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated using actual management fees. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Accruals for equity securities are included in calculations. Internal dispersion is calculated using the asset-weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. It is not presented because 36-month returns are not available.

Fee Schedule: The firms' individual account fee schedule is as follows: 1.00% for first \$1 million, 0.80% for next \$4 million, 0.60% for next \$5 million. Management fees for individual accounts with assets under management exceeding \$10 million, and for institutional accounts are negotiated. The individual account fee schedule may be subject to negotiation where circumstances warrant. As fees are deducted quarterly, the compounding effect will increase the impact of the fees by an amount directly related to the gross account performance. For example, an account earning a 10% annual gross return with a 1% annual fee deducted quarterly would earn an 8.9% annual net return due to compounding

Other Disclosures: Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value.