

Portfolio Commentary

SMALL CAP GROWTH

Market Review

Turbulence has been the prevailing theme of 2022. Investors are grappling with inflation and a drawn-out conflict between Russia and Ukraine, forces that have damaged asset valuations and stunted economic growth. While the summer months offered some respite, negative sentiment intensified in September. The downward trend of stocks accelerated and bond yields increased as the Federal Reserve (Fed) reinforced its commitment to taming inflation, even at the cost of a potential recession. Energy prices, driven up by international sanctions on Russia, have receded from their highs. However, the coming winter is unlikely to bring more relief, particularly as Europe faces energy prices that have been as high as 10x typical levels. Despite these headwinds, the US economy continues to show strength and the consumer remains fundamentally strong, in our view.

On the inflation front, continued price increases have caused concern, particularly as inflation has broadened out to “stickier” categories like shelter. In response, the Fed is aggressively raising short term interest rates and shrinking its bond holdings. Bond yields reflect the Fed’s vigor and the markets are anticipating a 2023 recession.

Market sentiment is undoubtedly negative, to the point that even “good news” is viewed in a negative light. For instance, August’s unemployment rate of 3.7% is seen as inflationary. However, the US labor market is moving back into balance, with employment at pre-COVID levels and labor force participation creeping higher. An expanding labor pool is deflationary and may indicate the beginning of the end of the “great resignation.” Help wanted signs hang from auto repair shops, restaurants, and health care

facilities. With recent reports suggesting over eleven million unfilled positions, ample opportunity awaits those seeking employment.

Improving supply chains and falling commodity costs indicate we are past peak inflation. Though shelter inflation remains at concerning levels, housing prices and apartment rent growth show signs of turning over. While markets believe the Fed will ultimately keep inflation in check, caution is warranted. Consumers are spending more money on food, fuel, and shelter than in the recent past.

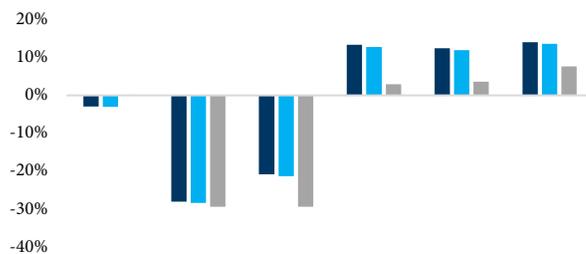
While the domestic economy finds its footing, Europe faces a difficult winter. An over-reliance on Russian natural gas and a premature focus on green energy policies have left the Continent with exorbitant energy and utility costs. Government policies will lessen the out-of-pocket pain for their citizens, but the fundamental energy shortfall is not easily fixed. Elevated fuel costs are likely to dampen consumer discretionary spending and are already curtailing industrial production. U.S. companies with European exposure will feel the chill.

Performance Overview

The Small Cap Growth Portfolio (“the Portfolio”) returned -2.9% (gross of fees) and -3.0% (net of fees) during the quarter, while the Russell 2000 Growth Index (“The Index”) returned 0.2%.

The Portfolio benefited from security selection in Industrials, Consumer Staples, and Financials as well as a lack of exposure to Real Estate. However, security selection in Health Care, Consumer Discretionary, Energy, and Information Technology detracted from performance during the quarter.

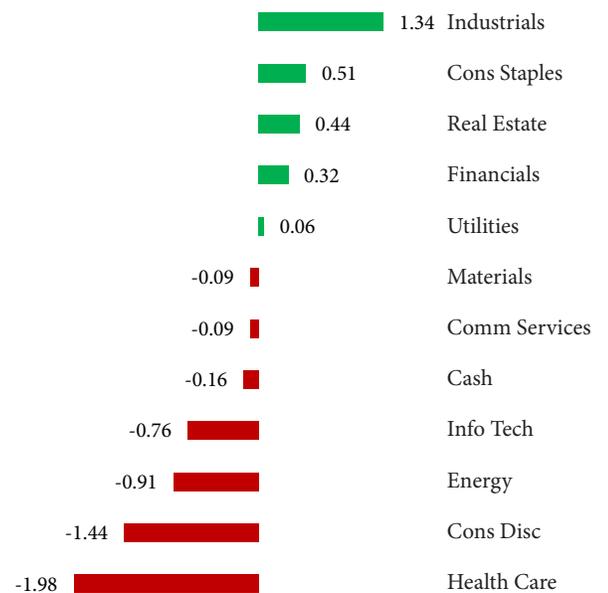
Average Annualized Performance % as of 9/30/2022



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	Inception
Small Cap Growth (Gross)	-2.9	-28.0	-20.8	13.3	12.4	14.0
Small Cap Growth (Net)	-3.0	-28.3	-21.3	12.7	11.9	13.6
Russell 2000 Growth*	0.2	-29.3	-29.3	2.9	3.6	7.6

Performance is preliminary and subject to change at any time.

% Total Effect Portfolio vs. Index¹ (6/30/2022 - 9/30/2022)



Data is as of 9/30/2022. Sources throughout this presentation: Congress Asset Management, FactSet, Russell Investments, and Morningstar Direct. 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 Report.** Performance returns of less than one year are not annualized. This managed account strategy involves risk, may not be profitable, may not achieve its objective, and may not be suitable or appropriate for all investors. Investors should consider the investment objectives, risks, and fees of this strategy carefully with their financial professional before investing. 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. ¹The information shown is for a representative account as of 9/30/2022. Actual client account holdings and sector allocations may vary.

3Q 2022 Attribution Highlights

Overall Contributors

- Security selection in Industrials, Consumer Staples & Financials
- Asset allocation in Real Estate

Overall Detractors

- Security selection in Health Care, Consumer Discretionary, Energy & Information Technology

Top 5 Contributors/Detractors

STOCK	AVG. WEIGHT%	CONTRIBUTION%
e.l.f. Beauty, Inc.	3.32	0.54
Valmont Industries, Inc.	3.10	0.47
PGT Innovations, Inc.	2.18	0.45
Progyny, Inc.	2.38	0.42
Lantheus Holdings, Inc.	5.46	0.39

e.l.f. Beauty, Inc. (ELF) is a leading beauty products company offering high-quality cosmetics at value prices. Quarterly results were better than expected, fueled by a rebound in the cosmetics category and rapid market share gains. Pricing power has allowed margin expansion despite incremental supply chain and freight headwinds. Management expects outperformance to continue due to traction with national and international retailers, improved visibility, and a robust pipeline of innovative products.

Valmont Industries, Inc. (VMI) is a diversified global manufacturer and provider of highly engineered fabricated metal products for the infrastructure and agriculture markets. Following several years of low growth, VMI has experienced an acceleration across its operating segments, benefiting from both secular and cyclical tailwinds towards investments in the electrical grid, renewables, infrastructure, and agriculture. With a record backlog and margins benefiting from effective pricing actions, management raised its full-year guidance.

PGT Innovations, Inc. (PGTI) is a leading manufacturer of specialty windows and doors for the U.S. residential and commercial building markets. Organic growth was better than expected despite a slowdown in homebuilder activity as PGTI continues to gain share through an expanding geographic footprint and productivity improvements. Inflationary pressure has been offset through price increases and the backlog remains elevated despite reduced lead times across its portfolio.

Progyny, Inc. (PGNY) is a benefits manager specializing in carved out fertility benefits. Quarterly results showed consistent growth in adoption and utilization of its fertility and pharmacy benefit solutions. Utilization levels are trending at a normalized rate and management expects a strong selling season during the latter part of the year due to pipeline size and commitments. The near 100% client retention rate offers no indication that economic stress is impacting adoption of PGNY's fertility benefits solutions.

Lantheus Holdings, Inc. (LNTH) is a leading provider of diagnostic medical imaging solutions focused on cardiac and cancer imaging. Growth continues to be supported by the successful launch of PYLARIFY, a prostate cancer diagnostic imaging agent. This success has resulted in an upgrade to the full-year outlook once again, with incremental opportunities for growth from additional therapeutics and diagnostic expansion.

Bottom 5 Contributors/Detractors

STOCK	AVG. WEIGHT%	DETRACTION%
Clarus Corporation	2.86	-0.77
Neogen Corporation	1.32	-0.63
Boot Barn Holdings, Inc.	3.61	-0.58
Core Laboratories NV	1.47	-0.56
Perficient, Inc.	1.99	-0.54

Clarus Corporation (CLAR) is a consumer products company with leading brands in several niche outdoor recreation equipment markets. Results were better than expected despite continued supply chain constraints; persistent demand in the company's Precision Sports Segment was partially offset by the impact of Australia's COVID shutdowns on the Adventure Sports segment. The stock experienced unusual volatility during the quarter, which revealed improper trading activity at a few hedge funds implicated in its manipulation.

Neogen Corporation (NEOG) develops, manufactures, and markets a diverse line of products and services dedicated to food and animal safety. Despite better-than-expected quarterly results, the stock came under pressure surrounding the completion of a large merger with 3M's Food Safety business. The merger offers significant synergies to growth and costs once combined with NEOG's legacy food safety business, but also introduces significant integration risk and new stock issuance.

Boot Barn Holdings, Inc. (BOOT) is a differentiated retailer specializing in western lifestyle and work-related footwear and apparel. Although quarterly results were better than expected management's guidance came in below expectations as management extrapolated July's deceleration in sales growth given the broader consumer slowdown. However, profitability continues to be strong, driven by robust pricing and an increasing mix of private brands.

Core Laboratories NV (CLB) provides services and products that enable its oil and gas customers to improve reservoir performance, increase recovery from producing fields, and analyze the properties of crude oil and petroleum products. Quarterly results and management guidance was impacted by lower crude testing revenue and currency headwinds. Longer term, international exploration and production activity levels will drive results; management sees a multiyear cycle ahead following years of underinvestment, supporting their expectation for double digit growth in 2023.

Perficient, Inc. (PRFT) is an IT services firm specializing in the digital transformation of business operations and processes. PRFT is benefiting from increasing cloud adoption and investment in digital transformation from its clients. Revenue growth slowed in the second quarter, the result of isolated project cancellations and an incremental shift in business mix towards offshore revenue. Management does not anticipate further project cancellations and demand trends are solid as evidenced by strong 2nd quarter bookings.

3Q 2022 Transaction Summary

Sector Allocation Changes

- Increase in Industrials

Purchased

- AeroVironment, Inc. (AVAV) - Industrials

Sold

- None

Purchased

AeroVironment, Inc. (AVAV) designs, develops, produces, and supports unmanned aircraft systems, tactical missile systems, and unmanned ground vehicles. AVAV is a pioneer in unmanned aircraft and tactical missile systems, resulting in leading market share with the U.S. Department of Defense. Consistent double-digit sales growth is supported by a stable defense market together with growing adoption and innovation within drone technologies. The Russia/Ukraine war and the resulting geopolitical environment has enhanced demand for these drones both domestically and internationally.

Ultimately, intermediate- and longer-term economic prospects will be heavily influenced by the consumer and his or her spending priorities. Looking through the noise, we continue to believe that a portfolio of established growth companies offers the best prospects for long-term capital appreciation.

Sold

None

Positioning

Investments are predicated on a company's future prospects rather than economic or market cycles. We seek companies with strong fundamentals, emphasizing earnings growth consistency, free cash flow, and solid balance sheet metrics. There was one purchase during the quarter, and it was reflective of this philosophy. The transaction essentially increased the Portfolio's Industrials weighting.

Outlook

As economic challenges abound, attention has turned to corporate earnings. Doubts are mounting about companies' abilities to maintain margins either through price increases or operational efficiencies. Employment costs are rising and supply chain issues are forcing many companies to rely on higher cost options such as increasing inventory and/or moving operations closer to home. The prospect of higher costs and higher interest rates has increased market volatility and weighed on returns. So far this year the S&P 500 has lost 1% or more in a week 21 times, a grim milestone that has been exceeded only three times in the last 30 calendar years.

The immediate economic outlook is uncertain and stock market valuations and interest rate trends reflect this reality. The U.S. ten-year Treasury note now yields about 3.8%, up from 1.5% at year end. We believe the increased yield will be enough to dampen inflation to a more reasonable level in 2023. While the US consumer won't escape inflation unscathed, consumers, in general, are well-positioned to absorb price increases, and the strong labor market is contributing to rising compensation.

How hard or soft the coming landing will be is unclear, and the stock market is likely to react to a combination of corporate earnings and the U.S. ten-year yield. As such, market swings are expected to continue.

Congress Asset Management Co.
Small Cap Growth Composite
7/1/2013 - 12/31/2021

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Russell 2000 Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell 2000 Growth 3-Yr annualized ex-post St Dev (%)	Number of Portfolios	Gross Dis- persion %	Total Com- posite Assets End of Period (\$ millions)	% of composite represented by non fee paying accounts	Total Firm Discretion- ary Assets End of Period (\$ millions)	Total Firm Adviso- ry-Only Assets End of Period (\$ millions)	Total Firm Assets End of Period # (\$ millions)
2021	41.7	40.9	2.8	20.6	23.1	303	1.24	390	<1%	12,778	8,018	20,796
2020	35.8	35.3	34.6	23.8	25.1	206	1.64	84	<1%	10,746	5,523	16,269
2019	22.9	22.5	28.5	16.9	16.4	128	0.90	41	<1%	8,445	4,083	12,528
2018	2.1	1.7	-9.3	17.4	16.5	103	0.69	30	<1%	7,102	3,132	10,234
2017	22.4	22.0	22.2	14.8	14.6	69	0.62	25	<1%	7,272	3,274	10,546
2016	17.3	16.9	11.3	16.2	16.7	15	n/a	9	1%	5,693	2,445	8,139
2015	3.0	2.8	-1.4	n/a	n/a	≤5	n/a	1	n/a	5,941	1,153	7,094
2014	6.1	5.9	5.6	n/a	n/a	≤5	n/a	0.6	n/a	6,328	1,121	7,449
6/30/13 – 12/31/13	23.0	22.9	22.0	n/a	n/a	≤5	n/a	0.6	n/a	6,489	978	7,467

#The "Total Firm Assets" column 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 – 12/31/21. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Small Cap Growth Composite has had a performance examination for the periods 1/1/18 – 12/31/21. The verification and performance examination reports are available upon request.

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 creation and inception date of the Small Cap Growth Composite is July 1, 2013, which reflects the first full month an account was fully invested in the strategy and met the inclusion criteria. The composite includes all fully discretionary portfolios with a value over \$100 thousand (US dollars) managed in the small cap growth style for a minimum of one full month. The small cap growth strategy invests in the equity of high quality companies with market capitalizations between \$300 million and \$4 billion (at the time of purchase) exhibiting consistent earnings growth. Accounts with wrap commissions are excluded from the composite. Prior to January 1, 2016 the composite minimum was \$50 thousand (US dollars). The primary composite benchmark is the Russell 2000 Growth Index. 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 list of composite descriptions, a list of broad distribution pooled funds, and a list of limited distribution pooled fund descriptions are available upon request.

Calculation Methodology: Valuations and returns are computed and stated in U.S. dollars. 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 prior to 2016 because 36-month returns were 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. The management fee schedule and expense ratio for the Small Cap Growth Fund Institutional Shares is 0.85% and 1.00%, respectively. The management fee schedule and expense ratio for the Small Cap Growth Fund Retail Shares is 0.85% and 1.25%, respectively.

Other Disclosures: Policies for valuing investments, calculating performance, and preparing GIPS Reports 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. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.