SMID GROWTH PORTFOLIO | 3Q23

Portfolio Commentary

Market Review

Challenges to the U.S. economy appear to be mounting, seeding investor angst. Rising interest rates exemplify these concerns with the 10-year Treasury yield rising to 4.5%, up from 3.8% in early July. The stock market re-trenched in September, largely reflecting higher interest rates and shorter-term concerns about student loan repayments, the potential government shut down, and implications of the auto workers' strike. Yet, the economy remains resilient with real-time GDP estimates forecasting growth of almost 5% in the third quarter.

Growth is likely to moderate as we approach year end, but in the aggregate, the concerns du jour do not present long term risks to the consumer or to the economy. The continued strength of the labor market, despite the Federal Reserve's actions, offsets many short-term challenges. While there have been signs of cooling recently, there is little evidence that employment has weakened as unemployment rates and layoffs remain near historic lows and job openings are elevated. Consumer spending has held up as a result and is tracking in-line with its positive, pre-pandemic trend.

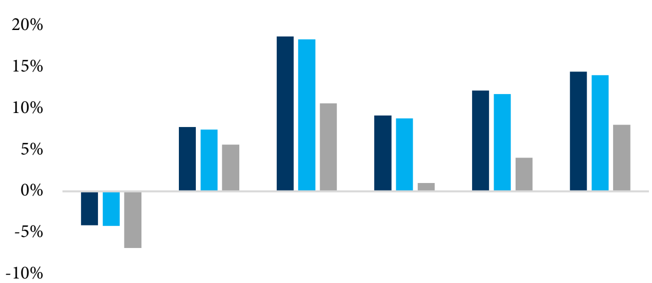
The primary economic issue today is the level of interest rates. Inflation was the main concern in 2022. It drove the Federal Reserve's aggressive actions, caused market interest rates to jump with historic alacrity and weighed on financial markets. In fact, when the economic history of the pandemic is written, 2022 may be the final chapter with 2023 the start of a new era, one marked by secular higher interest rates. Short-term interest rates will continue to follow the Federal Reserve's direction, but longer-term rates are subject to the country's overall level of indebtedness. Thanks to the monetary and fiscal policies enacted during the pandemic period, our amount of outstanding debt stands at record highs.

Performance Overview

The Congress SMid Growth Portfolio ("the Portfolio") returned -4.1% (gross of fees) and -4.2% (net of fees) during the quarter, while the Russell 2500 Growth Index returned -6.8%.

The Portfolio benefited from security selection in Health Care, Consumer Discretionary, and Communication Services, as well as an overweight relative allocation to Consumer Staples. However, an underweight relative allocation to Financials detracted from performance, as did security selection in Energy, Financials, and Consumer Staples.

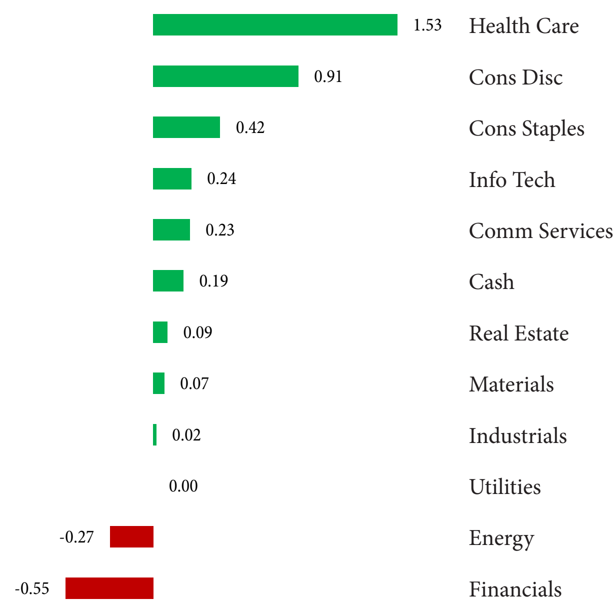
% Average Annual Returns as of 9/30/2023



	QTD	YTD	1 Yr	3 Yrs	5Yrs	Inception (4/1/2017)
SMid Growth Composite (Gross)	-4.1	7.8	18.7	9.2	12.2	14.4
SMid Growth Composite (Net)	-4.2	7.4	18.4	8.8	11.7	14.0
Russell 2500 Growth®	-6.8	5.6	10.6	1.0	4.0	8.0

Performance is preliminary and subject to change at any time.

% Total Effect Portfolio vs. Index[1]
6/30/2023 - 9/30/2023



Data is as of 9/30/2023. 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. Netiher Russell nor its licensors accept any liablity 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. [1]The information shown is for a representative account as of 9/30/2023. Actual client account holdings and sector allocations may vary.

3Q 2023 Attribution Highlights

Overall Contributors

- Security selection in Health Care, Consumer Discretionary & Communication Services
- Overweight allocation to Consumer Staples

Overall Detractors

- Underweight allocation to Financials
- Security selection in Energy, Financials & Consumer Staples

Top 5 Contributors/Detractors

Stock	Avg. Weight%
Williams-Sonoma, Inc.	2.21
Cactus, Inc.	2.73
BJ's Wholesale Club Holdings, Inc.	2.47
CDW Corporation	2.78
Repligen Corporation	2.08

Bottom 5 Contributors/Detractors

Stock	Avg. Weight%
Insulet Corporation	1.79
Valmont Industries, Inc.	2.38
Summit Materials, Inc.	2.27
Cooper Companies, Inc.	2.23
UFP Technologies, Inc.	2.17

Willams-Sonoma, Inc. (WMS) is a consumer retail company that sells home and kitchenware products through its online platform and retail outlets. Despite increasing pressures on the furniture industry and big-ticket items, WSM managed costs extremely well and delivered earnings results well ahead of expectations. The stock also responded favorably after it was revealed a private equity firm bought a 5% stake in the company.

Cactus, Inc. (WHD) manufactures advanced wellhead and pressure control equipment that plays a crucial role in U.S. onshore oilfields during drilling, completion, and production processes. In the second quarter, WHD managed to outpace market growth by expanding its market share. Furthermore, the company's stock valuation has recently risen in response to an increase in crude oil prices. This rise in prices has led to improved expectations that the U.S. onshore rig count will hit its lowest point in the second half of 2023 before rebounding in 2024.

BJ's Wholesale Club Holdings, Inc. (BJ) is a membership-only warehouse club chain. The company has benefited from consumers seeking lower prices for essential goods in a more challenging economic environment. As a result, BJ has seen increasing traffic in stores and growth in its membership base. The company has also capitalized on the surge in fuel costs as many of its stores have gas stations.

CDW Corporation (CDW) purchases products from original equipment manufacturers and wholesalers for resale to its more than 250,000 end customers. During the quarter, the company observed a modest increase in commercial hardware demand. CDW is also anticipating a positive impact from the Windows 11 refresh cycle and noted that customer budgets are stabilizing, which is expected to have a positive impact in the fiscal year 2024. Finally, CDW continues to experience strength in its services division, driven by customer priorities in cloud, Software as a Service, and security upgrades.

Repligen Corporation (RGEN) is a leading provider of bioprocessing fluid management systems for the manufacturing of biological drugs. There is optimism that unfavorable market conditions are improving, setting up for a strong recovery next year. Management also lowered their near-term outlook, which investors now view as appropriately conservative.

Insulet Corporation (PODD) offers insulin pump therapy for diabetes treatment. Concerns have arisen due to the introduction of weight loss medications, which may impact the progression of Type 2 diabetics toward insulin therapy. There's also concern that more effective GLP-1 therapies could reduce insulin usage in Type 2 patients who currently rely on it.

Valmont Industries, Inc. (VMI) is a diversified global manufacturer specializing in engineered fabricated metal products for the infrastructure and agriculture markets. The company experienced disappointing agricultural irrigation sales during the period as farmers deferred purchases due to higher interest rates and macroeconomic uncertainty. Growth continues in VMI's larger infrastructure segment, however, and full-year profit guidance was maintained on improved profitability.

Summit Materials, Inc. (SUM) is a leading supplier of building materials, including aggregates, cement, ready-mixed concrete, and asphalt. SUM announced a merger with Argos USA during the quarter, which initially led to a negative market response. Investor apprehension regarding potential reduced demand for SUM's building materials due to lower single-family construction starts also impacted the stock during the quarter.

Cooper Companies, Inc. (COO) is a manufacturer of contact lenses and women's health products. While COO posted strong 2Q 2023 growth, investors remain concerned about a lack of improvement in profit margins and the impact of a potential economic slowdown on the contact lens market.

UFP Technologies, Inc. (UFPT) is a specialty manufacturer of components, subassemblies, and packaging using specialized materials. There is concern about the impact of weight loss medication slowing the growth of robotic procedures, which is a strong growth market for UFPT. Also, a recent divestiture is masking organic revenue growth which caused reported growth to drop below management's long-term outlook.

Information is as of 9/30/2023. Sources: Congress Asset Management and Factset Research Systems. The information throughout this presentation is for illustrative purposes and is subject to change at any time. Holdings, sector weightings and securities identified as top contributors and detractors throughout this presentation 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. The securities identified do not represent all the securities purchased, sold or recommended to clients. For information regarding the methodology used to select these holdings or to obtain a list showing the contribution of every holding in the strategy's composite account, which we believe is most representative to both a current and/or prospective client, please contact us at 1-800-234-4516. Gross performance shown does not reflect the deduction of investment management fees and certain transaction costs, which will reduce investment performance. Past performance does not guarantee future results.

3Q 2023 Transaction Summary

Sector Allocation Changes	Purchased	Sold
• Decrease in Communication Services	• Lattice Semiconductor Corp. (LSCC) - Information Technology	• Monolithic Power Systems, Inc. (MPWR) - Information Technology • Perion Network Ltd. (PERI) - Communication Services

Purchased

Lattice Semiconductor Corp. (LSCC) designs, develops, and markets field-programmable gate arrays (FPGA) and associated software for three primary markets: communications and computing, industrial and automotive, and consumer. Lattice has established itself as a leader in the small-sized FPGA market, capitalizing on opportunities that competitors have overlooked. The company now looks to expand into the mid-sized market which increases its addressable market and emboldens its idiosyncratic growth opportunities.

Sold

Monolithic Power Systems, Inc. (MPWR) is a semiconductor company that designs, develops, and markets high-performance power solutions. The company has experienced a slowdown this year stemming from cyclical headwinds in the semiconductor industry. This led to customers postponing their order plans. Considering the uncertainties surrounding a potential resurgence in growth, the stock was sold from the Portfolio.

Perion Network Ltd. (PERI) provides innovative digital advertising solutions to brands, agencies, and publishers. Despite a challenging macroeconomic environment with reduced advertising spending, Perion has managed to maintain relatively stable performance. However, organic growth is showing signs of deceleration and its efforts to acquire other companies have not been successful. These factors, coupled with recent changes in management, have created uncertainty about the company's future earnings potential.

Positioning

Portfolio 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 and two sales during the quarter, and they are reflective of this philosophy. These combined transactions essentially decreased the Portfolio's Communication Services weighting.

Outlook

Corporations are facing higher funding costs. Debt costs were nominal in the period following the Great Financial Crisis until the end of 2021, with the yield on the Bloomberg U.S. Corporate Bond Index averaging 3%. Companies took advantage of this cheap financing and the market value of the index ballooned from $2 trillion in 2008 to over $7 trillion at the end of 2021. While corporate debt maturities over the next 2 years are near historically low levels, they are projected to exceed $1 trillion per year starting in 2025. With yields currently over 6%, companies that have been reliant on the debt markets to fund operations are destined to see significant increases in interest expense.

Our new era is also characterized by more aggressive government industrial policy. One area of focus, climate change, is having immediate impacts. Oil prices have risen over 30% in the past few months after OPEC and Russia declined to increase production. U.S. producers, including the major oil companies, have been incentivized to invest in more environmentally friendly activities such as carbon capture and alternative energy sources. As a result, the U.S. has ceded energy independence to foreign actors giving up pricing power and allowing less environmentally sound drilling techniques to prosper.

The global growth picture remains challenged. China continues to face secular headwinds including aging demographics, a growing property crisis, and a decoupling with the U.S. These issues are unlikely to be remedied quickly and the current solution of reducing economic transparency won't help. China has accounted for roughly a third of global economic growth over the last decade, and any slowing will weigh on broad longer-term growth prospects.

Despite the recent and current challenges, the U.S. economy has not cracked and remains well-positioned relative to peers. While a slowdown is probably inevitable, a recession is not, and opportunities exist for equities and fixed income. Corporate earnings are poised to grow next year, which should broadly benefit stocks. The new era of higher rates makes fixed income investments more attractive and offers the prospect of positive returns. A sustained period of higher interest rates introduces new risks that will require companies to adapt. Companies reliant on credit markets for capital will face higher costs relative to better heeled peers. We continue to believe a diversified portfolio of high-quality companies with a history of established growth provides investors with the best ability to navigate these markets.

Congress Asset Management Co. SMid Growth Composite 4/1/2017 - 12/31/2022

Year	Total Return Gross of Fees%	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 Advisory-Only Assets End of Period ($ millions)	Total Firm Assets End of Period # ($ millions)
2022	-21.5	-21.7	-26.2	22.8	25.2	158	0.51	96	10,083	6,799	16,882
2021	28.4	27.9	5.0	18.5	22.0	98	0.91	79	12,778	8,018	20,796
2020	50.3	49.7	40.5	20.7	23.9	47	0.62	55	10,746	5,523	16,269
2019	28.7	28.2	32.7	n/a	n/a	14	n/a	37	8,445	4,083	12,528
2018	1.3	0.9	-7.5	n/a	n/a	≤5	n/a	27	7,102	3,132	10,234
3/31/17–12/31/17	12.8	12.5	17.1	n/a	n/a	≤5	n/a	35	7,272	3,274	10,546

#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 – 12/31/22. The verification report(s) is/are available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report.

Firm Information: Congress Asset Management Co. (CAM) is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers 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 SMid Growth Composite is April 1, 2017, 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 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 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 for periods prior to 2020 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.

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