Portfolio Commentary

Market Review

Over the last few years, the U.S. economy has been like the little blue engine in the 1930 folk tale The Little Engine That Could. Much like the storied blue engine, the economy has overcome conventional wisdom, scaling post-COVID challenges and in the process pulled the developed world into a benign growth environment. Recent economic releases suggest inflation is cooperating and global growth, ex China, is improving.

In the U.S., as the presidential election began to heat up, the Federal Reserve (Fed) reassured investors of their intentions to lower the short-term interest rates it controls in an effort to alleviate economic restraint and improve growth prospects for this year and next. This helped propel a strong first quarter for stocks as the S&P 500 returned about 10%. In contrast, perhaps anticipating a rockier road than the Fed implied, bond yields rose moderately, pushing bond prices down.

Global financial markets exuded a positive aura during the first quarter as well. Stocks rallied throughout much of the world reflecting improved economic outlooks and the shedding of the post-COVID malaise. In a confirmation that the world is moving past the last vestiges of the Great Financial Crisis of 2008, the Bank of Japan ended its negative interest rate policy after eight years and raised short term interest rates for the first time since 2007. The Nikkei stock market notched its first record in 34 years and has returned about 20% this year.

The increasing acceptance of a sustained U.S. expansion is built on three pillars: a strong employment scenario; sound private sector financial metrics; and continued fiscal spending. At the same time, the rampant inflation of 2022-2023 appears to have eased, though the cumulative effects remain, with greater impact to lower income Americans.

Performance Overview

The Congress Mid Cap Growth Portfolio ("the Portfolio") returned 9.3% (gross of fees) and 9.1% (net of fees) during the quarter while the Russell Midcap Growth Index ("the Index") returned 9.5%.

The Portfolio benefited from security selection in Industrials, Health Care, Energy, and Consumer Staples. However, security selection in Information Technology, Communication Services, and Financials detracted from performance, as did a relative underweight to Financials.

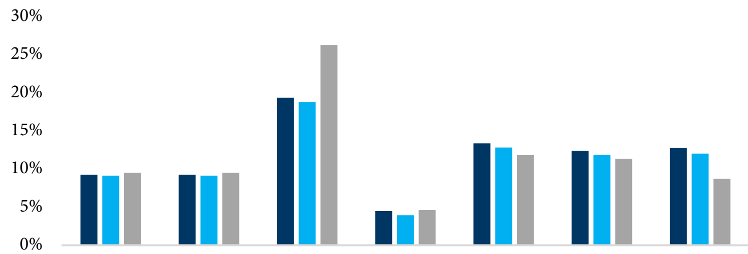
The Mid Cap Growth Portfolio performed akin to an athlete training with a speed parachute. While many aspects were positive, particularly our selections in the Industrials sector, our investments in the Software industry held us back. This was due to a combination of not holding the largest, fastest-growing, and unprofitable companies, as well as owning several firms that reported slower but still commendable growth, such as Dynatrace and DoubleVerify.

Our decision to cautiously incorporate exposure to AI and data centers through industrial selections proved insightful. Companies like EMCOR Group and nVent should continue to benefit from these investments. Additionally, their strength in other areas could mitigate results if AI turns out to be more hype than reality.

It's worth highlighting the strength of our sole Energy investment, ChampionX, which is more tied to growing production than commodity prices. Another notable success was the strong quarter from Deckers Outdoors, boosted by the performance of UGG and HOKA.

However, there were also challenges. Disappointing news came from TakeTwo Interactive regarding the delay of its Grand Theft Auto VI video game, a potential major growth driver. Additionally, the strength of alternative asset managers, where we lack exposure, posed another headwind to our results.

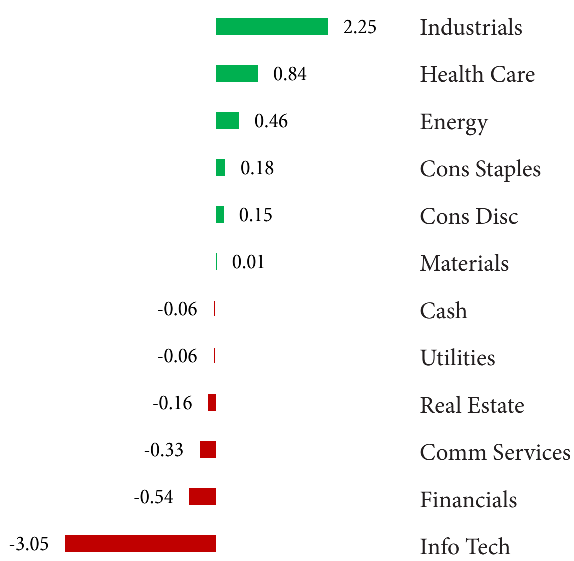
Average Annualized Performance % as of 3/31/2024



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception 10/1/1999
Mid Cap Growth Composite (Gross)	9.3	9.3	19.4	4.5	13.4	12.4	12.8
Mid Cap Growth Composite (Net)	9.1	9.1	18.8	4.0	12.8	11.9	12.0
Russell Midcap Growth®	9.5	9.5	26.3	4.6	11.8	11.4	8.7

Performance is preliminary and subject to change at any time.

% Total Effect Portfolio vs. Index[1]
(12/31/2023 - 3/31/2024)



Data is as of 3/31/2024. 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 3/31/2024. Actual client account holdings and sector allocations may vary.

1Q 2024 Attribution Highlights

Overall Contributors

- Security selection in Industrials, Health Care, Energy & Consumer Staples

Overall Detractors

- Security selection in Information Technology, Communication Services & Financials
- Underweight allocation to Financials

Top 5 Contributors/Detractors

Stock	Avg. Weight%
EMCOR Group, Inc.	2.93
Deckers Outdoor Corporation	3.31
Saia, Inc.	3.41
nVent Electric Plc.	2.90
Bruker Corporation	2.43

EMCOR Group, Inc. (EME) specializes in mechanical and electrical construction. EME caters to a diverse clientele, including commercial, industrial, utility, and institutional customers. In the latest quarter, EME surpassed expectations with both earnings and free cash flow, largely due to significant margin expansion. Additionally, its backlog of work reached new heights, driven by construction activity in manufacturing, electrification, and data centers.

Deckers Outdoor Corporation (DECK) is a footwear and apparel company known for its range of casual lifestyle and high-performance brands, such as UGG, HOKA, and Teva. DECK recently announced another impressive quarter, as strong demand for UGG products and exceptional operational performance resulted in higher-than-anticipated sales and margins. Momentum for HOKA also remained strong, leading to notable increases in earnings projections and subsequent boosts in the company's stock price.

Saia, Inc. (SAIA) is a top ten provider of regional and inter-regional less-than-truckload freight transportation services. SAIA plans to invest $1 billion in expanding its real estate network this upcoming year, made possible by the bankruptcy of a large competitor. This investment is expected to drive rapid market share gains and volume growth, supported by a favorable industry pricing environment. As a result, we believe the company is positioned for exceptional earnings growth despite the soft underlying demand expected for this year.

nVent Electric Plc. (NVT) is a leading global manufacturer specializing in electrical connection and protection solutions. Its products are designed to protect mission-critical equipment, improve utilization, minimize downtime, and lower customer costs. NVT's recent quarterly results were notable for robust data center demand, which bolstered volumes despite a subdued broader industrial environment. We believe NVT is positioned for significant organic growth given its plans to launch new manufacturing capacity for data center liquid cooling by mid-2024 and the increasing momentum of government infrastructure stimulus.

Bruker Corporation (BRKR) develops, manufactures, and distributes high-performance scientific instruments and analytical and diagnostic solutions. The company has diversified end markets, products, and geographic diversification and operates in a healthy competitive environment. BRKR reported a strong Q423 and issued guidance for 2024 and 2025 that was ahead of expectations, driven by BRKR's solid position in the post-genomic market and exposure to specialty semiconductor metrology and packaging where demand is increasing due to Artificial Intelligence.

Bottom 5 Contributors/Detractors

Stock	Avg. Weight%
Qualys, Inc.	2.98
Dynatrace, Inc.	1.60
Diodes Incorporated	0.38
DoubleVerify Holdings, Inc.	1.36
Perficient, Inc.	1.94

Qualys, Inc. (QLYS) is a leader in the fragmented cyber vulnerability management market. The company offers a cloud-oriented platform comprising integrated solutions for automating asset discovery, security assessments, and compliance management in IT infrastructure. Qualys faced challenges in the last quarter due to lower-than-expected end-of-year budget spending, resulting in a deceleration in Net Dollar Retention. Moreover, investor concerns emerged following Microsoft's decision not to renew its white label vulnerability management product. Looking forward, Qualys anticipates improved growth as investments made by its new Chief Revenue Officer start to yield results.

Dynatrace, Inc. (DT) develops observability software tailored for enterprises, with a focus on Application Performance Monitoring and Cloud Infrastructure Monitoring. The company revised its annual recurring revenue guidance downward, attributing it to longer sales cycles necessitated by larger deals requiring additional approvals. However, despite this adjustment, the observability market continues to be promising, propelled by the expansion of cloud workloads and the trend of companies shifting away from self-built solutions. Dynatrace's establishment of new partner relationships and implementation of go-to-market initiatives are anticipated to fuel future growth.

Diodes, Inc. (DIOD) is a leading global manufacturer and supplier, specializing in high-quality application-specific standard products within semiconductor markets. DIOD faces challenges due to increased exposure to declining auto and industrial sectors, which have impacted its fundamentals. Margin compression is further exacerbated by its vertically integrated structure, which is unlike its competitors. The stock was sold during the quarter.

DoubleVerify Holdings, Inc. (DV) is a leading provider of verification, fraud prevention, and brand suitability services for digital advertisers. The company faced challenges due to competitor pricing strategies impacting its business, along with weaker-than-expected guidance for the beginning of the year as some new customers were slow to increase spending. However, DoubleVerify remains well positioned to benefit from the ongoing shift to digital advertising, with an upcoming product launch on Facebook expected later this year.

Perficient, Inc. (PRFT) is an IT services firm specializing in digital transformation for business operations and processes. Like other IT services firms, Perficient has experienced a decline in demand for consulting work, as companies shift focus towards larger scale outsourcing and cost-saving initiatives. The company issued disappointing earnings guidance, indicating that demand may not improve until the latter half of the year. Additionally, underutilization of higher-margin workers is further impacting profitability, exacerbating the top-line struggles.

Information is as of 3/31/2024. 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.

1Q 2024 Transaction Summary

Sector Allocation Changes

- Increased allocation to Information Technology
- Decreased allocation to Real Estate

Purchased

- Casey's General Stores, Inc. (CASY) - Consumer Staples
- Dynatrace, Inc. (DT) - Information Technology
- DoubleVerify Holdings, Inc. (DV) - Information Technology

Sold

- Diodes, Inc. (DIOD) - Information Technology
- Sun Communities, Inc. (SUI) - Real Estate
- BJ's Wholesale Club Holdings, Inc. (BJ) - Consumer Staples

Purchased

Casey's General Stores, Inc. (CASY) owns and operates convenience stores in the Midwest. CASY distinguishes itself in the market with its extensive array of prepared food options and strategically located gas station outlets. With its unique business model, the company is well-positioned to drive revenue growth through both increased same-store sales and expansion of its store network.

Dynatrace, Inc. (DT) specializes in observability software designed for enterprises. Its product suite includes solutions for Application Performance Monitoring and Cloud Infrastructure Monitoring and its products are crafted to empower customers in promptly identifying and resolving issues. Given the escalating complexity of cloud infrastructure and the shifting of workloads to the cloud, effective monitoring of both infrastructure and applications is becoming increasingly vital. Dynatrace's Moreover, its partner program subscription service is anticipated to foster wider adoption of its products.

DoubleVerify Holdings, Inc. (DV) is a top provider of verification, fraud prevention, and brand suitability services for digital advertisers. DV has seen substantial growth given the ongoing transition from traditional to digital advertising and the rising instances of digital ad fraud. We believe that DV's platform-agnostic approach positions it to capitalize on emerging channels like connected TV and retail media, bolstering its prospects for success.

Sold

Diodes, Inc. (DIOD) is a leading global manufacturer and supplier specializing in high-quality application-specific standard products across various semiconductor markets. DIOD operates primarily as a commoditized semiconductor component company with a significant portion of internal manufacturing. This structure can result in larger fluctuations in gross margin during cyclical downturns, as observed in the current environment. DIOD also has a high level of exposure to industrial and automotive end-markets, both of which are experiencing intensified inventory corrections rather than signs of improvement.

Sun Communities, Inc. (SUI) operates as a real estate company focused on acquiring, operating, and developing manufactured housing and recreational vehicle communities. The company's venture into the UK market through the acquisition of Park Holidays in 2022 proved to be ill-timed and poorly executed. Lower-than-expected home sales volume and profitability in the UK, combined with the variable rate debt to fund the acquisition, is exerting pressure on the company's core Funds from Operations (FFO) growth trajectory.

BJ's Wholesale Club Holdings, Inc. (BJ) operates as a membership-only warehouse club chain. While experiencing robust growth in memberships and higher store foot traffic, the company has faced challenges due to broader economic conditions. Comparative sales have been sluggish in recent quarters and are anticipated to remain subdued in the near future.

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 were three purchases and three sales during the quarter, and this is reflective of this philosophy. These combined transactions essentially increased the Portfolio's Information Technology weighting while reducing its Real Estate weighting.

Outlook

The financial markets face a myriad of challenges this election year, but currently economic growth is not one of them. Each challenge, such as war, can have expansive socio-economic consequences. Each must be given its due but the path of the domestic markets this year likely hinges on the course of interest rates and the inflation level.

We believe that caution regarding interest rates is warranted. The Fed, through its Open Market Committee, controls short-term interest rates and regularly forecasts its economic outlook and anticipated interest rate moves. The Fed has indicated it will lower short term rates this summer. This is welcome as lower rates promote investment and can bolster stock market valuation. Stock market action over the last five months, however, suggests the anticipated rate cut is already embedded in stock prices.

Investors appear to be anticipating lower longer-term rates, akin to rates experienced in the 2010's when monetary policy was dominated by "lower for longer" type mandates. This is misguided, in our view. The Fed does not control longer term rates, which are impacted by a host of economic factors including the cumulative federal deficit and more immediate issues such as inflation.

Regarding the deficit, U. S. Treasury Secretary Janet Yellen, representing the administration, recently suggested that ten-year Treasury interest rates are likely to remain near current levels for the next decade. Today, this interest rate is about 4.2%, far higher than the rate experienced during the 2010's. This is partly attributed to the Congressional Budget Office's recent forecast for federal debt to skyrocket over the next few years.

Information is as of 3/31/2024

Inflation, unlike federal spending and deficits, is a political priority with current implications for investors and the electorate. The alarming 9% inflation rate from 2022 is history, but the descent to the desired 2% rate has paused. Much blame has been attributed to the costs of housing, a large component of the Consumer Price Index, that is expected to abate over time. But many commodity prices have also started to rise. Most importantly, crude oil and gasoline are both up double digits.

Election years, even ones during expansions, generally bring stock market volatility. With stocks elevated, the path for interest rates holds significant implications for 2024. We anticipate that longer term interest rates will remain volatile but generally around current levels. For stocks, companies with the ability to maintain earnings growth with waning pricing power should fare better. Stock market participation should broaden from the large tech players as they are facing both regulatory actions and more competitive threats.

Congress Asset Management Co.
Mid Cap Growth Composite
1/1/2013 - 12/31/2022

Year	Total Return Gross of Fees%	Total Return Net of Fees%	Russell Mid Cap Growth Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell Mid Cap 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	-26.7	-27.0	-26.7	23.0	24.5	758	0.81	2,307	10,083	6,799	16,882
2021	30.6	30.0	12.7	18.3	20.2	719	0.41	3,243	12,778	8,018	20,796
2020	32.0	31.4	35.6	19.8	21.5	629	1.14	2,729	10,746	5,523	16,269
2019	35.8	35.2	35.5	12.8	13.9	558	0.49	954	8,445	4,083	12,528
2018	-3.5	-3.9	-4.8	12.2	12.8	506	0.45	850	7,102	3,132	10,234
2017	17.7	17.2	25.3	10.8	10.9	447	0.65	763	7,272	3,274	10,546
2016	13.9	13.3	7.3	12.0	12.2	105	0.54	431	5,693	2,445	8,139
2015	1.9	1.4	-0.2	11.4	11.3	50	0.42	221	5,941	1,153	7,094
2014	13.0	12.4	11.9	10.8	10.9	41	0.51	145	6,328	1,121	7,449
2013	37.9	37.3	35.7	13.2	14.6	35	0.38	84	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 – 12/31/22. 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 Mid Cap Growth Composite has had a performance examination for the periods 10/1/99 – 12/31/22. 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 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 Mid Cap Growth Composite is October 1, 1999, which reflects the first full month in which 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 mid cap growth style for a minimum of one full month. The mid cap growth strategy invests in the equity of high-quality companies with market capitalizations between $800 million and $15 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 $500 thousand (US dollars). Prior to September 1, 2005, the composite did not include private client accounts or accounts with less than $1 million. The primary composite benchmark is the Russell Midcap Growth Index. The benchmark returns are not covered by the report of independent verifiers. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The % of the composite represented by non-fee paying accounts at annual period end was 100% 1999-2001, 36% in 2002, 20% in 2003, 15% in 2004, 13% in 2005, 22% in 2006 and 18% in 2007. 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. Prior to 2007 net of fees returns were calculated by reducing gross returns by 1/4th of the highest management fee in the Mid Cap Growth Composite, which was 1.00%, applied quarterly. Effective January 1, 2007, 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.

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 Mid Cap Growth Fund Institutional Shares is 0.60% and 0.79%, respectively. The management fee schedule and expense ratio for the Mid Cap Growth Fund Retail Shares is 0.60% and 1.04%, respectively. The management fee schedule for the Mid Cap Growth Collective Investment Trust is 0.68%.

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.

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