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.

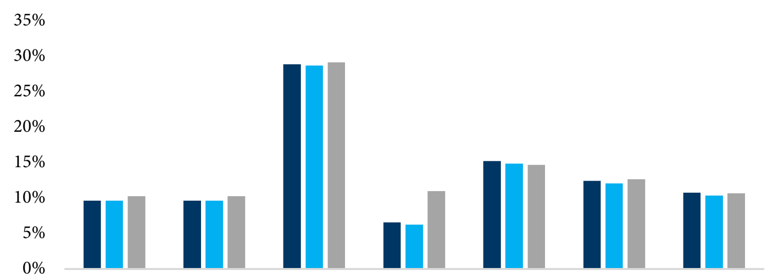
The increasing acceptance of a sustained U.S. expansion is built on three pillars: a strong employment scenario; sound private sector financial metrics; and continued fiscal spending. At the same time, the rampant inflation of 2022-2023 appears to have eased, though the cumulative effects remain, with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

Performance Overview

The Congress Multi-Cap Growth Portfolio (the Portfolio) returned 9.7% (gross of fees) and 9.6% (net of fees) during the quarter, while the S&P 1500 Index ("the Index") returned 10.3%.

The stocks that contributed most to quarterly performance were NVIDIA Corporation, Onto Innovation, Inc., Martin Marietta Materials, Inc., Arista Networks, Inc., and Tractor Supply Company. The stocks that detracted most were Lululemon Athletica, Inc., Zoetis, Inc., Apple, Inc., Air Products and Chemicals, Inc., and NIKE, Inc.

Average Annualized Performance % - as of 3/31/2024



	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception 7/1/2003
Multi-Cap Growth Composite (Gross)	9.7	9.7	28.9	6.6	15.3	12.5	10.8
Multi-Cap Growth Composite (Net)	9.6	9.6	28.7	6.3	14.9	12.1	10.4
S&P 1500	10.3	10.3	29.2	11.0	14.7	12.7	10.7

Performance is preliminary and subject to change at any time.

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.

First Quarter 2024 Highlights

Top 5 Contributors/Detractors

Stock	Avg. Weight%
NVIDIA Corporation	3.21
Onto Innovation, Inc.	3.76
Martin Marietta Materials, Inc.	2.59
Arista Networks, Inc.	2.47
Tractor Supply Company	2.17

NVIDIA Corporation (NVDA) is a pioneer in accelerated computing, dedicated to tackling the most complex computational challenges. NVDA has experienced remarkable demand for its Graphics Processing Units, particularly in artificial intelligence applications, which helped deliver accelerating growth in the 4th quarter.

Onto Innovation, Inc. (ONTO) provides semiconductor fabrication equipment, including process control, metrology, and lithography systems, as well as software used by semiconductor wafer and advanced packaging device manufacturers. ONTO's advanced packaging business continues to see a significant tailwind from AI, with rapid order growth for its technology used in the production of AI-related chips.

Martin Marietta Materials, Inc. (MLM) is a leading supplier of building materials, offering aggregates, cement, ready-mixed concrete, and asphalt. MLM reported strong 4th quarter 2023 results, fueled by continued pricing power and decreasing raw material costs, resulting in significant margin expansion and earnings growth.

Arista Networks, Inc. (ANET) specializes in cloud networking solutions, providing switching and routing platforms and related network applications. ANET delivered solid earnings, sustaining momentum particularly in the Enterprise sector. This contrasts with challenges faced by competitors, suggesting potential market share gains. ANET also reiterated expectations for the gradual transition of back-end data center networking to Ethernet over time, displacing Nvidia's InfiniBand.

Tractor Supply Company (TSCO) is the largest rural lifestyle retailer in the U.S., catering to the needs of recreational farmers and ranchers. TSCO shares responded positively to better-than-expected margin performance in the latest reported quarter. Commentary on strong quarter-to-date results, with weather headwinds starting to normalize, bolstered the shares.

Bottom 5 Contributors/Detractors

Stock	Avg. Weight%
Lululemon Athletica, Inc.	2.46
Zoetis, Inc.	2.13
Apple, Inc.	2.52
Air Products and Chemicals, Inc.	1.82
NIKE, Inc.	1.54

Lululemon Athletica, Inc. (LULU) manufactures and sells athletic apparel. LULU shares fell substantially late in the quarter after the company provided initial 2024 guidance that was well below expectations. Management noted a deceleration in growth in the US, their largest segment, which raised macro and competitive concerns for the company.

Zoetis, Inc. (ZTS) is the world's largest producer of medicine and vaccinations for pets and livestock. ZTS earns most of its revenue from production animals (cattle, pigs, poultry, etc.) but also sells companion animal products (i.e., dogs, horses, cats). Zoetis reported 4th quarter earnings that missed estimates and experienced a slowdown of organic growth in its Companion Animal business. ZTS also experienced a 28% decline in its business in China in the quarter.

Apple, Inc. (AAPL) is the world's largest information technology company. AAPL reported a relatively in line fiscal 1st quarter 2024, but concerns have emerged regarding slowing iPhone growth, restrictions in China, and a recently announced Department of Justice lawsuit.

Air Products and Chemicals, Inc. (APD) is the world's largest supplier of hydrogen and has built positions in growth markets such as helium and natural gas liquefaction. APD sold off after reporting disappointing fiscal 1st quarter 2024 results and then lowered fiscal 2024 guidance. The primary driver of weakness in the quarter, which is expected to persist for the balance of the fiscal year, was lower global demand for APD's core industrial gases.

NIKE, Inc. (NKE) is the world's leading designer, marketer, and distributor of athletic footwear, apparel, equipment, and accessories for various sports and fitness activities. NKE's shares faced pressure following a disappointing revenue outlook for the first half of fiscal year 2025, marked by a low-single digit percentage decline. A shift in product strategy also raised near-term concerns.

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, sectorweightings 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 contributions of every holding in the strategy's representative account, which we believe reflects the Congress Multi-Cap Growth's Composite 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	Purchased	Sold
• None	• None	• None

Purchased

None

Sold

None

Positioning

Investments are predicated on a company's future prospects rather than economic or market cycles. We seek companies with strong fundamentals and emphasize earnings growth consistency, free cash flow, and solid balance sheet metrics.

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.

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. Multi-Cap Growth Composite 1/1/2013 - 12/31/2022

Year	Total Return Gross of Fees %	Total Return Net of Fees %	S&P Composite 1500 Return % (MULTI-CAPs reinvested)	S&P 500 Return % (MULTI-CAPs reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	S&P Composite 1500 3-Yr annualized ex-post St Dev (%)	S&P 500 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	-27.5	-27.7	-17.8	-29.0	24.2	21.1	23.4	32	0.45	287	10,083	6,799	16,882
2021	22.6	22.1	28.5	28.7	19.2	17.5	17.2	34	0.64	403	12,778	8,018	20,796
2020	39.6	39.1	17.9	18.4	20.7	18.9	18.5	30	0.81	324	10,746	5,523	16,269
2019	33.4	32.9	30.9	31.5	13.4	12.1	11.9	27	0.80	242	8,445	4,083	12,528
2018	-3.4	-3.8	-5.0	-4.4	12.4	11.0	10.8	23	0.32	187	7,102	3,132	10,234
2017	25.4	24.9	21.1	21.8	10.3	9.9	9.9	23	0.51	215	7,272	3,274	10,546
2016	0.5	0.1	13.0	12.0	11.4	10.7	10.6	6	n/a	131	5,693	2,445	8,139
2015	2.7	2.3	1.0	1.4	10.8	10.5	10.5	≤5	n/a	135	5,941	1,153	7,094
2014	7.0	6.6	13.1	13.7	10.4	9.1	9.0	≤5	n/a	134	6,328	1,121	7,449
2013	31.2	30.7	32.8	32.4	12.6	12.2	11.9	≤5	n/a	127	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. 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 Multi-Cap Growth Composite is July 1, 2003, 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 multi cap growth style for a minimum of one full month. The multi-cap growth strategy invests in the equity of high quality companies with market capitalizations over $500 million 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). The primary composite benchmark is the S&P Composite 1500 Index, and the S&P 500 Index is a supplemental index. Effective April 1, 2021, the Multi-Cap Growth Composite benchmark was changed retroactively from the Russell 3000 Growth Index to the S&P Composite 1500 Index in order to better represent the investable universe. 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 1% in 2008. 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 Multi-Cap Growth Composite, which was 0.63%, applied quarterly. Effective January 1, 2007, net of fees returns are calculated using actual management fees. The composite results portrayed reflect the reinvestment of MULTI-CAPs, 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.

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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