CONGRESS
ASSET MANAGEMENT COMPANY

Small Cap Value Portfolio

Commentary | 2Q26 | Managed Accounts

Highlights

- **The Congress Small Cap Value Portfolio ("the Portfolio") returned 17.8% (net of fees) vs 17.2% for the Russell 2000 Value Index ("the Index"). Outperformance was driven by stock selection, specifically within Industrials.**
- **Despite recent strong performance, small cap value stocks remain relatively cheap: the Russell 2000 Value Index trades at 1.9x price/book, compared with 14.9x for the Russell 1000 Growth Index—87% lower.**
- **We take an all-weather approach and aim to be market and sector neutral to the Index, which we believe can create a more consistent return profile that allows our clients to maintain a strategic allocation to the asset class.**
- **Since inception, the Portfolio outperformed the Index in 76% of monthly 1-year rolling periods by an average of 461 bps (67% of periods by an average 408 bps net of fees).**
- **The Portfolio has a 102% up capture and 91% down capture (gross of fees*) and has compounded capital 6.1x vs 4.8x for the Index, net of fees, since inception.**

Portfolio Review

- The Index delivered its strongest return since Q1 2021, as equity markets advanced despite uncertainty and volatility, supported by optimism around accelerating AI adoption. In this environment, the Portfolio's focus on quality and sector neutrality was shown to be beneficial. The Portfolio outperformed for the quarter, participating in April's gains and outperforming in both May and June. During earnings season, 78 of our 85 holdings met or exceeded earnings estimates, reinforcing our emphasis on bottom-up security selection.
- Industrials were the largest contributor to relative performance, with our holdings rising 42% and outperforming the Index's holdings by nearly 2,100 bps. MYR Group and IES Holdings, both electrical infrastructure contractors, gained on strong construction activity tied to data center demand. We sold IES during the quarter due to market capitalization considerations and our focus on style and sector neutrality. Powell Industries also contributed, benefiting from exposure to AI, electrification, and utility infrastructure. In Health Care, Relay Therapeutics, a precision medicine company, advanced after a positive readout from its Phase 2 ReInspire trial.
- Consumer Discretionary was the largest relative detractor. Patrick Industries and LCI Industries, major participants in the RV market, declined amid uncertainty surrounding a failed-then-revived merger between the two companies. Group 1 Automotive, a leading automotive retailer, also detracted as auto demand came under broad pressure. In Materials, Century Aluminum weighed on relative results after aluminum prices declined following a run-up.

Outlook

- Looking ahead, we expect equity market uncertainty to persist and remain focused on companies with solid balance sheets and cash flows that may better withstand a volatile economic backdrop. In less innovative sectors such as Financials and Energy, we are seeking companies positioned to navigate interest rate and commodity price volatility. In more innovative sectors such as Health Care and Information Technology, we are focused on companies that can fund new product development and sustain competitive differentiators.
- Despite outperformance this year, Value remains inexpensive relative to Growth. The Russell 2000 Value's price-to-book premium versus the Russell 2000 Growth is 13% below its long-term average and roughly 50% below the Russell 1000 Growth.
- We believe the Portfolio is well positioned to benefit from sustainable trends and maintains exposure to areas of the economy with potentially durable, long-term growth drivers.
  - We maintain exposure to AI-related capex and data center buildout through Alpha & Omega Semiconductor and Powell Industries.
  - In Financials, we hold banks including UMB Financial and Atlantic Union BankShares, as well as fintech exposure through The Bancorp, which we believe could benefit from several fundamental tailwinds.
  - In Health Care, we have exposure to the recovering biotech industry through Tango Therapeutics and Relay Therapeutics.
  - In Consumer Staples, we maintain exposure to potentially resilient consumer demand through Cal-Maine Foods.
- The June Russell rebalance also changed the Russell 2000 Value Index. The new Index is approximately 18% smaller by weighted average market capitalization, with Technology declining by 5% and Financials, led by Banks, increasing by 4%. We remain aligned with the Index from a sector perspective while emphasizing high-quality companies with strong fundamentals where, in our view, the stock price differs from the intrinsic value of the business.

Average Annualized Performance (%) as of 6/30/2026

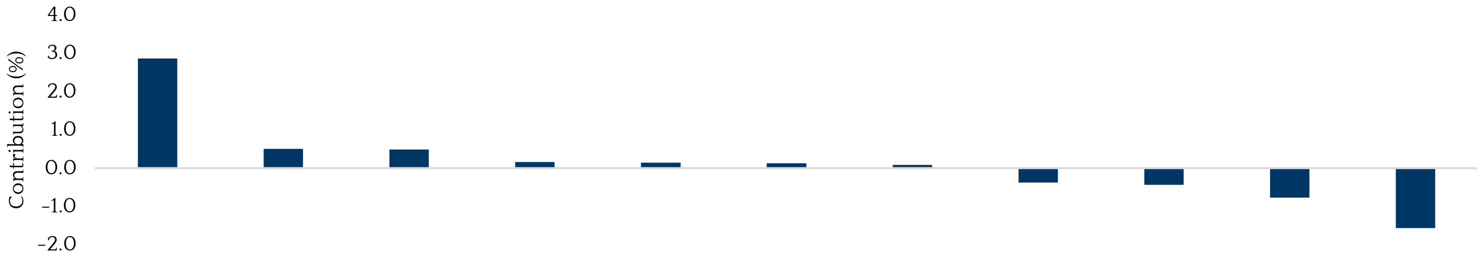
	QTD	YTD	1 Yr	3 Yrs	5Yrs	10 Yrs	Since Inception (11/1/2010)
Small Cap Value Composite (Gross)	18.1	27.1	44.2	23.9	12.5	13.5	13.4
Small Cap Value Composite (Net)	17.8	26.5	42.8	22.7	11.5	12.4	12.3
Russell 2000 Value®	17.2	23.0	43.0	18.7	8.2	10.9	10.5

Past performance does not guarantee future results

*Characteristics are gross of fees and are computed without the deduction of fees and expenses. Performance prior to September 15, 2017 was achieved by Century Capital Management.

% Total Effect Composite vs. Index*

3/31/2026 - 6/30/2026



	Industrials	Health Care	Financials	Info Tech	Energy	Real Estate	Con Staples	Utilities	Comm Svcs	Materials	Cons Disc
Allocation Effect	0.11	-0.17	-0.04	-0.44	0.44	0.02	-0.08	-0.23	0.06	0.03	0.06
Selection Effect	2.76	0.68	0.53	0.60	-0.29	0.11	0.17	-0.14	-0.49	-0.81	-1.62
Total Effect	2.87	0.51	0.49	0.16	0.15	0.13	0.09	-0.37	-0.43	-0.77	-1.56

*Characteristics are gross of fees and are computed without the deduction of fees and expenses.

Top 5 Contributors/Detractors

Stock	Avg. Weight%
ACM Research, Inc.	3.09
MYR Group, Inc.	4.04
DigitalOcean Holdings, Inc.	1.01
IES Holdings, Inc.	2.21
Virtu Financial, Inc.	3.05

Bottom 5 Contributors/Detractors

Stock	Avg. Weight%
Huron Consulting Group, Inc.	1.44
Patrick Industries, Inc.	2.04
Century Aluminum Co.	2.03
Everforth, Inc.	0.25
RPC, Inc.	1.41

ACM Research, Inc. (ACMR) provides semiconductor manufacturing equipment, with a strong focus on cleaning, plating, and other process technologies serving the global semiconductor industry. Semiconductor capital equipment companies benefited from growing investor appreciation for the scale of global semiconductor fabrication investment. ACM Research's significant exposure to China's domestic semiconductor expansion continued to support the shares as investment in advanced manufacturing capacity remained robust.

MYR Group, Inc. (MYRG) is an electrical infrastructure contractor that provides transmission and distribution services for utilities, as well as commercial and industrial electrical construction across end markets including data centers, transportation, healthcare, and industrial facilities. The The company reported 20% revenue growth, record EBITDA and backlog, and significantly improved margins in both its utility and commercial businesses, prompting management to raise its 2026 revenue and margin outlook. MYRG also announced the acquisition of Valley Holdings, which expands its commercial electrical capabilities and strengthens its presence in western U.S. markets.

DigitalOcean Holdings, Inc. (DOCN) provides cloud computing infrastructure and managed services for developers, startups, and small and medium-sized businesses. DOCN posted strong quarterly results and management's decided to raise its fiscal 2027 revenue growth target to approximately 50% from 30%, supported by additional data center capacity expected to come online.

Huron Consulting Group, Inc. (HURN) is a professional services firm that helps clients improve operations and implement technology and digital transformation initiatives. Shares underperformed despite solid Q1 results, as investors focused on consulting-sector concerns around AI disruption, softer digital growth, and management's decision to maintain rather than raise full-year guidance despite a stronger-than-expected start to the year. While fundamentals remained healthy, with growth across all three business segments and historically high backlog, valuation multiples compressed amid uncertainty over AI's long-term impact on the consulting industry.

Patrick Industries, Inc. (PATK) supplies components to manufacturers and builders serving the RV, marine, powersports, and housing industries. Despite reporting earnings that exceeded expectations, shares declined after management cited softer-than-expected demand, as weaker consumer spending weighed on RV and manufactured housing shipments. PATK also lowered its 2026 outlook, reducing its operating margin expectations and highlighting continued pressure across several end markets. Despite these near-term headwinds, we believe Patrick's diversified product portfolio and disciplined acquisition strategy position the company to potentially benefit if demand recovers.

Century Aluminum Co. (CENX) is a U.S.-based aluminum producer. Investors questioned the quality of recent earnings, which benefited from several non-recurring items rather than improvements in the underlying business. Weaker-than-expected results also tempered confidence in the company's operational recovery, despite continued progress on its longer-term strategic initiatives.

Information is as of 6/30/2026. Sources: Congress Asset Management and Bloomberg. 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. The reader should not assume that investment decisions identified and discussed were or will be profitable. 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.

Portfolio Activity

Purchases	Sector	Sales	Sector
Alpha and Omega Semiconductor Ltd.	Information Technology	DigitalOcean Holdings, Inc.	Information Technology
Central Pacific Financial Corp.	Financials	Everforth, Inc.	Information Technology
DXP Enterprises, Inc.	Industrials	Hecla Mining Company	Materials
IDEAYA Biosciences, Inc.	Health Care	IES Holdings, Inc.	Industrials
Klaviyo, Inc.	Information Technology	Inspire Medical Systems, Inc.	Health Care
Old Second Bancorp, Inc.	Financials	Modine Manufacturing Company	Industrials
		Moog, Inc.	Industrials
		Praxis Precision Medicines, Inc.	Health Care

Alpha and Omega Semiconductor Ltd. (AOSL) manufactures power semiconductors used in computing, data center, and other power conversion applications. In our view, the company's existing customer relationships and established position in data center power conversion could provide an attractive opportunity to benefit from the adoption of next-generation AI power architectures.

Central Pacific Financial Corp. (CPF) is a bank providing retail and commercial banking, mortgage lending, and Small Business Administration loans primarily in Hawaii. We believe the company's attractive exposure to Hawaii, low-cost core deposit base, and growth opportunities remain key attributes of the investment thesis.

DXP Enterprises, Inc. (DXPE) distributes maintenance, repair, and operations products while providing specialized equipment and services to customers across a broad range of industrial markets, including energy, manufacturing, food and beverage, chemicals, and transportation. The company has consistently demonstrated a disciplined approach to capital allocation, using its strong cash flow to acquire smaller competitors in the highly fragmented industrial distribution market. This strategy has expanded DXP's geographic footprint and capabilities while supporting its growing presence in higher-value engineered pump systems, which we believe should contribute to improved earnings growth over time. The purchase also helped align the Portfolio's sector exposure with the reconstituted benchmark.

IDEAYA Biosciences, Inc. (IDYA) is a biotechnology company focused on developing novel cancer therapies. We believe the company's lead drug candidate has the potential to become the standard of care for a subtype of melanoma. Its broader pipeline may also provide opportunities to address multiple other types of cancer.

Klaviyo, Inc. (KVYO) provides a marketing automation platform tailored for e-commerce businesses, enabling data-driven, personalized customer engagement. The company continues to expand into the enterprise market, grow its international presence, and introduce new products that broaden its platform capabilities. Klaviyo's sticky revenue model should allow the company to grow alongside its customers.

Old Second Bancorp, Inc. (OSBC) is a community bank providing commercial and retail banking, trust, and wealth management services. The company has offered an attractive combination of acquisition synergies, healthy net interest margins, and capital returns through share repurchases, which could support improved financial performance and valuation over time.

DigitalOcean Holdings, Inc. (DOCN) provides cloud computing infrastructure and managed services designed to help developers, startups, and small and medium-sized businesses build, deploy, and scale applications easily and affordably. We sold the position because its market capitalization exceeded the strategy's guidelines.

Everforth, Inc. (EFOR) helps corporate enterprises and government organizations develop, implement, and operate critical IT and business solutions through its professional staffing and IT services. The position was sold due to structural headwinds affecting its core business, a recent acquisition that significantly increased leverage, and concerns about the company's ability to achieve its long-term targets.

Hecla Mining Company (HL) is a North America-focused precious metals miner with core silver and gold exposure in attractive mining jurisdictions. We sold the position after the company fell out of the Portfolio's benchmark following the annual rebalance. In addition, a recent gold asset divestiture increased its exposure to silver, shifting its commodity mix away from our preferred greater emphasis on gold.

IES Holdings, Inc. (IESC) designs and installs integrated electrical and technology systems across the communications, residential, infrastructure, and commercial and industrial markets. The company has benefited from strong construction activity in data centers. Despite these favorable fundamentals, we sold the position to keep the Portfolio aligned with its market capitalization and sector allocation guidelines.

Inspire Medical Systems, Inc. (INSP) manufactures an implantable neurostimulation system for the treatment of obstructive sleep apnea. The company's most recent quarterly results were disappointing, with management lowering its 2026 guidance. In addition, coding and reimbursement challenges are expected to negatively affect future results.

Modine Manufacturing Co. (MOD) develops and produces highly engineered thermal management solutions for commercial, industrial, and vehicular applications. In recent years, Modine's business simplification initiatives have improved profitability and cash flow while refocusing the company on leadership positions in niche cooling markets. Despite these positive developments, we sold the position following the benchmark reconstitution to maintain the Portfolio's market capitalization and sector allocation parameters.

Moog, Inc. (MOG/A) is an aerospace, defense, and industrial technology company that designs and manufactures precision motion and fluid control systems for aircraft, space, defense, and industrial applications. We continue to view Moog as a high-quality business with attractive end-market exposure, durable engineering capabilities, and deep customer relationships. However, we exited the position to maintain the Portfolio's market capitalization parameters.

Specific investments mentioned should not be considered recommendations. The reader should not assume that investment decisions identified and discussed were or will be profitable.

Praxis Precision Medicines, Inc. (PRAX) is a clinical-stage biopharmaceutical company developing therapies for central nervous system disorders. We exited the position following the stock's reclassification from the Russell 2000 Value Index to the Russell 2000 Growth Index as part of the Russell semi-annual benchmark reconstitution.

Congress Asset Management Co. Small Cap Value Composite 1/1/2016 - 12/31/2025

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Russell 2000 Value Return % (dividends reinvested)	Composite Gross 3-Yr annualized ex-post St Dev (%)	Russell 2000 Value 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)
2025	13.1	12.1	12.6	18.2	19.9	9	0.28	469	14,199	9,000	23,199
2024	15.5	14.4	8.1	21.9	23.4	10	0.08	468	14,207	9,471	23,678
2023	17.2	16.0	14.7	20.2	21.8	9	0.15	400	12,146	8,514	20,660
2022	-12.3	-13.1	-14.5	27.2	27.3	7	0.12	324	10,083	6,799	16,882
2021	33.4	32.2	28.3	25.7	25.0	6	n/a	367	12,778	8,018	20,796
2020	8.8	7.8	4.6	27.1	26.1	≤5	n/a	197	10,746	5,523	16,269
2019	26.2	25.1	22.4	16.5	15.7	≤5	n/a	185	8,445	4,083	12,528
2018	-15.5	-16.3	-12.9	15.7	15.8	≤5	n/a	235	7,102	3,132	10,234
2017	16.9	15.8	7.8	13.9	14.0	≤5	n/a	244	7,272	3,274	10,546
2016	18.4	17.2	31.7	15.4	15.7	≤5	n/a	283	n/a	n/a	n/a

#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 – 12/31/25. 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 Small Cap Value Composite was created on March 31, 2014 and the inception date is November 1, 2010. Performance prior to September 15, 2017, was generated by Century Capital Management, LLC. Performance prior to March 1, 2014 was generated before the Portfolio Manager became affiliated with Century Capital Management, LLC. The Portfolio Manager was the only individual responsible for selecting securities to buy and sell and the investment decision-making process remained intact. Accordingly, composite performance is linked to performance generated prior to March 1, 2014. Because CAM acquired certain strategies of Century Capital Management, LLC on September 15, 2017, Total Firm Assets are shown as n/a for periods prior to the acquisition date. All portability requirements with respect to GIPS have been met. The composite includes all fully discretionary portfolios with a value over $100 thousand (US dollars) managed in the small cap value style for a minimum of one full month. The small cap value strategy generally invests in the equity of companies with market capitalizations between $50 million and $5 billion or that are within the range of the Russell 2000 Value Index (at the time of purchase) that trade at a discount to intrinsic value or whose earnings growth is under appreciated by the street. Prior to October 1, 2017, there was no minimum value for inclusion. The composite contained proprietary non-fee-paying assets which represented 100% of total composite assets as of December 31, 2014 and 0.14% of composite assets as of December 31, 2015 and 0.17% as of December 31, 2016. The benchmark is the Russell 2000 Value 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. 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 January 1st, 2021, net of fees returns are calculated by reducing monthly gross returns by 1/12th of the maximum applicable annual management fee, which is 0.95%. Effective January 1st, 2021, net of fee returns are calculated on a daily basis by reducing the daily gross return by a daily equivalent of the highest stated management fee. For periods ended on or before March 31, 2011, the maximum applicable management fee was 1% on the first $50 million. For periods beginning after March 31, 2011, the maximum applicable management fee is 0.95% on the first $50 million of assets. 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 typically 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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The Russell 2000 Value Index measures the investment results of an index composed of small-capitalization U.S. equities that exhibit value characteristics. Indices are unmanaged, do not reflect fees and expenses and are not available for direct investment. Standard Deviation is a measure of the dispersion of a set of data from its mean. It is used by investors as a gauge for the amount of expected volatility. Price-to-Book Ratio ("P/B Ratio"): A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current price of the stock by the latest quarter's book value per share. Also known as the price-equity ratio.

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Forward-Looking Statements: Certain information contained herein constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events, results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. Nothing contained herein may be relied upon as a guarantee, promise, assurance or a representation as to the future.

Value Company Risk: The stocks of value companies can continue to be undervalued for long periods of time and not realize their expected value and can be more volatile than the market in general.

Small-Capitalization Investing Risk: The securities of small-capitalization companies may be more vulnerable to adverse issuer, market, political, or economic developments than securities of large- or mid-capitalization companies. The securities of small-capitalization companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than large- or mid-capitalization stocks or the stock market as a whole. There is typically less publicly available information concerning smaller-capitalization companies than for larger, more established companies.

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Equity Securities Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value. These fluctuations may cause a security to be worth less than its cost when originally purchased or less than it was worth at an earlier time.

Sector-Focus Risk: Investing a significant portion of the Strategy's assets in one sector of the market exposes the Strategy to greater market risk and potential monetary losses than if those assets were spread among various sectors.

General Market Risk: Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in the Strategy's portfolio may underperform in comparison to securities in the general financial markets, a particular financial market, or other asset classes due to a number of factors, including: inflation (or expectations for inflation); deflation (or expectations for deflation); interest rates; global demand for particular products or resources; natural disasters or events; pandemic diseases; terrorism; regulatory events; other governmental trade or market control programs and related geopolitical events. In addition, the value of the Strategy's investments may be negatively affected by the occurrence of global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics.

Foreign Investment Risk: Foreign securities involve increased risks due to political, social and economic developments abroad, as well as due to differences between U.S. and foreign regulatory practices. When the Strategy invests in ADRs as a substitute for an investment directly in the underlying foreign shares, the Strategy is exposed to the risk that the ADRs may not provide a return that corresponds precisely with that of the underlying foreign shares.

Management Risk: The Strategy is actively-managed and may not meet its investment objective based on the Advisor's success or failure to implement investment strategies for the Strategy.