

Balanced Portfolio

Commentary | 3Q25 | Managed Accounts

Highlights

- The Congress Balanced Portfolio (“the Portfolio”) returned 4.4% (net of fees) vs 5.4% for the 60% S&P 500/40% Bloomberg Int. Govt/Credit Index (“the Index”) in 3Q25. While the Portfolio’s fixed income allocation kept pace, our diversification guardrails within equities detracted as equity returns in the Index were heavily concentrated, with the S&P 500 outperforming the equal weight index by over 300bps.
- Both the equity and fixed income portions of the Index saw positive returns during the quarter. The S&P 500 set 23 new record highs during the quarter, benefiting from artificial intelligence (“AI”) tailwinds and continued US economic strength, while fixed income was aided by falling rates and tightening credit spreads. Correlations between stocks and bonds remain historically elevated but continued to trend lower during the quarter.
- The Portfolio had positive absolute returns in each month of the quarter. Within the equity sleeve, we benefited from our holdings in the Technology sector, notably those with exposure to AI and AI-related spending. Consumer Discretionary also contributed. This was partially offset by Health Care and Consumer Staples.
- Since inception in 1985, the Portfolio has provided 87% of the S&P 500 return (gross of fees) and 80% (net of fees) with only 67% of the volatility (gross of fees*).

Portfolio Review

- Market returns were broadly positive across market caps, fueled by continued AI-related spend, a resilient consumer, a growing US economy, and corporate earnings that exceeded expectations.
 - The Portfolio had positive absolute returns during the quarter but modestly trailed the Index in each month, largely on underperformance of the equity sleeve.
- The Portfolio benefited from several holdings across sectors. In Technology, Arista and NVIDIA saw strong quarterly results and benefited from continued AI and AI-related spend. In Consumer Discretionary, returns were aided by O'Reilly and TJX. O'Reilly reported continued market share gains and is helped by consumers keeping vehicles longer, and TJX reported stronger than expected earnings.
- Health Care was the largest detractor, particularly Intuitive Surgical due to concerns of growing competition and tariffs. Vertex also weighed on returns, as positive quarterly earnings were offset by disappointing trial results from a new pain medication. In Consumer Staples, Costco reported solid same store sales and earnings growth but valuation concerns weighed on the stock.
- Within the fixed income allocation, our overweight to corporate bonds, notably within Industrials and Financials, contributed as spreads tightened over the quarter. This was partially offset by our high-quality bias as lower-quality issues generally outperformed.
- Within equities, we added Amphenol, a leading designer and supplier of electrical connections that has exposure to AI-related spending as well as auto, defense, and industrials. We also purchased Palantir, a software platform that we believe is positioned as a leading AI vendor.
- In fixed income, we extended duration and picked up yield in our Treasury allocation.

Outlook

- We believe we are well-positioned and have exposure to areas of the economy with durable, long-term growth drivers.
 - We maintain our more direct AI exposure as well as “pick and shovels” holdings in Industrials (Eaton, Howmet), Technology (Dell, Arista, Amphenol), Materials (Martin Marietta), and Energy (Williams).
 - Within the Consumer sectors, we own companies that benefit from value-oriented spending (Costco, TJX) and consumers keeping vehicles longer (O'Reilly).
 - In Real Estate, we have exposure to higher-end senior living (Welltower), which we believe is bolstered by favorable demographics.
- While rates fell over the quarter, overall bond yields remain historically attractive, and high-quality bonds generally offer strong liquidity.
 - We believe normalizing stock and bond correlations should allow fixed income to offer a diversified return stream.
- Despite economic and political challenges, the US economy remains fundamentally strong, aided by a resilient consumer and continued AI spend and optimism.
- Our recommended allocation remains 60% equity and 40% fixed income.
 - We believe this allocation may provide upside should the US economy continue to grow while also potentially providing income and stability to weather volatility given growing downside risks.

Average Annualized Performance (%) as of 9/30/2025

	QTD	YTD	1 Yr	3 Yrs	5Yrs	10 Yrs	Since Inception (1/1/1985)
Balanced Composite (Gross)	4.5	11.5	12.9	19.0	10.4	11.7	10.4
Balanced Composite (Net)	4.4	11.2	12.6	18.4	9.9	11.2	9.6
Benchmark ¹	5.4	11.3	12.2	16.8	10.2	10.1	9.6

Past performance does not guarantee future results. ¹Blended Benchmark: 60% S&P500/40% Bloomberg US Intermediate Govt/Credit Index

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

Data is as of 9/30/2025. Sources throughout this presentation: Congress Asset Management, Bloomberg, 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 and sector weightings may vary by client. 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. Performance is preliminary and subject to change at any time. Specific investments described herein do not represent all investment decisions made by Congress Asset Management. The reader should not assume that investment decisions identified and discussed were or will be profitable.

Equity Sleeve

Top 5 Contributors/Detractors

Stock	Avg. Weight%
Arista Networks, Inc.	2.43
Alphabet, Inc.	2.08
NVIDIA Corporation	3.92
Apple, Inc.	1.97
Broadcom, Inc.	2.09

Arista Networks, Inc. (ANET) specializes in cloud networking solutions, providing high-performance switching and routing platforms alongside a suite of network applications. The company delivered strong quarterly results and raised its 2025 revenue growth outlook from 17% to 25%, driven by accelerating demand. Notably, Arista projected that AI-related networking revenue is expected to surpass \$1.5 billion for the year, highlighting its growing role in supporting next-generation infrastructure.

Alphabet, Inc. (GOOGL) is a global technology leader focused on how people connect with information. During the quarter, the company secured a favorable U.S. District Court ruling in the ongoing antitrust case related to its Search business. GOOGL also reported positive quarterly earnings, with accelerating growth across Search, YouTube, and Cloud. Additionally, GOOGL is increasingly viewed as a leader in artificial intelligence, driven by rising engagement with its AI-powered search features and a better-than-expected update on continued AI investments.

NVIDIA Corporation (NVDA) is a global leader in accelerated computing and AI GPUs, which power data centers, cloud platforms, and edge applications. During the quarter, the stock rose steadily as investor confidence strengthened around the durability of AI infrastructure spending and NVIDIA's dominant position as the leading provider of merchant AI accelerators. This was reinforced by growing adoption of its GB200 platform and increasing demand from hyperscale cloud providers.

Bottom 5 Contributors/Detractors

Stock	Avg. Weight%
Intuitive Surgical, Inc.	1.57
Chipotle Mexican Grill, Inc.	0.43
ServiceNow, Inc.	1.82
Netflix, Inc.	1.53
The Trade Desk, Inc.	0.38

Intuitive Surgical, Inc. (ISRG) is a leading provider of robotic surgery systems. Despite reporting robust procedure growth that exceeded expectations, the number of new system placements was slightly below expectations. This, along with concerns about increased international competition, has pressured the stock. However, we believe the company is a market leader and could continue to benefit from the growth of robotic surgery.

Chipotle Mexican Grill, Inc. (CMG) operates the largest fast-casual dining chain in the U.S. Over recent quarters CMG has exhibited weakening fundamentals, including negative same-store sales, lower average unit volumes, and declining new store productivity. We believe this suggests the company is transitioning from a high-growth phase to a more mature growth profile, likely justifying a lower valuation. The position was sold during the quarter.

ServiceNow, Inc. (NOW) delivers automated workflows that streamline repeatable tasks, helping customers save time, reduce costs, and enhance the client experience. We view ServiceNow as a market leader with expanding margins, strong competitive positioning, and accelerating innovation in AI. We believe this quarter's underperformance was not driven by any deterioration in NOW's business, rather, broader market concerns over enterprise IT spending and the widespread narrative that AI adoption will hurt traditional software vendors.

Fixed Income Sleeve

Sector allocation in Industrial and Financial corporate issues improved relative performance as spreads tightened over the quarter and corporates outperformed Treasuries. However, security selection in Financial and Industrial corporate issues weakened relative performance as higher quality issues underperformed.

Top 5 Contributors/Detractors

Issue

Intel Corp. 11/15/2029
Bristol-Myers Squibb Co. 2/22/2034
Goldman Sachs Group, Inc. 7/23/2030
Lockheed Martin Corp. 1/15/2033
US Treasury 8/15/2035

Bottom 5 Contributors/Detractors

Issue

Comcast Corp. 10/15/2028
Wells Fargo & Co. 7/25/2029
Rio Tinto Plc 3/14/2030
Pfizer, Inc. 5/19/2028
Bank of America Corp. 12/20/2028

Information is as of 9/30/2025. 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.

Transactions

Portfolio Activity

Purchases	Sector	Sales	Sector
Amphenol Corp.	Information Technology	Chipotle Mexican Grill, Inc.	Consumer Discretionary
Palantir Technologies, Inc.	Information Technology	The Trade Desk, Inc.	Communication Services

3Q 2025 Transaction Summary – Fixed Income Sleeve

- We sold US Treasury of 11/15/25 and bought US Treasury of 08/15/26 to extend duration and adjust key rate exposures.
- We sold US Treasury of 07/31/28 and bought US Treasury of 08/15/35 to extend duration, adjust key rate exposures, and increase yield.

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.

Definitions: [S&P500](#) is a market-capitalization weighted index, which measures price movements of the common stock of 500 large U.S. companies within leading industries. Indices are unmanaged, do not reflect fees and expenses and are not available for direct investment. [The Bloomberg US Intermediate Govt/Credit Index](#) tracks the performance of intermediate term U.S. government and corporate bonds. 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.

Congress Asset Management Co. Balanced Composite 1/1/2015 - 12/31/2024

Year	Total Return Gross of Fees%	Total Return Net of Fees%	60% S&P 500 40% BUIGCI Blend Return % (dividends reinvested)	CAM Recomm. Allocation %	Composite Gross 3-Yr St Dev (%)	60% S&P 500 40% BUIGCI Blend Return 3-Yr 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)
2024	16.2	15.7	15.9	60/40	13.2	11.7	20	0.95	22	14,207	9,471	23,678
2023	21.9	21.3	17.6	60/40	13.4	11.6	26	1.17	37	12,146	8,514	20,660
2022	-17.2	-17.6	-13.9	60/40	14.7	13.3	24	0.78	31	10,083	6,799	16,882
2021	17.5	17.0	15.9	65/35	11.0	10.4	34	1.10	50	12,778	8,018	20,796
2020	20.3	19.8	14.3	65/35	11.4	11.2	27	1.44	47	10,746	5,523	16,269
2019	24.5	23.9	21.3	65/35	7.6	7.1	26	1.66	44	8,445	4,083	12,528
2018	2.5	2.0	-2.0	65/35	7.0	6.3	21	0.67	32	7,102	3,132	10,234
2017	19.2	18.5	13.6	70/30	6.7	5.8	10	n/a	15	7,272	3,274	10,546
2016	4.7	4.0	8.1	70/30	7.3	6.3	6	n/a	7	5,693	2,445	8,139
2015	2.4	1.7	1.5	65/35	7.6	6.3	11	0.61	13	5,941	1,153	7,094

#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 – 12/31/24. 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 Balanced Composite was created on January 1, 1993, and the inception date of the composite is January 1, 1985, 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 \$500 thousand (US dollars) managed with the recommended asset allocation between large cap equities and fixed income set by the Investment Policy Committee for a minimum of one full month. The current recommendation is a 60/40 allocation and accounts with allocations falling within 15% of the recommendation are eligible for composite inclusion. Accounts with wrap commissions are excluded from the composite. Prior to September 1, 2005, the composite did not include taxable accounts, private client accounts, or accounts with less than \$1 million. For the Balanced Composite we present a custom benchmark, which is a 60/40 blend of the S&P 500 Index and Bloomberg US Intermediate Government / Credit Index. The custom benchmark is calculated by weighting the respective index returns on a daily basis. 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. Prior to January 1, 1993, the composite is not in compliance with GIPS.

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 Balanced 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 fixed income and 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.

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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.

Balanced Strategy Risks

Large Companies Risk: The securities of large-capitalization companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion. Large-capitalization companies may also be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes.

Mid-Capitalization Investing Risk: The securities of mid-capitalization companies may be more vulnerable to adverse issuer, market, political, or economic developments than securities of large-capitalization companies. The securities of mid-capitalization companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than large-capitalization stocks or the stock market as a whole.

Growth Style Investment Risk: Growth stocks may lose value or fall out of favor with investors. Growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks.

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.

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.

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.

Information Technology Sector Risk: The information technology sector can be significantly affected by rapid obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants, government regulation, and general economic conditions.

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.

Credit Risk: The risk that an issuer of a fixed income security will fail to make interest payments or repay principal when due, in whole or in part. Changes in an issuer's financial strength, the market's perception of an issuer's creditworthiness, or in a security's credit rating may affect a security's value. In addition, investments in sovereign debt involves a heightened risk that the issuer responsible for repayment of the debt may be unable or unwilling to pay interest and repay principal when due, and the Strategy may lack recourse against the issuer in the event of default. Investments in sovereign debt are also subject to the risk that the issuer will default independently of its sovereign. Below investment grade securities (high yield/junk bonds) have speculative characteristics, and changes in economic conditions or other circumstances are more likely to impair the ability of issuers of those securities to make principal and interest payments than is the case with issuers of investment grade securities.

Extension Risk: The risk that if interest rates rise, repayments of principal on certain debt securities, including, but not limited to, floating rate loans and mortgage-related securities, may occur at a slower rate than expected and the expected maturity of those securities could lengthen as a result. Securities that are subject to extension risk generally have a greater potential for loss when prevailing interest rates rise, which could cause their values to fall sharply.

Interest Rate Risk: The risk that debt instruments will change in value because of changes in interest rates. The value of an instrument with a longer duration (whether positive or negative) will be more sensitive to changes in interest rates than a similar instrument with a shorter duration. Bonds and other debt instruments typically have a positive duration. The value of a debt instrument with positive duration will generally decline if interest rates increase. Certain other investments, such as interest-only securities and certain derivative instruments, may have a negative duration. The value of instruments with a negative duration will generally decline if interest rates decrease. Inverse floaters, interest-only and principal-only securities are especially sensitive to interest rate changes, which can affect not only their prices but can also change the income flows and repayment assumptions about those investments.

Prepayment Risk: The risk that the issuer of a debt security, including floating rate loans and mortgage related securities, repays all or a portion of the principal prior to the security's maturity. In times of declining interest rates, there is a greater likelihood that the Strategy's higher yielding securities will be pre-paid with the Strategy being unable to reinvest the proceeds in an investment with as great a yield. Prepayments can therefore result in lower yields to shareholders of the Strategy.

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.

Municipal Securities Risk: Investing in various municipal securities may involve risk related to the ability of the municipalities to continue to meet their obligations for the payment of interest and principal when due. A number of municipalities have had significant financial problems recently, and these and other municipalities could, potentially, continue to experience significant financial problems resulting from lower tax revenues and/or decreased aid from state and local governments in the event of an economic downturn. This could decrease the Strategy's income or hurt the ability to preserve liquidity.

U.S. Government and Agency Issuer Risk: Treasury obligations may differ in their interest rates, maturities, times of issuance and other characteristics. Obligations of U.S. Government agencies and authorities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. Government. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so.

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.