BRIDGES | INVESTMENT MANAGEMENT

April 12, 2023

Bridges Investment Fund had a total return of 11.51% in the first quarter of 2023, versus a 7.50% total return for the S&P 500. For the twelve-month period ended March 31, 2023, the Fund had a total return of -13.56% versus a -7.73% total return for the S&P 500. For the three-year period ended March 31, 2023, the Fund had an average annual total return of +15.92% versus +18.60% for the S&P 500. For the five-year period ended March 31, 2023, the Fund had an average annual total return of +9.79% versus +11.19% for the S&P 500. For the ten-year period ended March 31, 2023, the Fund had an average annual total return of +10.97% versus +12.24% for the S&P 500.
The Fund's expense ratio is 0.68%.

Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance stated above. Performance data current to the most recent month end may be obtained by calling 866-934-4700.

After a very difficult 2022, U.S. equities posted positive returns in the first quarter of 2023, as interest rates and inflation moderated, combining to create a less hostile environment for stocks.

The quarter was notable for extreme volatility in the banking sector. Concerns in the banking sector stemmed from the growing mark to market losses on fixed income investments held on bank balance sheets. The losses were created by falling bond prices resulting from sharply higher interest rates in 2022.

Silicon Valley Bank, the 16th largest bank in the U.S., collapsed on March 9, after a massive one-day run on its deposits, and was closed by Federal regulators on March 10. It was the first true run on a U.S. bank since the 1930's.

The run on SVB's deposits was catalyzed by the bank's announcement that it was realizing some losses on bonds held on its balance sheet, and concomitantly raising additional balance sheet equity, which created the perception that the bank had a liquidity problem. Panic ensued, and several high-profile venture capitalists encouraged their investee companies to withdraw their deposits from SVB, which essentially sealed SVB's fate.

The Fund owned SVB. We made the decision to not sell into the panic surrounding SVB shares on March 9, based on our judgement that the bank had sufficient liquidity to withstand $10-15 billion of deposit withdrawals that day, and find either a source of equity capital or a merger partner. The actual deposit withdrawals on March 9 exceeded $40 billion (on a deposit base of $170 billion), a rate of deposit withdrawal that no bank could meet in one day.

Many banks continue to hold fixed income securities on their balance sheets at a loss. While that does create some "risk" to the financial system, we do not believe that risk to be systemic. Markets appear to have come to a similar conclusion: the S&P 500 is up about 6% since the SVB crisis.

While the loss in SVB was very painful, the rest of the Fund's portfolio performed well during the quarter; the Fund's total return during the quarter exceeded the S&P 500's return by almost 400 basis points.

While the first quarter returns for stocks were strong, we believe the U.S. equity market is likely to remain challenging during the remainder of 2023, as the Fed remains intent of curbing inflation (further interest rate hikes remain a possibility), and as higher interest rates and tighter credit policies combine to soften economic demand.

Equity valuations ended the first quarter higher than at year-end, reducing implied forward returns for equities and diminishing short-term upside potential, but which in our view remain attractive longer term. Equity valuations are well above levels that we would characterize as "compelling" in the short run, but valuations are reasonably attractive over a longer investment horizon assuming normalized corporate profit growth, and interest rates at or near current levels.

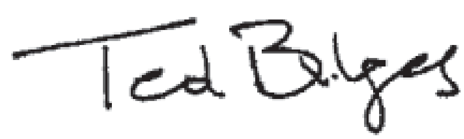
We are constructive on the longer-term outlook for the Fund's holdings. In the wake of the SVB meltdown, we re-assessed all of our holdings, specifically examining each company that we own for: 1) balance sheet quality, 2) liquidity, 3) trends in free cash flow, 4) valuation, and 5) our thesis for holding each business, especially in view of the likelihood of eroding economic conditions in the second half of 2023.

Our work re-affirmed our conviction around the financial strength, the durability of competitive advantage, and the long-term growth potential of the businesses that we own.

We believe that the Fund's holdings are well-positioned to grow shareholder value over the next three to five years, and we are confident that the Fund's returns will be satisfactory over the fullness of time.

We remain focused on identifying and owning superior businesses that have the potential to drive good returns, and we will continue to look for opportunities to use interim stock market volatility and stock price weakness to add to businesses that we believe offer the best combination of quality, business value growth potential, and attractive valuation characteristics.

We appreciate your support and your ongoing investment in the Fund.



Edson L. Bridges III
Chief Executive Officer and
Chairman of the Board

Must be preceded or accompanied by a Prospectus.

The opinions expressed herein are those of Edson L. Bridges III and are subject to change. They are not guarantees and should not be considered investment advice.

Fund holdings and sector allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Current and future portfolio holdings are subject to risk. For a complete list of Fund holdings, please click here and for the Top Ten Holdings List please click here.

The S&P 500 Index is a broadly based unmanaged composite of 500 stocks which is widely recognized as representative of price changes for the U.S. equity market in general. You cannot invest directly in a specific index.

Basis points refer to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument.

Cash Flows: The total amount of money being transferred into and out of a business, especially as it affects liquidity.

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base.

Mutual fund investing involves risk. Principal loss is possible. Small and medium capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.
The Fund invests in foreign securities which involve political, economic and currency risks, greater volatility and differences in accounting methods.

The Bridges Investment Fund is distributed by Quasar Distributors, LLC.