



NORTH GROWTH
MANAGEMENT



AUGUST 2023 MONTHLY REPORT

SEPTEMBER 10, 2023

Market and Fund Performance Update

Despite a late-month rally, equities suffered losses through the dog days of August. Given typically lower trading volumes, the market featured volatile swings in stock prices as participants digested corporate earnings reports for the second quarter of 2023. Worries over a slowdown in China's economy and potential further monetary tightening (i.e. the Fed maintaining interest rates "higher for longer") pressured market sentiment.

SECOND QUARTER EARNINGS

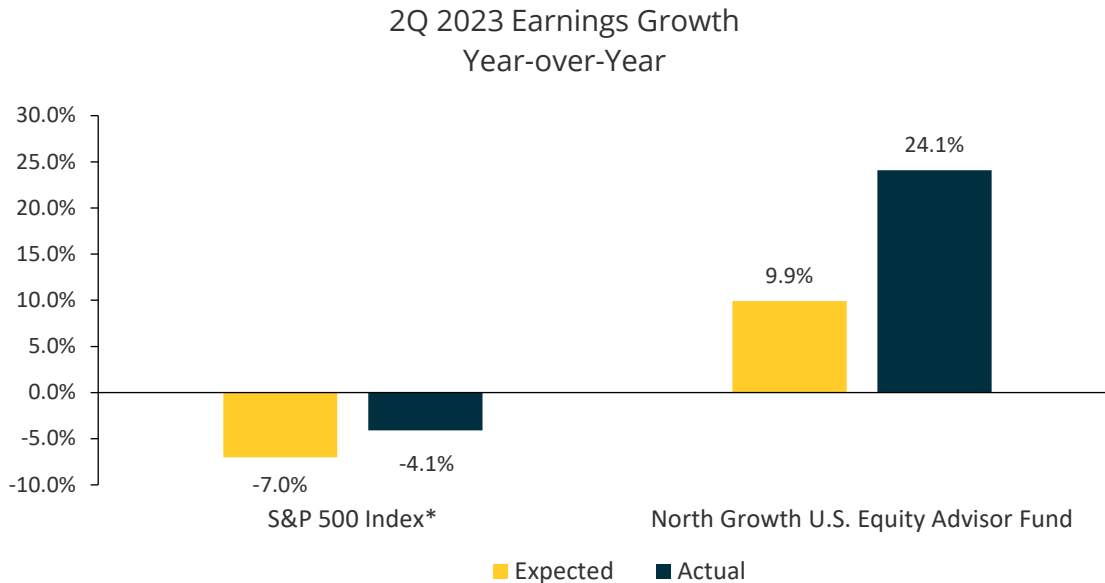
Corporate earnings for the S&P 500 during the March to June period declined for the third straight quarter. In aggregate, however, reported earnings generally came in better than expected and more importantly, due to the positive surprises in both revenues and profits, earnings estimates for the third and fourth quarters are being revised upward.

The North Growth U.S. Equity Advisor Fund delivered a strong quarter. With almost 95% of the portfolio having reported to date, earnings on a weighted-average basis expanded 24.1% over a year ago, beating estimates of 9.9% growth. Furthermore, 90% of the portfolio's earnings results so far have exceeded analysts' forecasts.

As of September 1st, with nearly all the companies in the S&P 500 having reported results, earnings during the quarter fell -4.1% year-over-year while sales grew 0.9%. According to FactSet, 79% of reporting companies posted positive earnings surprises. Eight of the index's eleven sectors reported year-over-year earnings growth, led by Consumer Discretionary and Communication Services. Conversely, three sectors reported a year-over-year decline in profits: Energy, Materials, and Health Care.

The Fund's earnings profile continues to be consistently solid and broad-based. Notably, as observed in the first quarter of 2023, without last year's outsized influence of Energy on the S&P 500's earnings, the Fund's profit performance in the second quarter again compares exceptionally favourably against that of the index.

The Fund's positive earnings results for the second quarter is illustrated by the following chart:



*Source for S&P 500 Index: FactSet Earnings Insight

OUR DISCIPLINE

Despite facing continued macroeconomic headwinds, the fundamentals of many businesses remain sound. The extreme bifurcation of the equity markets continues to offer compelling long-term investment opportunities as the valuations of numerous companies are attractive. We remain laser-focused on individual stock analysis that adheres to our “Growth at a Reasonable Price” philosophy. As always, we engage in active stock selection as opposed to macro-driven investment decisions.

U.S. EQUITY ADVISOR FUND, SERIES F

In August, the North Growth U.S. Equity Advisor Fund, Series F declined –2.2%. The Fund underperformed the S&P 500 which lost –1.6% and the NASDAQ Composite which was down –2.1%, but outperformed the S&P 400 MidCap and S&P 600 SmallCap indices which fell –2.9% and –4.1% respectively. A weakening of the Canadian currency against its U.S. counterpart last month boosted the Fund's return in Canadian dollars to 0.5% versus the S&P 500's 1.1% monthly return in Canadian dollars.

CANADIAN EQUITY FUND, SERIES F

August was another muted month for equities in Canada. Loss of momentum in the jobs market coupled with home sales dropping across the country for the first time in six months, sapped some of the positive sentiment the markets saw over June and July. The S&P/TSX Composite returned -1.4% with outperformance from Energy countering weakness in the Consumer Discretionary sector. The North Growth Canadian Equity Fund, Series F, which has no exposure to Energy and in which Consumer Discretionary stocks make up the second largest sector weight, underperformed the index with a return of -3.9%.

North Growth U.S. Equity Advisor Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED AUGUST 31, 2023

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	0.46	8.98	6.52	17.48
North Growth U.S. Equity Advisor Fund \$CDN (Series D)	0.44	8.90	6.45	17.35
S&P 500 in \$CDN	1.05	7.71	13.85	18.61
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	-2.16	9.56	7.13	17.59
North Growth U.S. Equity Advisor Fund \$U.S. (Series D)	-2.19	9.48	7.07	17.46
S&P 500 \$U.S.	-1.59	8.28	14.50	18.73

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED AUGUST 31, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM U.S. Equity Advisor Fund \$CDN (Series F)	22.88	8.33	9.43	13.68	13.42
NGM U.S. Equity Advisor Fund \$CDN (Series D)	22.53	8.01	9.10	13.31	12.99
S&P 500 \$CDN	19.66	11.89	11.92	15.67	15.13
NGM U.S. Equity Advisor Fund \$U.S. (Series F)	19.07	7.01	8.65	10.87	11.37
NGM U.S. Equity Advisor Fund \$U.S. (Series D)	18.73	6.69	8.32	10.50	10.96
S&P 500 \$U.S.	15.94	10.52	11.12	12.81	13.06

Source: Bloomberg "Total Return Analysis" as of August 31, 2023

*Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED AUGUST 31, 2023

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series F	-3.89	-1.96	-5.46	1.79
NGM Canadian Equity Fund Series D	-3.91	-2.03	-5.60	1.59
Benchmark**	-1.37	4.57	2.06	6.94

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED AUGUST 31, 2023

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
NGM Canadian Equity Fund Series F	5.02	11.08	8.77	9.80	11.69
NGM Canadian Equity Fund Series D	4.71	10.75	8.44	9.44	11.08
Benchmark**	8.49	10.36	7.80	8.05	8.41

Source: Bloomberg "Total Return Analysis" as of August 31, 2023

* The Benchmark Since Inception return is calculated from the Series F Date of Inception, June 15, 2012. The Series D Date of Inception is June 29, 2012

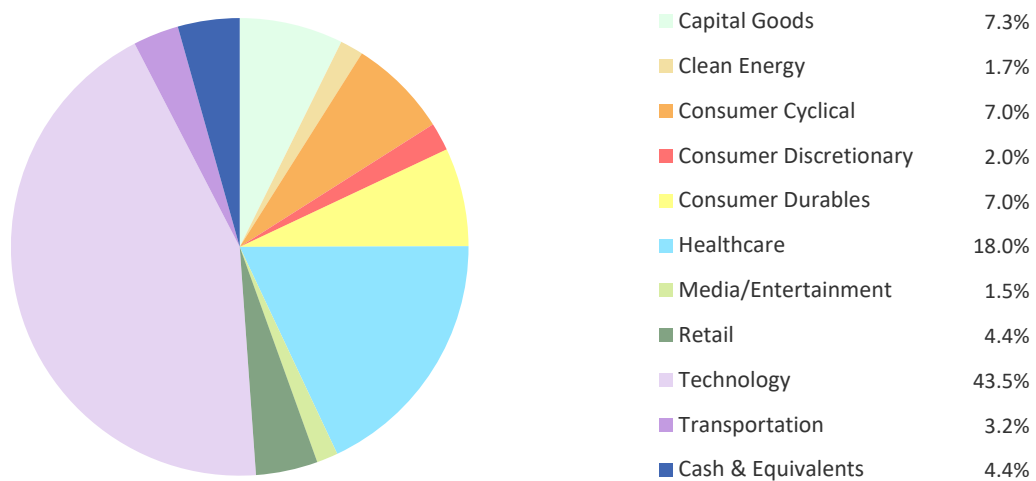
** Benchmark = S&P/TSX Composite Index

Equity Fund Holdings and Composition

U.S. EQUITY ADVISOR FUND — TOP 10 HOLDINGS AS AT AUGUST 31, 2023

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.96
2	Ciena Corp	5.31
3	Applied Materials Inc.	5.01
4	Horizon Therapeutics, plc.	3.67
5	Motorola Solutions Inc.	3.22
6	InMode Ltd.	3.02
7	Coherent Corp.	2.94
8	HP Inc.	2.86
9	Qualcomm Inc.	2.72
10	Global Payments Inc.	2.70
Top 10		39.41
Total Equities		95.64
Cash		4.36
Total Assets		100.00

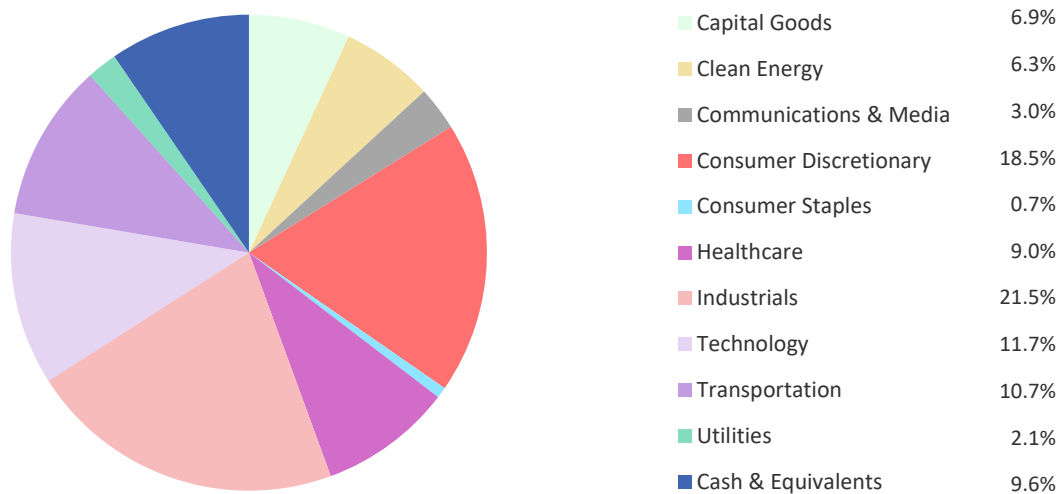
U.S. EQUITY ADVISOR FUND — SECTOR MIX AS AT AUGUST 31, 2023



CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT AUGUST 31, 2023

Ranking	Security	% of Net Assets
1	TFI International Inc.	8.85
2	ATS Corporation	6.88
3	Leon's Furniture Ltd.	5.89
4	CAE Inc.	5.71
5	Bombardier Inc., Class B	5.65
6	Calian Group Ltd.	5.47
7	Heroux-Devtek Inc.	4.68
8	Open Text Corporation	4.50
9	Canadian Solar Inc.	3.53
10	Aritzia Inc.	3.20
Top 10		54.36
Total Equities		90.43
Cash		9.57
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT AUGUST 31, 2023



Investing with Us

INVESTING WITH NORTH GROWTH MANAGEMENT:

North Growth Management is a focused firm. Our objective is to achieve consistent, superior, long term returns on our equity funds based on our “Growth at a Reasonable Price” investment philosophy.

FUND CODES

Canadian Equity Fund
(only Canadian dollar investments)

Series D reference Fund Code **NGM 272**
Series F reference Fund Code **NGM 270**

U.S. Equity Advisor Fund
(for investments in Canadian dollars)

Series D reference Fund Code **NGM 372**
Series F reference Fund Code **NGM 370**

U.S. Equity Advisor Fund
(for investments in U.S. dollars)

Series D reference Fund Code **NGM 373**
Series F reference Fund Code **NGM 371**

For any questions contact:

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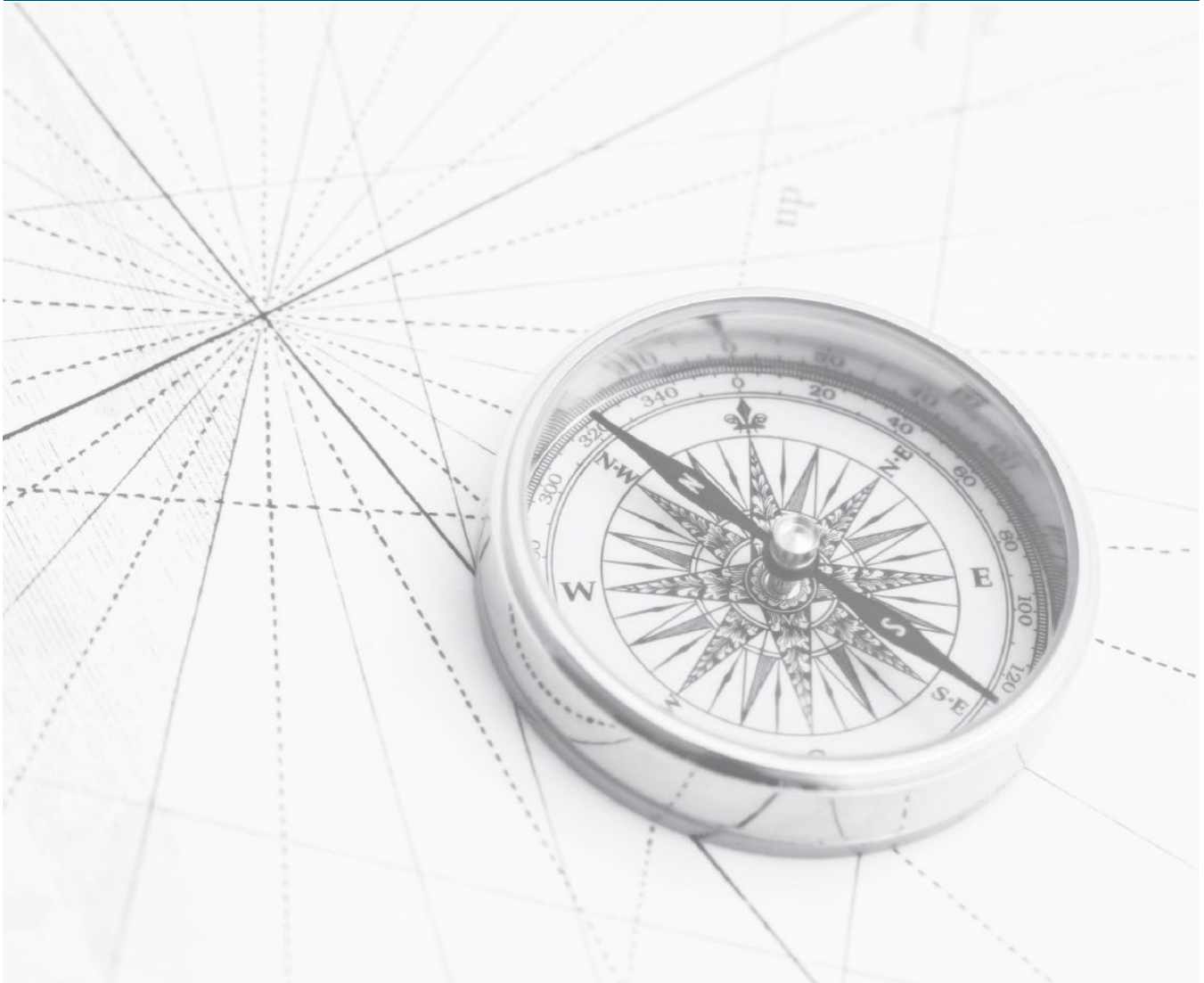
A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements are inherently subject to risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings and catastrophic events. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements. Any forward-looking information contained in this report is current only as of the date of this report.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.



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