



NORTH GROWTH
MANAGEMENT



DECEMBER 2024 MONTHLY REPORT

JANUARY 6, 2025

Market and Fund Performance Update

Against the backdrop of ongoing uncertainty in 2024, the S&P 500 rallied significantly with 57 record closes over the year. Following a gain of 26% in 2023, the index's closing of another blockbuster 25% in 2024 cemented its best consecutive years in a quarter-century since 1997 and 1998.

As the U.S. economy remained healthy while inflation retreated, the relentless climb in big tech stocks fueled by artificial intelligence (AI) continued. Collectively, the Magnificent Seven—Apple, Microsoft, Alphabet (Google), Amazon, Nvidia, Tesla and Meta (Facebook)—accounted for more than 53% of the S&P 500's total return through December 24th, according to S&P Dow Jones Indices. Nvidia alone contributed 21% of the index's return.

During 2024, although U.S. stocks overall benefited from the Federal Reserve's cuts to interest rates for the first time since the Covid-19 pandemic, bouts of volatility were commonplace. Moreover, the market became increasingly top-heavy as further concentration of returns accrued in Big Tech.

With numerous solid businesses continuing to trade at reasonable valuations relative to their growth records and potential, the continued narrow U.S. equity market breadth offers many attractive investment opportunities. We remain focused on actively managing the equity funds, picking individual stocks that adhere to our "Growth at a Reasonable Price" investment philosophy. Knowing that market leadership alternates between large-cap and small-cap stocks over the long-term, we believe that North Growth's equity portfolios are poised to outperform when the market truly broadens.

FUND DISTRIBUTIONS

As we communicated in the November report, December 13th was the distribution date for the North Growth U.S. Equity Fund and North Growth Canadian Equity Fund. The distribution for the U.S. Equity Fund was \$0.21 per unit (all income). For the Canadian Equity Fund, Series N, the distribution was \$0.77 per unit (consisting of \$0.15 income and \$0.62 capital gains).

Unitholders who hold the North Growth Funds in non-registered accounts can expect to receive their T-3 tax slips by mail in February. Quebec residents will also receive a Relevé 16: Trust Income (R-16) slip.

ANNUAL REPORT

Around mid-February, we plan on publishing our 2024 Annual Report. As usual, the annual report will include a more in-depth discussion of the year in review as well as our outlook for 2025.

U.S. EQUITY FUND

In December, the North Growth U.S. Equity Fund declined -2.5%. For the month, of the indices we regularly track, the Fund underperformed the S&P 500 which lost -2.4% and NASDAQ Composite which gained 0.6%, but beat the S&P 400 MidCap and S&P 600 SmallCap which depreciated -7.1% and -8.0% respectively. In Canadian dollars, the Fund appreciated 0.1% versus the S&P 500's gain of 0.3%.

In 2024, the Fund was up 22.0%, lagging the S&P 500 and NASDAQ Composite indices, but outperforming the smaller-capitalization S&P 400 MidCap and S&P 600 SmallCap indices. For the year, the S&P 500 gained 25.0%, the S&P 400 MidCap and S&P 600 SmallCap rallied 13.9% and 8.7% respectively, while the NASDAQ Composite recorded a substantial 29.6% increase. Due to a significant weakening of the Canadian currency during 2024, in Canadian dollars, the Fund's annual return was 32.7% versus the S&P 500's gain of 36.0%.

CANADIAN EQUITY FUND, SERIES N

The North Growth Canadian Equity Fund, Series N, returned -1.6% compared to -3.3% for the S&P/TSX Composite Index during December. In a month where all 11 sectors in the S&P/TSX Composite lost money, the Fund's outperformance was driven primarily by its Consumer Discretionary holdings.

In 2024, the Fund appreciated 15.7%, lagging the S&P/TSX Composite's gain of 21.7%.

As always, we remain focused on our "Growth at a Reasonable Price" investment philosophy which guides our stock picking and has helped us generate long-term outperformance. The team views any pullbacks in the market as opportunities to add or upgrade the portfolio.

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Month	3 Months	6 Months	YTD
NGM U.S. Equity Fund \$CDN	0.12	9.91	14.08	32.70
S&P 500 in \$CDN	0.26	8.97	14.00	36.01
NGM U.S. Equity Fund \$U.S.	-2.52	3.29	8.51	21.97
S&P 500 \$U.S.	-2.38	2.41	8.44	25.02
S&P 400 MidCap \$U.S.	-7.12	0.34	7.31	13.93
S&P 600 SmallCap \$U.S.	-7.95	-0.58	9.49	8.70
NASDAQ Composite \$U.S.	0.56	6.36	9.30	29.60

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception [^]
NGM U.S. Equity Fund \$CDN	32.70	8.28	13.68	13.20	14.20	10.49	12.88
S&P 500 \$CDN	36.01	13.64	16.90	15.56	16.29	11.35	11.25
NGM U.S. Equity Fund \$U.S.	21.97	3.81	11.37	10.79	11.84	9.50	12.37
S&P 500 \$U.S.	25.02	8.94	14.53	13.10	13.88	10.35	10.74
S&P 400 MidCap \$U.S.	13.93	4.87	10.34	9.68	11.92	9.69	11.69
S&P 600 SmallCap \$U.S.	8.70	1.91	8.36	8.96	11.66	8.99	10.92
NASDAQ Composite \$U.S.	29.60	8.16	17.52	16.25	16.60	12.71	11.52*

Source: Bloomberg "Total Return Analysis" as of December 31, 2024

* This return is a simple price appreciation because total return data is not available on Bloomberg.

[^] The inception of the Fund: October 13, 1992.

Unit Price	\$ 68.92 CDN \$ 47.90 US
Total Assets in Fund	\$ 754.9 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series N	-1.61	1.83	7.90	15.70
S&P/TSX Composite Index	-3.27	3.76	14.71	21.65

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus*
NGM Canadian Equity Fund Series N	15.70	3.12	9.61	7.73	11.52
S&P/TSX Composite Index	21.65	8.58	11.08	8.65	9.56

Source: Bloomberg "Total Return Analysis" as of December 31, 2024

*The prospectus inception of the Fund: September 15, 2012.

Unit Price \$ 26.36 CDN

Total Assets in Fund \$ 46.5 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED DECEMBER 31, 2024

	Current Yield*	1 Year	3 Years	5 Years	10 Years	15 Years
NGM Canadian Money Market Fund	3.31	4.47	3.64	2.31	1.63	1.34
30 Day Treasury Bill	N/A	4.71	3.72	2.36	1.64	1.37

* The Current Yield for the Money Market Fund is the average of the annualized daily yield for the most recent seven-day period. This measure is no longer available for the 30-day T-Bill Index.

We take a very simple approach to managing the North Growth Canadian Money Market Fund. We invest in a portfolio of high-quality short-term bonds. The average maturity of the portfolio is often around 30 days. Historically, the Fund has generated very competitive yields with this simple approach because of our 0.25% management fee.

We manage the portfolio to ensure high liquidity and have no intention to extend maturities or reduce the quality of the holdings. We believe the Fund has superior liquidity characteristics due to its very low average maturity. The North Growth Canadian Money Market Fund's yield tends to correspond with changes in the Bank of Canada's overnight rate.

The current yield quoted above is net of the management fee.

Equity Fund Holdings

U.S. EQUITY FUND — HOLDINGS AS AT DECEMBER 31, 2024

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.19
2	Ciena Corp.	6.84
3	Coherent Corp.	4.53
4	Applied Materials Inc.	4.15
5	Motorola Solutions Inc.	4.08
6	Brinker International Inc.	4.05
7	Lumentum Holdings Inc.	3.19
8	Booking Holdings Inc.	2.95
9	HP Inc.	2.71
10	Tapestry Inc.	2.65
11	Tempur Sealy International, Inc.	2.51
12	Nvidia Corp.	2.34
13	Qualcomm Inc.	2.30
14	Integer Holdings Corporation	2.27
15	Johnson Controls International plc.	2.19
16	Jacobs Solutions Inc.	2.15
17	Abercrombie & Fitch Co.	2.11
18	Global Payments Inc.	2.06
19	NVR Inc.	2.02
20	Warner Bros. Discovery Inc.	1.91
21	Texas Instruments Inc.	1.90
22	Elevance Health, Inc.	1.80
23	InMode Ltd.	1.72
24	FedEx Corp.	1.66
25	Crocs, Inc.	1.64
26	Apple Inc.	1.63
27	Electronic Arts Inc.	1.59
28	Ulta Beauty Inc.	1.53

Ranking	Security	% of Net Assets
29	Microsoft Corporation	1.52
30	Watts Water Technologies Inc.	1.43
31	Fortune Brands Innovations, Inc.	1.36
32	Thermo Fisher Scientific, Inc.	1.28
33	Charles River Laboratories International, Inc.	1.26
34	Align Technology, Inc.	1.19
35	United Rentals, Inc.	1.06
36	West Pharmaceutical Services, Inc.	1.05
37	Arhaus Inc.	0.90
38	Old Dominion Freight Line, Inc.	0.80
39	NIKE Inc.	0.71
40	Atkore Inc.	0.55
41	Biogen Inc.	0.48
42	First Solar Inc.	0.46
43	Masterbrand, Inc.	0.45
44	Amentum Holdings Inc.	0.34
Total Equities		92.51
Cash		7.49
Total Assets		100.00

CANADIAN EQUITY FUND — HOLDINGS AS AT DECEMBER 31, 2024

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.33
2	Leon's Furniture Ltd.	7.31
3	TFI International Inc.	7.17
4	Aritzia Inc.	6.82
5	ATS Corporation	5.89
6	CAE Inc.	4.54
7	Zymeworks Inc.	4.39
8	Bird Construction Inc.	4.07
9	Constellation Software Inc.	4.02
10	Open Text Corporation	3.96
11	Canadian National Railway Company	3.48
12	Calian Group Ltd.	3.27
13	Restaurant Brands International	3.25
14	Dollarama Inc.	2.75
15	TELUS Corporation	2.68
16	ADF Group Inc.	2.48
17	Bombardier Recreational Products Inc.	2.34
18	dentalcorp Holdings Inc.	2.20
19	Polaris Renewable Energy Inc.	2.08
20	Shopify Inc.	1.93
21	Profound Medical Corp.	1.87
22	Evertz Technologies Limited	1.62
23	AutoCanada Inc.	1.61
24	Badger Infrastructure Solutions Ltd.	1.26
25	Jamieson Wellness Inc.	1.16
26	Lululemon Athletica Inc.	0.85
27	Information Services Corporation	0.72
Total Equities		93.05
Cash		6.95
Total Assets		100.00

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.

CONDUCTING TRANSACTIONS

The settlement cycles in the Canadian and U.S. securities industries have been shortened from trade date plus two business days to trade date plus one business day (“T+1”). Accordingly, the settlement cycles for the North Growth Funds have also changed to T+1.

To accommodate these shorter settlement cycles, the cut-off time for same-day equity fund transactions is two hours before the applicable market closes, normally 2 p.m. Eastern Time or 11 a.m. Pacific Time, and for same-day Money Market Fund redemptions is 1 p.m. Eastern Time or 10 a.m. Pacific Time. However, redemption requests for amounts equal to or greater than 10% of the Fund’s net asset value require five business days notice. Please note that U.S. markets close early on the day before Independence Day and on the Friday after U.S. Thanksgiving and both U.S. and Canadian markets close early on Christmas Eve. The cut-off time on those days is 11 a.m. Eastern Time or 8 a.m. Pacific Time. Orders received after the applicable cut-off time will be processed on the next business day.

Please contact:

Marcus Vander Leek, CFA

Director of Business Development and Client Service

Email: marcus@northgrowth.com

WHERE TO FIND NGM FUND PRICES

Please visit www.northgrowth.com to view the Fund’s daily prices or to be added to our e-mail list to receive daily notification of the Funds’ prices.

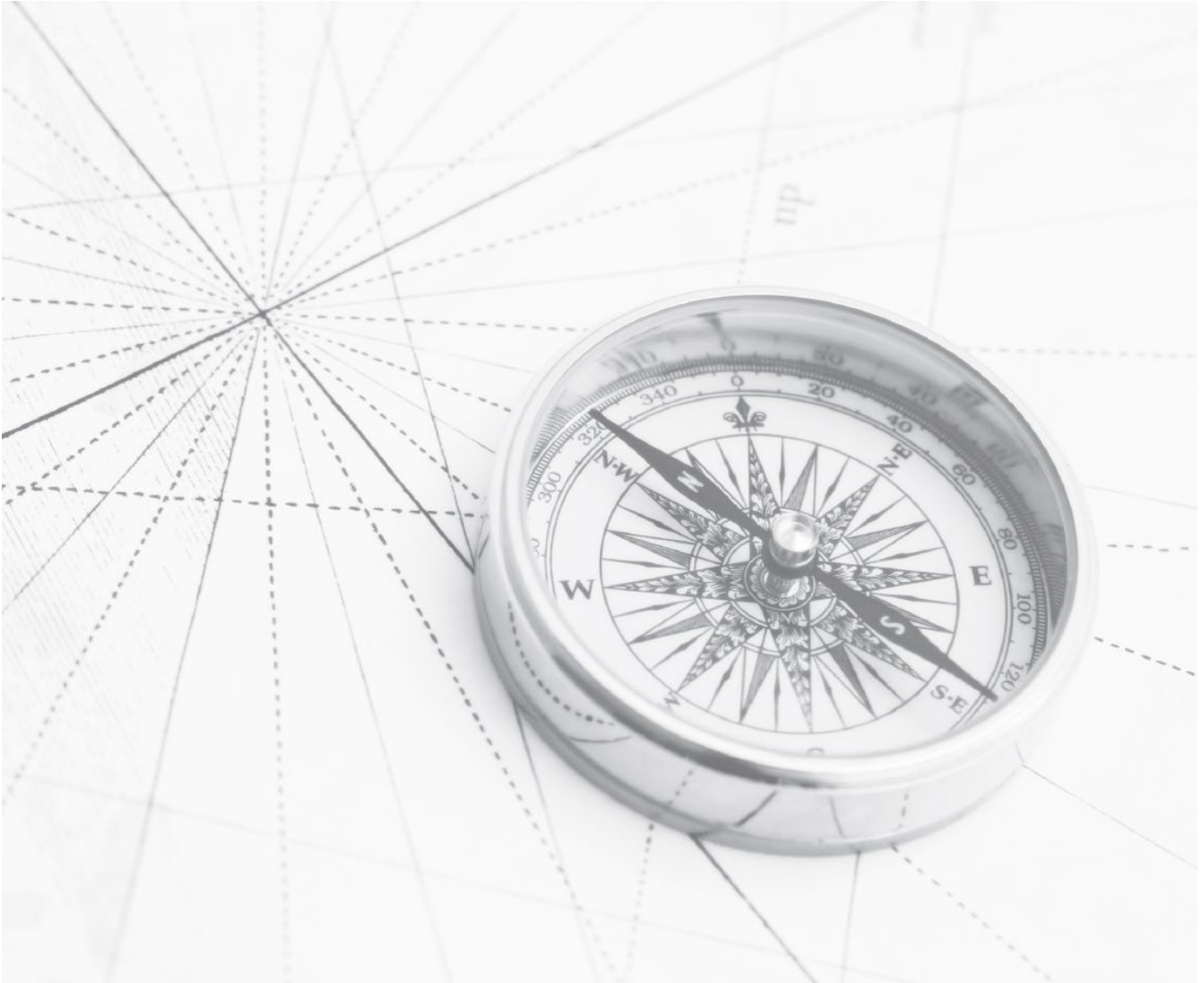


A NOTE ON FORWARD-LOOKING STATEMENTS

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.



NORTH GROWTH
MANAGEMENT



Suite 830, One Bentall Centre
505 Burrard Street, Box 56
Vancouver, BC V7X 1M4

T: 604-688-5440
F: 604-688-5402
info@northgrowth.com

northgrowth.com