



NORTH GROWTH
MANAGEMENT



MAY 2025 MONTHLY REPORT

JUNE 6, 2025

Market and Fund Performance Update

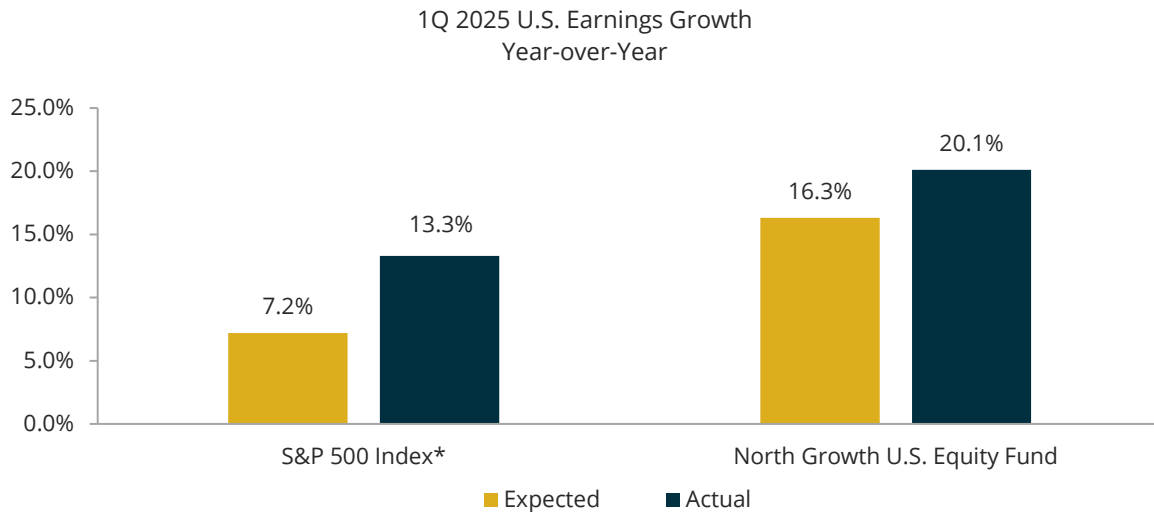
In May, stocks rallied sharply following a trade deal announcement between the U.S. and U.K., igniting hopes for more agreements and an easing of trade tensions. Looking past trade policy uncertainty, the S&P 500 closed out the best May since 1990 with a 6% gain as earnings results for the first quarter of 2025 came in better than expected.

FIRST QUARTER EARNINGS

The earnings reporting season for the first quarter, January-to-March period, has largely passed, and most public companies have reported positive earnings surprises. Given ongoing concerns about tariffs and inflation, analysts have lowered EPS (earnings per share) estimates for the second quarter while businesses remain cautious and conservative in their outlooks. Nonetheless, the consensus projection is for the S&P 500 to grow earnings by 9.1% in 2025 on sales growth of 4.9%. Stock analysts' expectations for the probability of an economic slowdown have increased slightly but they certainly have not discounted an outright recession this year.

As of May 30th, with 98% of S&P 500 companies having reported actual results, earnings for the index grew 13.3% in the first quarter while sales increased 4.9%. FactSet data indicates that 78% of the reporting companies posted actual EPS above estimates. Eight of the eleven sectors reported year-over-year earnings growth, led by the Health Care, Communications Services, Information Technology, and Utilities sectors. Conversely, the Energy, Consumer Staples and Materials sectors reported year-over-year declines in earnings.

The North Growth U.S. Equity Fund delivered strong earnings results in the latest quarter. To date, 93% of the portfolio has reported, and 77% of the profit reports have exceeded analysts' estimates. Earnings on a weighted-average basis grew 20.1% over a year ago, ahead of estimates of a 16.3% increase. Notably, Lumentum Holdings and Brinker International had outstanding results, each reporting exceptionally high earnings growth of around 100% year-over-year.



*Source for S&P 500 Index: FactSet Earnings Insight May 30, 2025

Overall, the profit growth rate of the U.S. Equity Fund continues to compare favourably against that of the index despite being more macro-economically sensitive. We are especially pleased that the Fund's superior earnings growth versus the S&P 500 coincides with its lower valuation multiple on a P/E (price/earnings) basis compared to the index. Currently, the Fund trades at 21 times trailing 12-month earnings whereas the S&P 500 is at a trailing P/E multiple of 26 (ref: Bloomberg).

We remain focused on the fundamental characteristics of individual equities, adhering to our long-standing principles of active management and stock selection. As always, we are steadfastly disciplined in identifying and picking stocks that fit our "Growth at a Reasonable Price" investment philosophy.

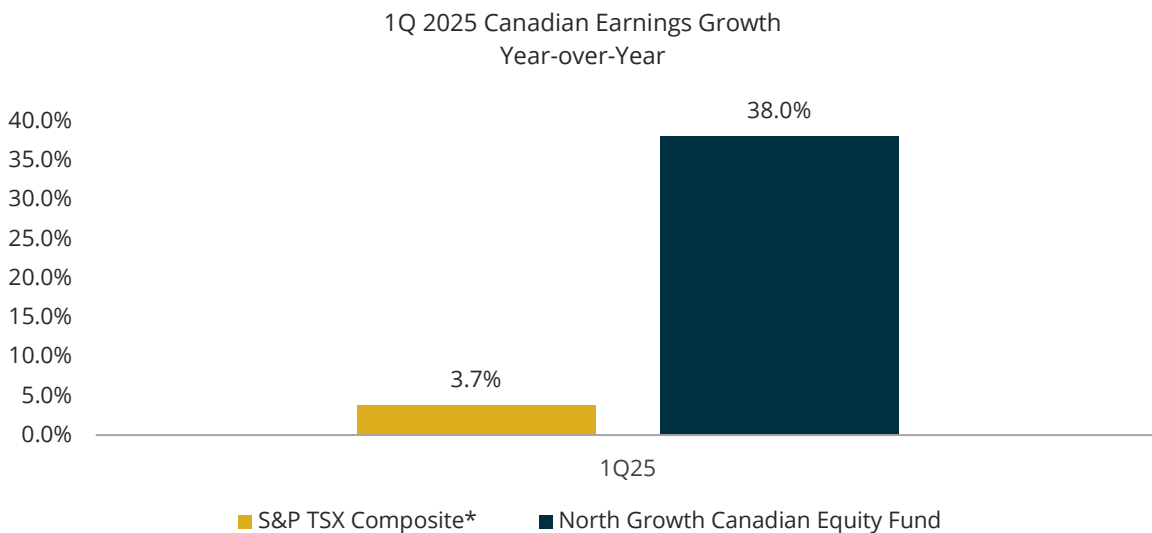
U.S. EQUITY FUND

In May, the North Growth U.S. Equity Fund appreciated 7.6%. The Fund outperformed the S&P 500 which grew 6.3%, as well as the S&P 400 MidCap and S&P 600 SmallCap indices which increased 5.4% and 5.2% respectively. The Fund's monthly performance lagged the NASDAQ Composite which was up 9.7%. Due to a slightly weaker U.S. currency last month, in Canadian dollars, the Fund gained 7.2% versus the S&P 500's 5.9% return.

CANADIAN EQUITY FUND, SERIES N

In May, the North Growth Canadian Equity Fund, Series N, returned 9.5% compared to 5.6% for the S&P/TSX Composite Index. All sectors of the S&P/TSX Composite posted positive performance during the month, led by Industrials, Consumer Discretionary and Information Technology.

With 97% of the portfolio having reported quarter-to-date, the portfolio's earnings have grown 38.0% on a year-over-year basis in Q1 2025 compared to 3.7% for the S&P/TSX Composite.



* Source for S&P TSX Composite Index: Bloomberg

As we have highlighted in every single report published this year, we expect 2025 to be a volatile year. Our belief regarding market volatility presenting opportunity remains unwavering. We continue to abide by our “Growth at a Reasonable Price” investment philosophy which guides our stock picking and has helped us generate long-term outperformance. As such, we view any pullbacks in the market as opportunities to add or to upgrade the portfolio.

As famed investor Shelby C. Davis once said, “you make most of your money in a bear market, you just don't realize it at the time.”

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED MAY 31, 2025

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Fund \$CDN	7.16	-7.13	-8.37	-8.48
S&P 500 in \$CDN	5.88	-5.07	-3.12	-3.37
North Growth U.S. Equity Fund \$U.S.	7.58	-2.54	-6.69	-4.28
S&P 500 \$U.S.	6.29	-0.37	-1.35	1.06
S&P 400 MidCap \$U.S.	5.40	-2.61	-10.15	-3.26
S&P 600 SmallCap \$U.S.	5.23	-5.37	-15.48	-8.18
NASDAQ Composite \$U.S.	9.65	1.62	-0.18	-0.73

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED MAY 31, 2025

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
North Growth U.S. Equity Fund \$CDN	5.25	12.74	10.85	10.83	13.31	9.46	12.40
S&P 500 \$CDN	14.53	17.67	15.90	14.01	16.14	10.97	10.98
North Growth U.S. Equity Fund \$U.S.	4.32	9.62	10.90	9.71	11.30	8.96	12.05
S&P 500 \$U.S.	13.52	14.41	15.94	12.86	14.08	10.47	10.64
S&P 400 MidCap \$U.S.	2.17	7.82	12.93	8.73	11.27	9.43	11.42
S&P 600 SmallCap \$U.S.	-1.75	3.12	11.61	7.70	10.55	8.60	10.49
NASDAQ Composite \$U.S.	15.04	17.48	15.93	15.31	16.55	12.94	11.33

Source: Bloomberg "Total Return Analysis" as of May 31, 2025

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

The inception of the Fund: October 13, 1992.

	May 31, 2025
Unit Price	\$ 63.08 CDN / \$ 45.85 US
Total Assets in Fund	\$ 677.6 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED MAY 31, 2025

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund, Series N	9.49	4.50	-2.38	-0.79
S&P/TSX Composite Index	5.56	3.87	3.54	7.05

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED MAY 31, 2025

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus
North Growth Canadian Equity Fund, Series N	8.70	7.68	11.17	7.72	11.07
S&P/TSX Composite Index	21.05	11.55	14.92	8.99	9.82

Source: Bloomberg "Total Return Analysis" as of May 31, 2025
The prospectus inception of the Fund: June 15, 2012.

	May 31, 2025
Unit Price	\$ 26.15 CDN
Total Assets in Fund	\$ 44.3 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED MAY 31, 2025

	Current Yield*	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
North Growth Canadian Money Market Fund	2.54	3.56	4.00	2.44	1.72	1.42
30 Day Treasury Bill	N/A	3.78	4.07	2.50	1.73	1.44

** 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.

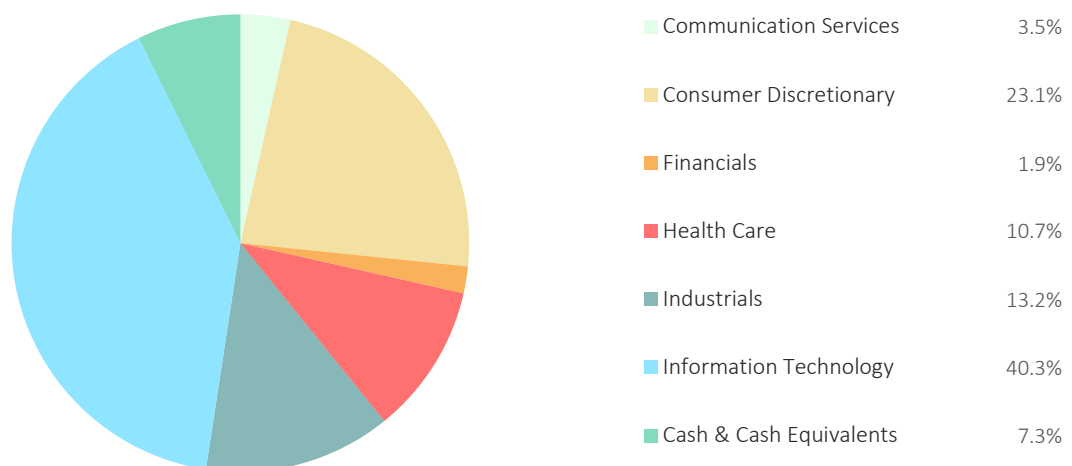
The current yield quoted above is net of the management fee.

Equity Fund Holdings and Composition

U.S. EQUITY FUND — TOP 10 HOLDINGS AS AT MAY 31, 2025

Ranking	Security	% of Net Assets
1	Jabil Inc.	7.16
2	Ciena Corp.	6.08
3	Applied Materials Inc.	4.26
4	Brinker International Inc.	4.13
5	Motorola Solutions Inc.	3.73
6	Coherent Corp.	3.52
7	Booking Holdings Inc.	3.50
8	Somnigroup International Inc.	3.07
9	Johnson Controls International plc.	3.00
10	Lumentum Holdings Inc.	2.92
Top 10		41.37
Total Equities		92.69
Cash		7.31
Total Assets		100.00

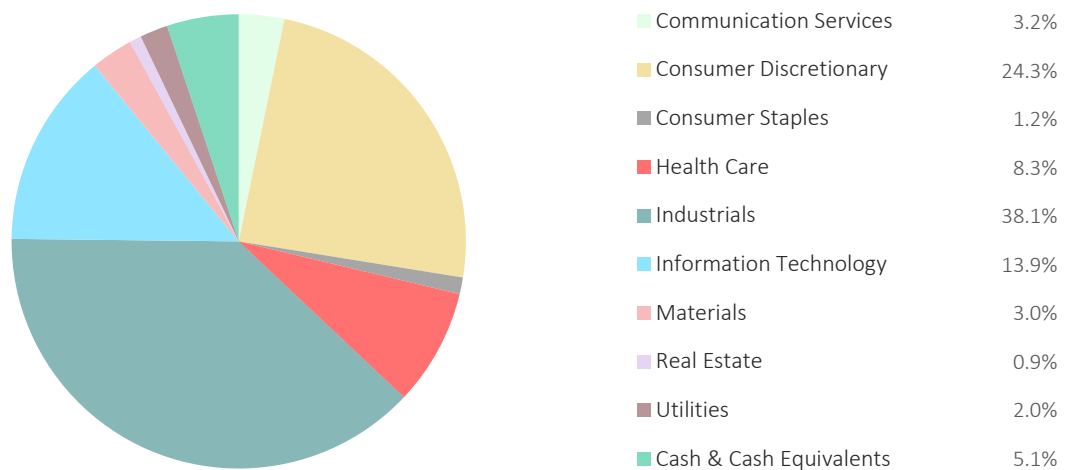
U.S. EQUITY FUND — SECTOR MIX AS AT MAY 31, 2025



CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT MAY 31, 2025

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.62
2	Leon's Furniture Ltd.	8.20
3	Bird Construction Inc.	5.99
4	ATS Corporation	5.60
5	Constellation Software Inc.	4.92
6	CAE Inc.	4.61
7	Open Text Corporation	3.97
8	Aritzia Inc.	3.88
9	Canadian National Railway Company	3.61
10	Restaurant Brands International	3.57
Top 10		53.97
Total Equities		94.88
Cash		5.12
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT MAY 31, 2025



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 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 12 p.m. (noon) Eastern Time or 9 a.m. Pacific Time. Orders received after the applicable cut-off time will be processed on the next business day.

Please contact:

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WHERE TO FIND NGM FUND PRICES

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

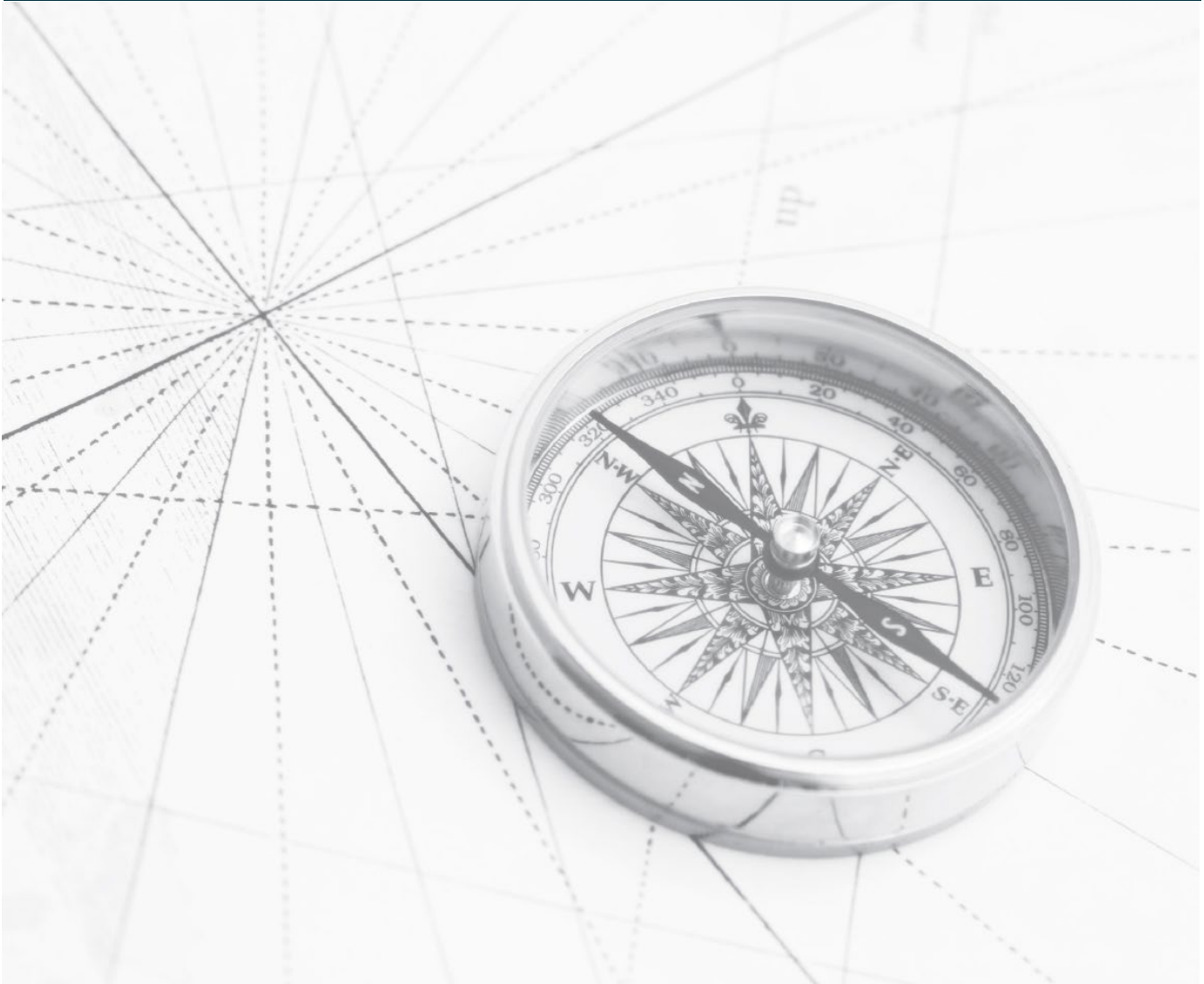


A NOTE ON FORWARD-LOOKING STATEMENTS

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.



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