



NORTH GROWTH
MANAGEMENT



AUGUST 2025 MONTHLY REPORT

SEPTEMBER 5, 2025

Market and Fund Performance Update

In August, U.S. and Canadian stocks continued to rally with the S&P 500 and the S&P/TSX Composite closing the month with healthy gains of 2.0% and 5.0% respectively. The stock markets maintained strong momentum during the summer as trade tensions eased somewhat, corporate earnings came in better than expected, and market participants increased their expectations for interest rate cuts by the Federal Reserve and Bank of Canada in September.

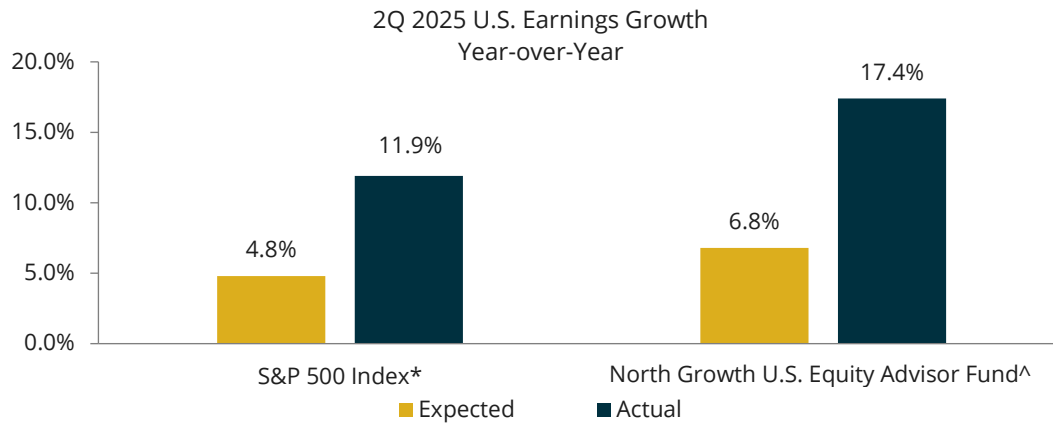
SECOND QUARTER EARNINGS

A strong second-quarter earnings reporting season is wrapping up. Corporate earnings for the S&P 500 during the period grew by a double-digit percentage year-over-year, marking the third consecutive quarter of earnings growth above 10% for the index. Despite muted business outlooks due to management concerns about inflation and tariffs, analysts are nonetheless raising EPS (earnings per share) estimates for the balance of the year.

In particular, the Magnificent Seven companies all exceeded estimates and combined reported actual earnings growth of 26.6% for the second quarter. By comparison, the other 493 stocks of the S&P 500 reported earnings growth of 8.1% in the latest quarter.

The North Growth U.S. Equity Advisor Fund delivered yet another solid quarter of growth. With almost 90% of the portfolio having reported as of September 2nd, earnings on a weighted-average basis expanded 82.1% over a year ago. Excluding Lumentum's extraordinary profit gain of over 1,300% year-over-year, the Fund's earnings increased 17.4% year-over-year, beating estimates of 6.8% growth. Furthermore, 90% of the portfolio's earnings results so far have exceeded analysts' forecasts.

As of August 29th, with 98% of the companies in the S&P 500 having reported results, earnings during the quarter advanced 11.9% year-over-year while sales grew 6.4%. According to FactSet, 81% of reporting companies posted positive earnings surprises. Eight of the index's eleven sectors reported year-over-year earnings growth, led by Communication Services, Information Technology and Financials. Conversely, three sectors reported a year-over-year decline in profits, led by the Energy sector and followed by Materials and Consumer Staples.



[^]Excluding Lumentum Holdings's reported 2Q EPS \$0.88 v \$0.06 y/y

*Source for S&P 500 Index: FactSet Earnings Insight August 29, 2025

The Fund's earnings profile continues to compare favourably against that of the S&P 500. It is, however, also more macro-economically sensitive than that of the index. We are especially pleased that the Fund's higher earnings growth versus the S&P 500 coincides with its lower valuation multiple on a P/E (price/earnings) basis. Currently, the U.S. Equity Advisor Fund trades at 23 times trailing 12-month earnings whereas the S&P 500 index is at a trailing P/E multiple of 27 (ref: Bloomberg).

The extreme bifurcation of the equity markets continues to offer compelling long-term investment opportunities, and we remain focused on individual stock analysis that adheres to our "Growth at a Reasonable Price" investment philosophy. As always, we engage in active stock selection as opposed to macro-driven investment decisions.

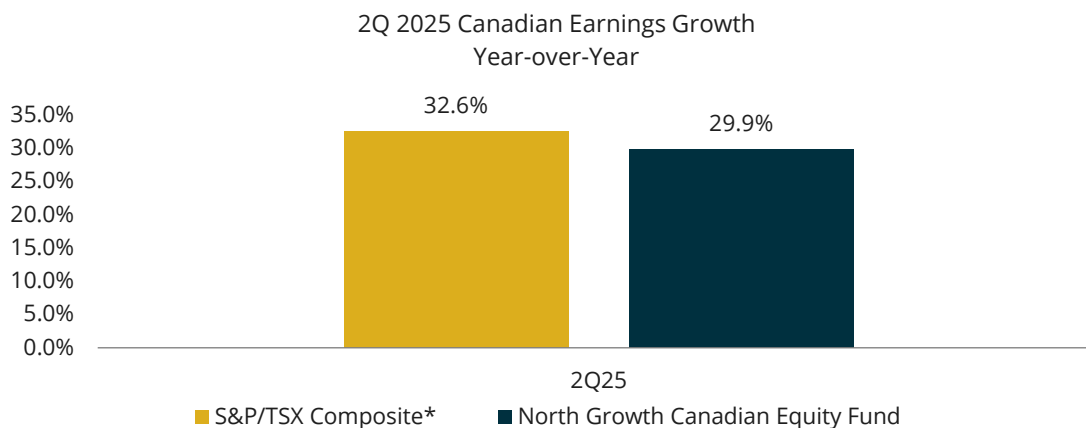
U.S. EQUITY ADVISOR FUND, SERIES F

In August, the North Growth U.S. Equity Advisor Fund, Series F gained 1.8%. The Fund underperformed the S&P 500 which increased 2.0% as well as the smaller-capitalization S&P 400 MidCap and S&P 600 SmallCap indices which appreciated 3.4% and 7.1% respectively, but beat the NASDAQ Composite which was up 1.7%. A strengthening of the Canadian currency against its U.S. counterpart last month reduced the Series F's return in Canadian dollars to 1.1% versus the S&P 500's 1.3% Canadian-dollar monthly return.

CANADIAN EQUITY FUND, SERIES F

In August, the North Growth Canadian Equity Fund, Series F, returned 2.4% compared to 5.0% for the S&P/TSX Composite Index. The S&P/TSX Composite was led by Materials, Health Care and Information Technology, with all sectors except for Consumer Staples and Industrials posting positive performance during the month.

With 94% of the Canadian Equity Fund portfolio having reported quarter-to-date, the fund's earnings have grown 29.9% on a year-over-year basis in the second quarter compared to 32.6% for the S&P/TSX Composite.



** Source for S&P TSX Composite Index: Bloomberg*

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. We view any pullbacks in the market as opportunities to add to or upgrade the portfolio.

NORTH GROWTH BALANCED FUND

We are excited to announce that the North Growth Balanced Fund, launched on August 18th, 2025 and is now available through FundServ.

The Fund will seek to provide capital preservation and moderate long-term growth through a diversified allocation to high-quality, short-term fixed income securities and a disciplined, research-driven portfolio of North American equities.

We have adopted a promotional fee structure that rewards early investors while committing to lower costs as the Fund scales:

- 0.95% MER (Management Expense Ratio) —for the first four months the fund is publicly available, the Manager will rebate 0.75 bps of the MER to the fund, providing early investors cost-effective access with a reduced 0.20% MER until December 31, 2025.
- 0.70% MER — Once the fund reaches \$25+ million in assets under management (AUM) for three consecutive months, the MER will be reduced to 0.70% on a permanent basis.

North Growth U.S. Equity Advisor Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	1.07	13.20	5.40	4.01
North Growth U.S. Equity Advisor Fund \$CDN (Series A⁺)	1.05	13.12	5.24	3.81
S&P 500 in \$CDN	1.27	9.49	3.95	5.81
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	1.82	13.33	10.73	8.91
North Growth U.S. Equity Advisor Fund \$U.S. (Series A⁺)	1.80	13.25	10.57	8.69
S&P 500 \$U.S.	2.03	9.62	9.21	10.79

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception*
North Growth U.S. Equity Advisor Fund \$CDN (Series F)	18.58	19.72	12.16	12.77	14.01
North Growth U.S. Equity Advisor Fund \$CDN (Series A⁺)	18.23	19.37	11.83	12.44	13.59
S&P 500 \$CDN	18.04	21.43	15.95	15.10	16.01
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	16.41	17.85	10.99	12.28	12.10
North Growth U.S. Equity Advisor Fund \$U.S. (Series A⁺)	16.07	17.51	10.67	11.95	11.69
S&P 500 \$U.S.	15.88	19.54	14.74	14.60	14.07

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

⁺ Formerly Series D

*Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund Series F	2.38	13.97	19.18	13.21
North Growth Canadian Equity Fund Series A⁺	2.36	13.88	19.01	12.99
S&P/TSX Composite Index	4.96	9.85	14.09	17.59

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus [*]
North Growth Canadian Equity Fund Series F	18.19	11.58	12.64	10.80	12.19
North Growth Canadian Equity Fund Series A⁺	17.84	11.25	12.30	10.47	11.62
S&P/TSX Composite Index	25.86	17.49	14.98	10.82	10.40

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

⁺ Formerly Series D

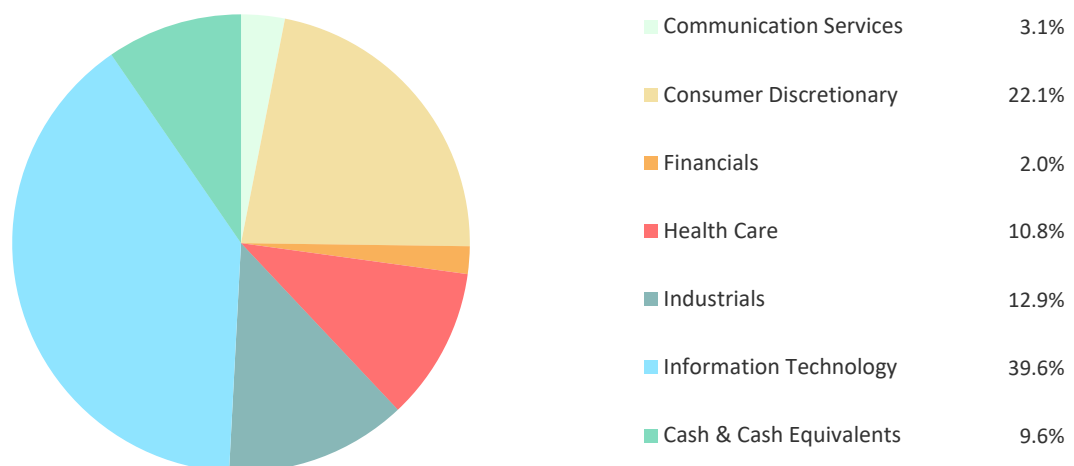
^{*} The S&P/TSX Composite Index since Prospectus return is calculated from the Series F date of prospectus inception, June 15, 2012. The Series A date of prospectus inception is June 29, 2012

Equity Fund Holdings and Composition

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

Ranking	Security	% of Net Assets
1	Jabil Inc.	6.80
2	Ciena Corp.	6.08
3	Lumentum Holdings Inc.	4.04
4	Applied Materials Inc.	3.81
5	Motorola Solutions Inc.	3.71
6	Coherent Corp.	3.31
7	Brinker International Inc.	3.26
8	Booking Holdings Inc.	3.10
9	Somnigroup International Inc.	2.90
10	Johnson Controls International plc.	2.66
Top 10		39.67
Total Equities		90.41
Cash		9.59
Total Assets		100.00

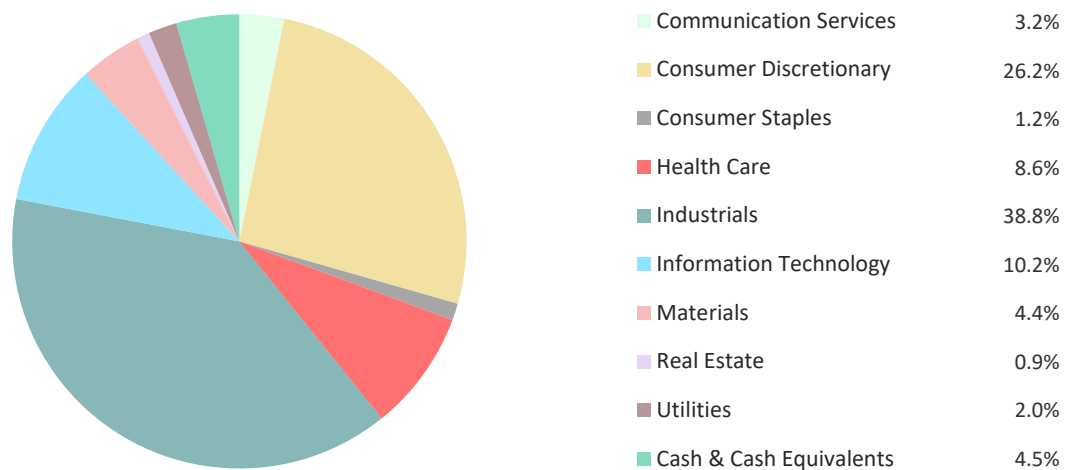
U.S. EQUITY ADVISOR FUND — SECTOR MIX AS AT AUGUST 31, 2025



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

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.61
2	Leon's Furniture Ltd.	8.41
3	Bird Construction Inc.	5.87
4	ATS Corporation	5.31
5	Constellation Software Inc.	4.39
6	Zymeworks Inc.	4.34
7	AutoCanada Inc.	3.62
8	Aritzia Inc.	3.57
9	MDA Space Ltd.	3.45
10	TFI International Inc.	3.35
Top 10		51.92
Total Equities		95.51
Cash		4.49
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT AUGUST 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.

FUND CODES

Canadian Equity Fund (only Canadian dollar investments)	Series A reference Fund Code NGM 272 Series F reference Fund Code NGM 270
U.S. Equity Advisor Fund (for investments in Canadian dollars)	Series A reference Fund Code NGM 372 Series F reference Fund Code NGM 370
U.S. Equity Advisor Fund (for investments in U.S. dollars)	Series A reference Fund Code NGM 373 Series F reference Fund Code NGM 371
Balanced Fund (only Canadian dollar investments)	Series A reference Fund Code NGM 572 Series F reference Fund Code NGM 570

To better align with the commonly adopted naming convention for mutual fund series that pay a trailing commission, the letter designation of the Series D units of the North Growth Canadian Equity Fund and the North Growth U.S. Equity Advisor Fund has changed from “D” to “A”.

For any questions contact:

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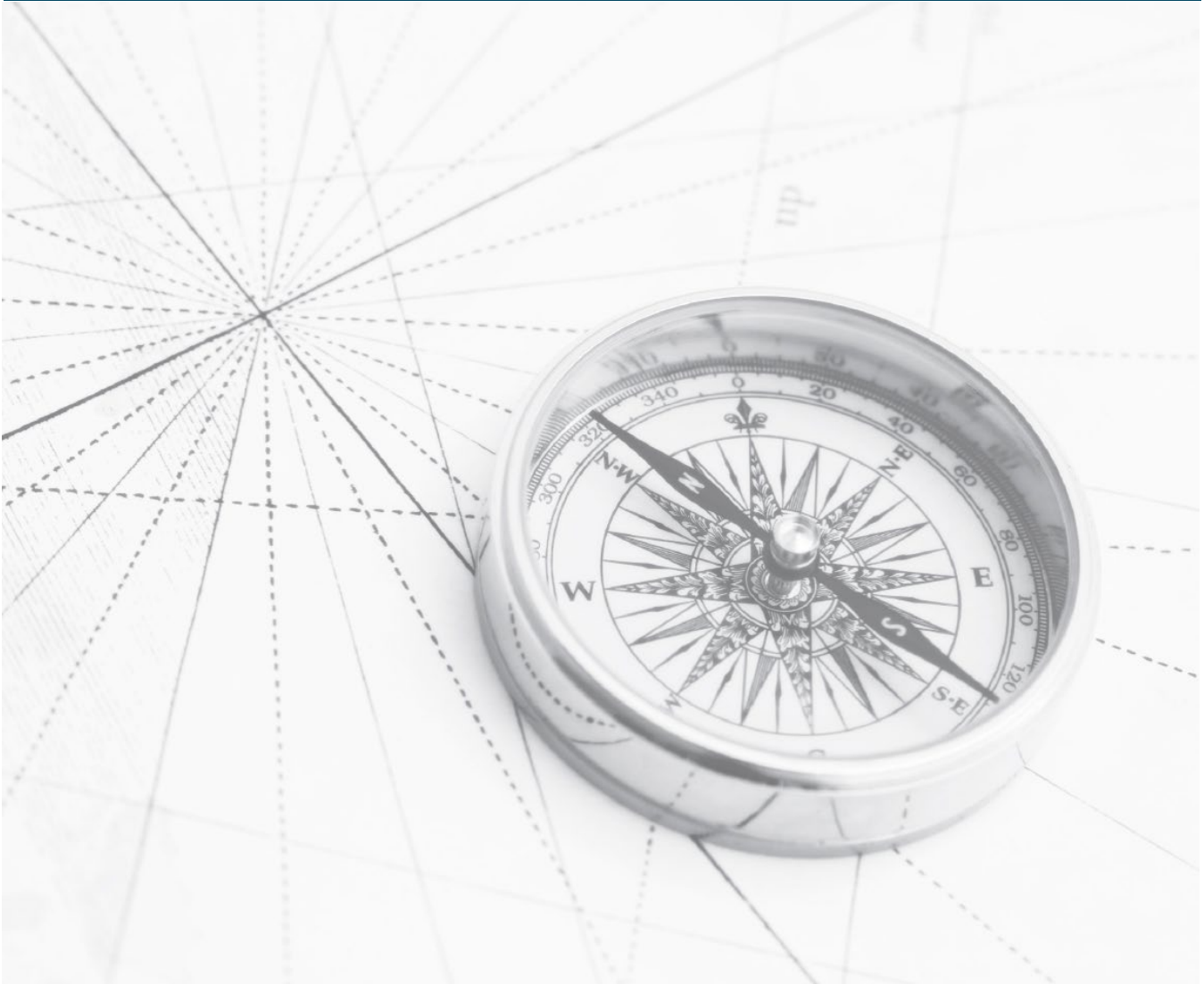
A NOTE ON FORWARD-LOOKING STATEMENTS

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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