



NORTH GROWTH
MANAGEMENT



OCTOBER 2025 MONTHLY REPORT

NOVEMBER 5, 2025

Market and Fund Performance Update

In October, the S&P 500 continued to rise to new highs, driven by the Magnificent Seven mega caps on relentless artificial intelligence (AI) euphoria. Despite ongoing geopolitical risks, trade worries, a U.S. government shutdown, and elevated valuations, big tech stocks remain in a surging uptrend amid the bullish outlook for AI.

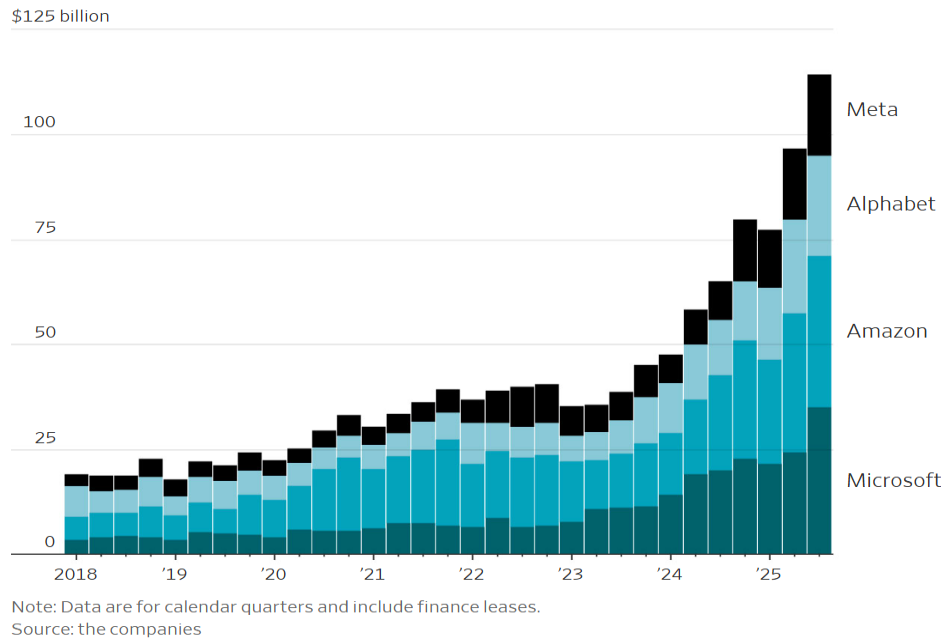
AI IS THE SOLE GROWTH DRIVER

Since the start of the AI frenzy three years ago, the U.S. stock market has become increasingly bifurcated with the majority of gains captured by businesses associated with the AI trade. Over the past month, Nvidia became the first company to hit \$5 trillion in market value, while collectively, the Magnificent Seven—Nvidia, Microsoft, Apple, Alphabet (Google), Amazon, Meta (Facebook), and Tesla—accounted for 37.5% of the S&P 500's total value.

Not only does artificial intelligence have a growing influence on markets, but also its impact on the economy has become extremely significant. J.P. Morgan estimates that AI-related capital expenditures contributed 1.1% to U.S. GDP growth during the first half of 2025, surpassing the American consumer as the dominant engine of expansion. In a similar vein, Harvard economist, Jason Furman, recently calculated that AI investment in data centers and technology accounted for 92% of GDP growth over the first half of the year; U.S. economic growth without investment in information-processing equipment and software would have been just 0.1% or almost flat otherwise.

As illustrated by the following graph published in the Wall Street Journal on October 30th, AI capacity investments by Microsoft, Amazon, Alphabet and Meta are growing exponentially, and yet the major tech companies are still not able to meet accelerating customer demand.

Microsoft, Amazon, Alphabet and Meta Quarterly Capital Expenditures



Source: *The Wall Street Journal*, October 30, 2025

OUR VIEW

Undoubtedly, AI is a transformational technology analogous to the personal computer and internet revolutions. However, for all its potential, the unprecedented sums of money being spent so rapidly on unprofitable ventures via an interconnected web of business deals among a few leading companies, have prompted concerns of an AI bubble.

Several large holdings in the North Growth U.S. Equity Fund with exposure to data centers and networking are beneficiaries of the AI boom. These constituents have contributed meaningfully to the Fund's earnings growth and performance appreciation; yet, we are cognizant of the risks surrounding the singular theme that is driving the markets and the economy.

As always, we remain focused on the fundamental characteristics of individual stocks and are steadfastly disciplined in identifying and picking investments that fit our "Growth at a Reasonable Price" philosophy.

TAX INFORMATION UPDATE

Monday, December 15th is the distribution date for both the North Growth U.S. Equity Fund and the North Growth Canadian Equity Fund. We continue to anticipate that there will be modest annual distributions for both Funds.

For the North Growth U.S. Equity Fund, we estimate that the distribution, comprised almost entirely of capital gains, will be between 3% and 8% of its unit price. As several holdings have rallied substantially alongside the continued AI frenzy, we have realized further gains over the past month.

For the North Growth Canadian Equity Fund, we estimate that the distribution, also comprised almost entirely of capital gains, will be between 5% and 10% of its unit price.

Due to factors beyond our control, the current estimates for the distributions may still change over the coming month. We will publish the final distribution amounts in the November monthly report on Tuesday, December 16th.

All distributions by the Equity Funds are automatically invested in units of the respective Funds. If you would like to receive your distributions in cash, please notify us in writing by Friday, November 28th.

Any questions regarding the distributions should be directed to our CFO, Rachid Nayel, at 604-688-5440 or rachid@northgrowth.com.

U.S. EQUITY FUND

In October, the North Growth U.S. Equity Fund appreciated 3.1%. The Fund outperformed the S&P 500 which gained 2.3%, as well as the S&P 400 MidCap and S&P 600 SmallCap which declined -0.5% and -0.9% respectively; yet lagged the NASDAQ Composite which advanced 4.7%. In Canadian dollars, the Fund gained 3.9% versus the S&P 500's 3.1% return last month.

CANADIAN EQUITY FUND, SERIES N

In October, the North Growth Canadian Equity Fund, Series N, appreciated 2.9%, outperforming the 1.0% advance of the S&P/TSX Composite Index. The S&P/TSX Composite was led by Information Technology, Healthcare and Utilities.

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 U.S. Equity Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Fund \$CDN	3.86	13.26	36.03	16.18
S&P 500 in \$CDN	3.09	9.58	25.45	14.49
North Growth U.S. Equity Fund \$U.S.	3.10	11.86	34.03	19.25
S&P 500 \$U.S.	2.34	8.23	23.60	17.52
S&P 400 MidCap \$U.S.	-0.47	3.38	14.69	5.27
S&P 600 SmallCap \$U.S.	-0.88	7.17	18.42	3.33
NASDAQ Composite \$U.S.	4.72	12.49	36.45	23.53

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
North Growth U.S. Equity Fund \$CDN	26.81	23.50	14.47	13.17	14.74	11.11	13.05
S&P 500 \$CDN	22.34	23.77	18.85	15.44	16.99	12.15	11.40
North Growth U.S. Equity Fund \$U.S.	25.89	22.40	13.30	12.39	12.34	10.16	12.64
S&P 500 \$U.S.	21.45	22.68	17.64	14.64	14.54	11.19	11.00
S&P 400 MidCap \$U.S.	6.38	11.86	13.02	10.17	11.24	9.63	11.55
S&P 600 SmallCap \$U.S.	5.51	8.20	12.17	9.28	10.98	8.96	10.74
NASDAQ Composite \$U.S.	32.04	30.25	17.68	17.84	17.40	14.02	11.91*

Source: Bloomberg "Total Return Analysis" as of October 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.

	October 31, 2025
Unit Price	\$ 80.07 CDN / \$ 57.12 US
Total Assets in Fund	\$ 821.8 Million CDN

North Growth Canadian Equity Fund, Series N

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

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund, Series N	2.93	10.98	35.20	22.51
S&P/TSX Composite Index	0.97	11.70	23.39	25.13

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus
North Growth Canadian Equity Fund, Series N	26.62	14.57	14.58	11.49	12.46
S&P/TSX Composite Index	28.75	19.52	17.64	11.71	10.78

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

	October 31, 2025
Unit Price	\$ 32.30 CDN
Total Assets in Fund	\$ 47.8 Million CDN

North Growth Canadian Money Market Fund

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

	Current Yield*	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
North Growth Canadian Money Market Fund	2.30	2.79	4.02	2.63	1.81	1.47
30 Day Treasury Bill	N/A	2.96	4.14	2.71	1.83	1.50

* 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.

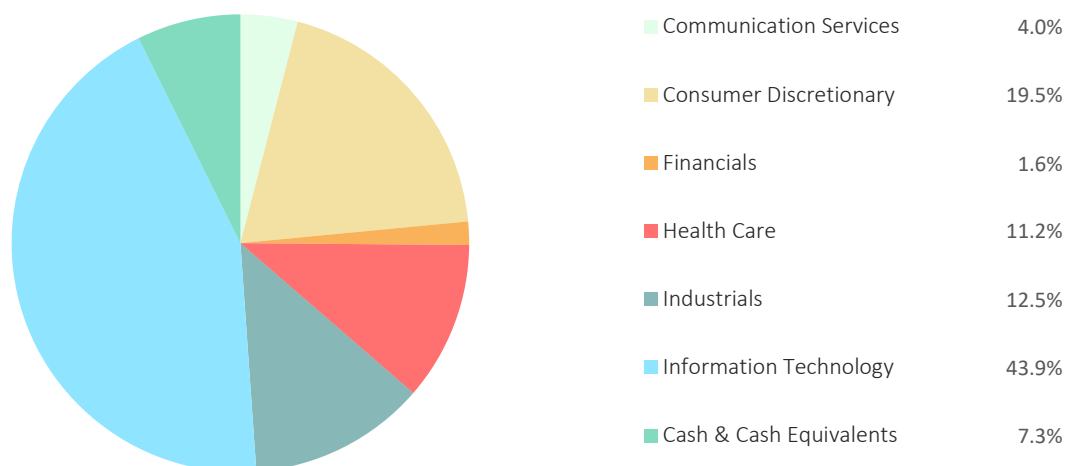
The current yield quoted above is net of the management fee.

Equity Fund Holdings and Composition

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

Ranking	Security	% of Net Assets
1	Ciena Corp.	8.67
2	Jabil Inc.	7.04
3	Applied Materials Inc.	5.11
4	Lumentum Holdings Inc.	4.42
5	Coherent Corp.	3.75
6	Motorola Solutions Inc.	3.07
7	Johnson Controls International plc.	2.74
8	Booking Holdings Inc.	2.70
9	Somnigroup International Inc.	2.64
10	Nvidia Corp.	2.61
Top 10		42.75
Total Equities		92.67
Cash		7.33
Total Assets		100.00

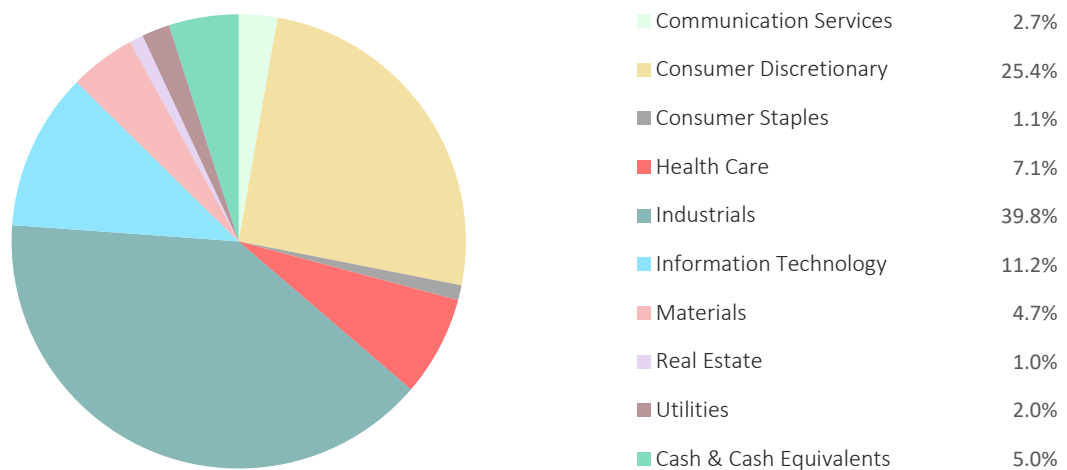
U.S. EQUITY FUND — SECTOR MIX AS AT OCTOBER 31, 2025



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

Ranking	Security	% of Net Assets
1	Bombardier Inc., Class B	9.67
2	Leon's Furniture Ltd.	7.83
3	Bird Construction Inc.	7.44
4	ATS Corporation	5.13
5	Constellation Software Inc.	4.78
6	Zymeworks Inc.	4.61
7	Aritzia Inc.	4.05
8	Badger Infrastructure Solutions Ltd.	3.60
9	CAE Inc.	3.30
10	Canadian National Railway Company	3.12
Top 10		53.53
Total Equities		95.02
Cash		4.98
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT OCTOBER 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:

Marcus Vander Leek, CFA

Director of Business Development and Client Service

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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.

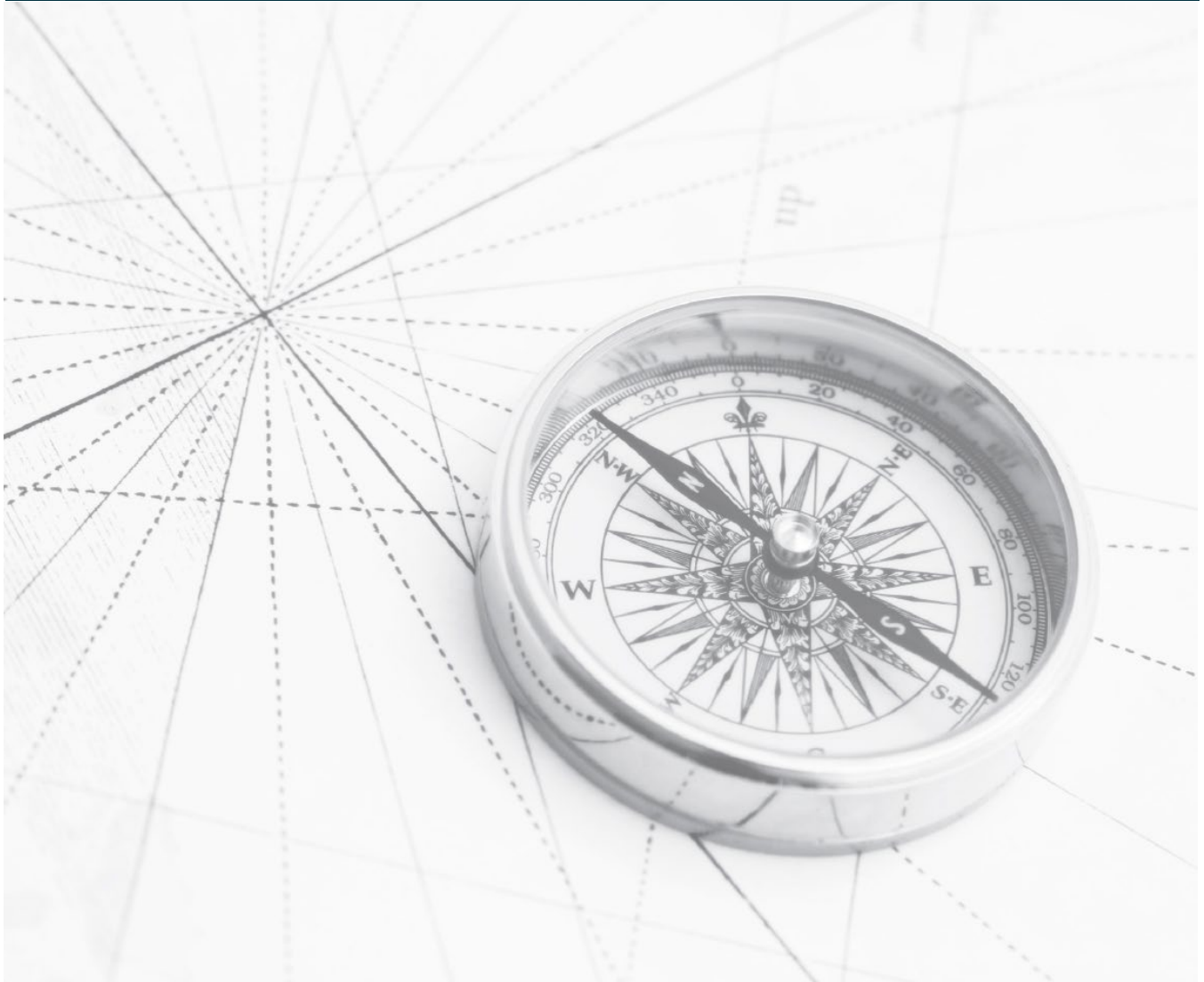


A NOTE ON FORWARD-LOOKING STATEMENTS

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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