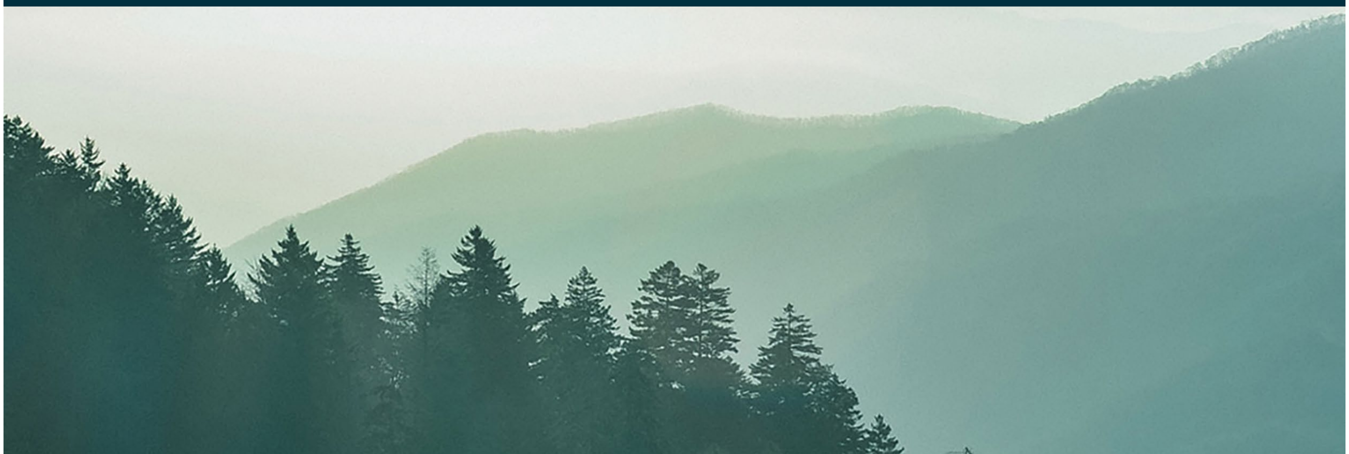
NORTH GROWTH MANAGEMENT



# JULY 2026 MONTHLY REPORT

AUGUST 5, 2026

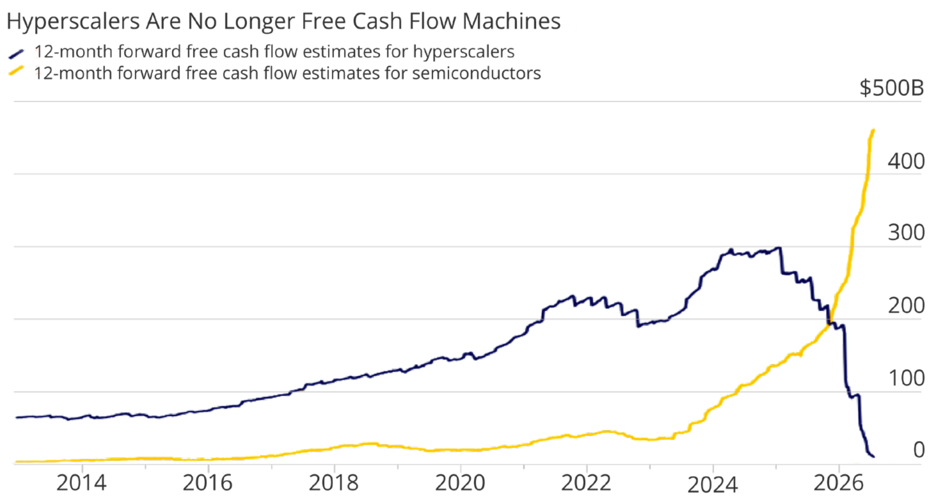
# Market and Fund Performance Update

July was another volatile month for U.S. stocks with sharp performance dispersion among the different equity sectors. While energy and financials outperformed, the mega-cap technology trade broke down as high-flying semiconductor and AI (artificial intelligence) related names faced heavy selling pressure. Chipmakers entered bear market territory; the Philadelphia Semiconductor Index (SOX), among the hardest-hit, fell over 20% during the month.

## AI TRANSFER OF FORTUNES

The AI euphoria that drove the U.S. stock market to all-time highs in June waned in July as momentum unwound in semis and technology shares broadly sold off. Skepticism has been building around the hundreds of billions of dollars being spent on data center development. Since the beginning of the year, the Magnificent Seven tech giants have lagged the S&P 500 and their valuations have declined meaningfully as investors have grown wary of their massive expenditures on AI.

There has been a notable shift in the fundamentals among AI-related companies. Hyperscalers, large cloud computing companies that provide data storage, networking, and processing power, are no longer generating free cash flows—cash from operations minus capital expenses—whereas the suppliers of AI infrastructure such as chipmakers are reaping the benefits. This drastic divergence in free cash flow generation is illustrated by the following chart: “Hyperscalers Are No Longer Free Cash Flow Machines.”




Note: Hyperscalers: Amazon, Alphabet, Meta, Oracle. Semiconductors: Nvidia, Micron, Broadcom, Applied Materials

**Source: Bank of America, Bloomberg*

## OUR VIEW

The duration and magnitude of AI spending continue to be ongoing concerns. In a period of heightened market anxiety as witnessed in July, even semiconductor companies that have reported significantly positive earnings and accelerating growth have not been spared from a drawdown. We reiterate our position articulated in the June monthly report:

> "*The North Growth U.S. Equity Fund has been a beneficiary of the shifting AI trade given its meaningful exposure to the networking and semiconductor industries. However, we are cognizant that these companies historically have been highly cyclical with typical booms and busts. Notwithstanding remarkably strong AI demand, the valuations of chip stocks are getting stretched and market sentiment nearing exuberance. Accordingly, we have been actively capping our exposure to the semis and realizing capital gains. As in past years, we will start disclosing our expectations for the Funds' annual tax distributions in our August monthly report.*"

## U.S. EQUITY FUND

In July, the North Growth U.S. Equity Fund declined -4.8%. The Fund underperformed all the indices we regularly track: the S&P 500 which fell -0.1%, the S&P 400 MidCap and S&P 600 SmallCap which lost -2.4% and -1.9% respectively, as well as the NASDAQ Composite which was down -3.2%. A stronger Canadian currency against its U.S. counterpart widened the Fund's monthly loss to -6.0% in Canadian dollars versus the S&P 500's -1.3% Canadian-dollar loss.

## CANADIAN EQUITY FUND, SERIES N

In July, the North Growth Canadian Equity Fund, Series N, lost -2.6% compared to a gain of 1.2% for the S&P/TSX Composite. Only three sectors – Energy, Health Care and Consumer Staples—beat the index benchmark during the month.

We continue to remain focused on 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 JULY 31, 2026

| | 1 Month | 3 Months | 6 Months | YTD |
|---|---|---|---|---|
| **North Growth U.S. Equity Fund $CDN[x]** | **-5.97** | **6.35** | **25.92** | **28.64** |
| S&P 500 in $CDN[x] | -1.34 | 7.29 | 12.30 | 12.73 |
| | | | | |
| **North Growth U.S. Equity Fund $U.S.** | **-4.76** | **3.28** | **21.73** | **25.68** |
| S&P 500 $U.S. | -0.06 | 4.19 | 8.56 | 10.14 |
| S&P 400 MidCap $U.S. | -2.38 | 3.60 | 10.08 | 14.54 |
| S&P 600 SmallCap $U.S. | -1.90 | 6.35 | 15.09 | 21.55 |
| NASDAQ Composite $U.S. | -3.19 | 2.09 | 8.48 | 9.53 |

## ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED JULY 31, 2026

| | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs | 15 Yrs | 20 Yrs | Since Inception |
|---|---|---|---|---|---|---|---|
| **North Growth U.S. Equity Fund $CDN[x]** | **57.79** | **29.43** | **16.24** | **16.40** | **17.23** | **13.08** | **13.85** |
| S&P 500 $CDN[x] | 21.15 | 21.84 | 15.57 | 15.91 | 17.48 | 12.56 | 11.47 |
| | | | | | | | |
| **North Growth U.S. Equity Fund $U.S.** | **55.71** | **26.75** | **13.52** | **15.57** | **14.27** | **11.87** | **13.45** |
| S&P 500 $U.S. | 19.56 | 19.32 | 12.86 | 15.08 | 14.51 | 11.35 | 11.07 |
| S&P 400 MidCap $U.S. | 20.92 | 12.96 | 8.47 | 10.91 | 11.37 | 10.12 | 11.80 |
| S&P 600 SmallCap $U.S. | 33.64 | 13.26 | 7.48 | 10.75 | 11.51 | 9.76 | 11.22 |
| NASDAQ Composite $U.S. | 20.87 | 21.79 | 12.42 | 18.32 | 17.16 | 14.45 | 11.85* |

*Source: Bloomberg "Total Return Analysis" as of July 31, 2026*

*The inception of the Fund: October 13, 1992.*

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

*[x] The North Growth U.S. Equity Fund's $CDN rates of return are calculated using the Bank of Canada daily average exchange rate which may differ from the exchange rate used by Bloomberg to calculate the S&P 500's $CDN rate of return.*

| | July 31, 2026 |
|---|---|
| Unit Price | $ 103.61 CDN / $ 73.86 US |
| Total Assets in Fund | $ 1.0169 Billion CDN |

# North Growth Canadian Equity Fund, Series N

## SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED JULY 31, 2026

| | 1 Month | 3 Months | 6 Months | YTD |
|---|---|---|---|---|
| **North Growth Canadian Equity Fund, Series N** | **-2.62** | **7.94** | **20.80** | **20.21** |
| S&P/TSX Composite Index[1] | 1.22 | 4.29 | 11.58 | 12.52 |

## ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED JULY 31, 2026

| | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs | Since Prospectus |
|---|---|---|---|---|---|
| **North Growth Canadian Equity Fund, Series N** | **38.00** | **19.43** | **11.34** | **13.42** | **13.50** |
| S&P/TSX Composite Index[1] | 32.26 | 22.93 | 14.95 | 12.50 | 11.51 |

*Source: Bloomberg "Total Return Analysis" as of July 31, 2026*
*The prospectus inception of the Fund: June 15, 2012.*


| | July 31, 2026 |
|---|---|
| Unit Price | $ 36.40 CDN |
| Total Assets in Fund | $ 61.5 Million CDN |

# North Growth Canadian Money Market Fund

## ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED JULY 31, 2026

| | Current Yield* | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs | 15 Yrs |
|---|---|---|---|---|---|---|
| **North Growth Canadian Money Market Fund** | **2.20** | **2.23** | **3.46** | **2.95** | **1.93** | **1.54** |
| 30 Day Treasury Bill | N/A | 2.40 | 3.63 | 3.05 | 1.96 | 1.57 |

** 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.

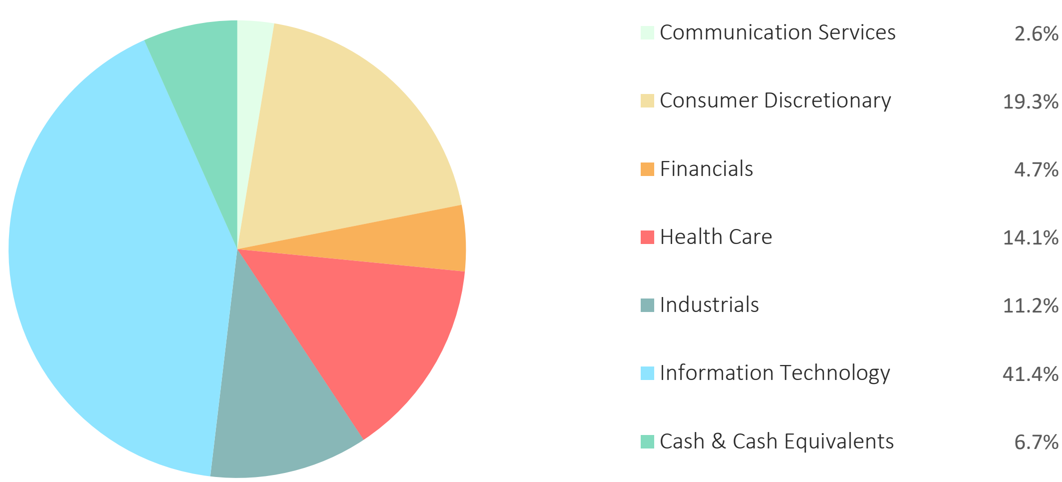
The current yield quoted above is net of the management fee.

# Equity Fund Holdings and Composition

## U.S. EQUITY FUND — TOP 10 HOLDINGS AS AT JULY 31, 2026

| Ranking | Security | % of Net Assets |
|---|---|---|
| 1 | Jabil Inc. | 5.81 |
| 2 | Applied Materials Inc. | 5.66 |
| 3 | Ciena Corp. | 5.24 |
| 4 | Lumentum Holdings Inc. | 5.09 |
| 5 | Brinker International Inc. | 3.77 |
| 6 | Coherent Corp. | 3.30 |
| 7 | Motorola Solutions Inc. | 3.08 |
| 8 | Tapestry Inc. | 2.83 |
| 9 | HP Inc. | 2.80 |
| 10 | Johnson Controls International plc. | 2.74 |
| **Top 10** | | **40.32** |
| **Total Equities** | | **93.33** |
| **Cash** | | **6.67** |
| **Total Assets** | | **100.00** |

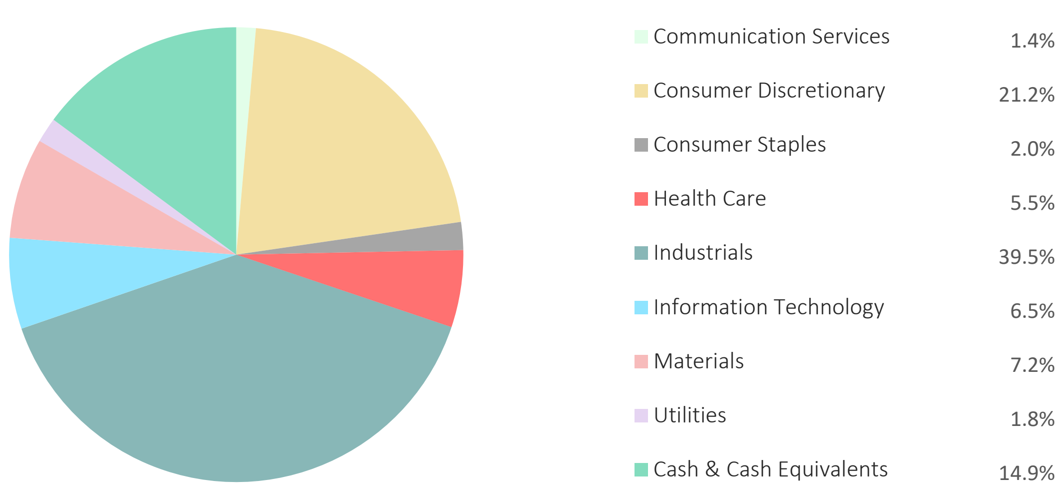
## U.S. EQUITY FUND — SECTOR MIX AS AT JULY 31, 2026



## CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT JULY 31, 2026

| Ranking | Security | % of Net Assets |
|---|---|---|
| 1 | Bird Construction Inc. | 9.67 |
| 2 | Bombardier Inc., Class B | 8.68 |
| 3 | Leon's Furniture Ltd. | 5.13 |
| 4 | Constellation Software Inc. | 4.82 |
| 5 | Aritzia Inc. | 4.12 |
| 6 | ATS Corporation | 3.95 |
| 7 | ADF Group Inc. | 3.69 |
| 8 | TFI International Inc. | 3.61 |
| 9 | 5N Plus Inc. | 3.46 |
| 10 | Badger Infrastructure Solutions Ltd. | 3.37 |
| **Top 10** | | **50.50** |
| **Total Equities** | | **85.12** |
| **Cash** | | **14.88** |
| **Total Assets** | | **100.00** |

## CANADIAN EQUITY FUND — SECTOR MIX AS AT JULY 31, 2026



# 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*

Email: marcus@northgrowth.com

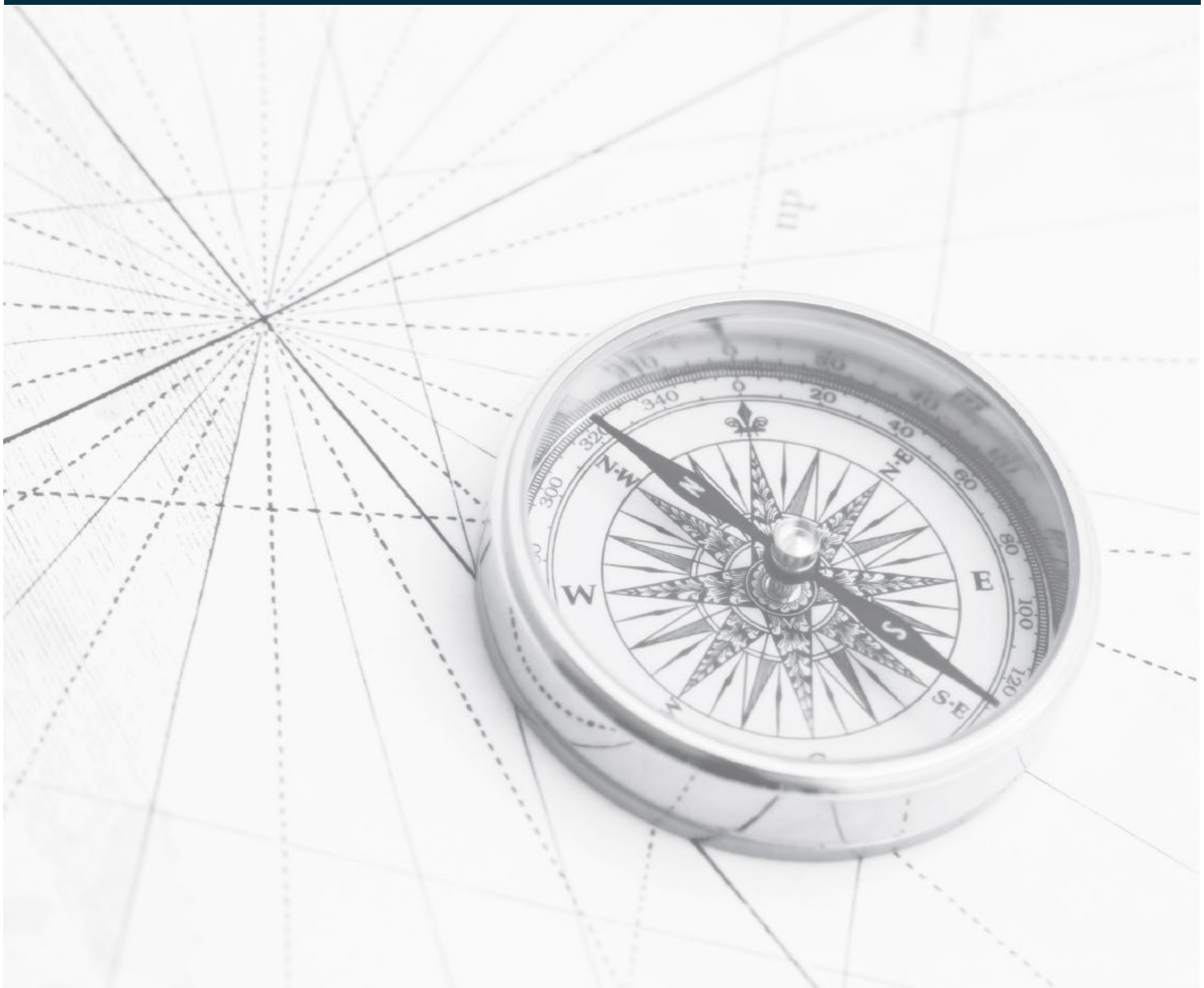
## WHERE TO FIND NGM FUND PRICES

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.

NORTH GROWTH
MANAGEMENT



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