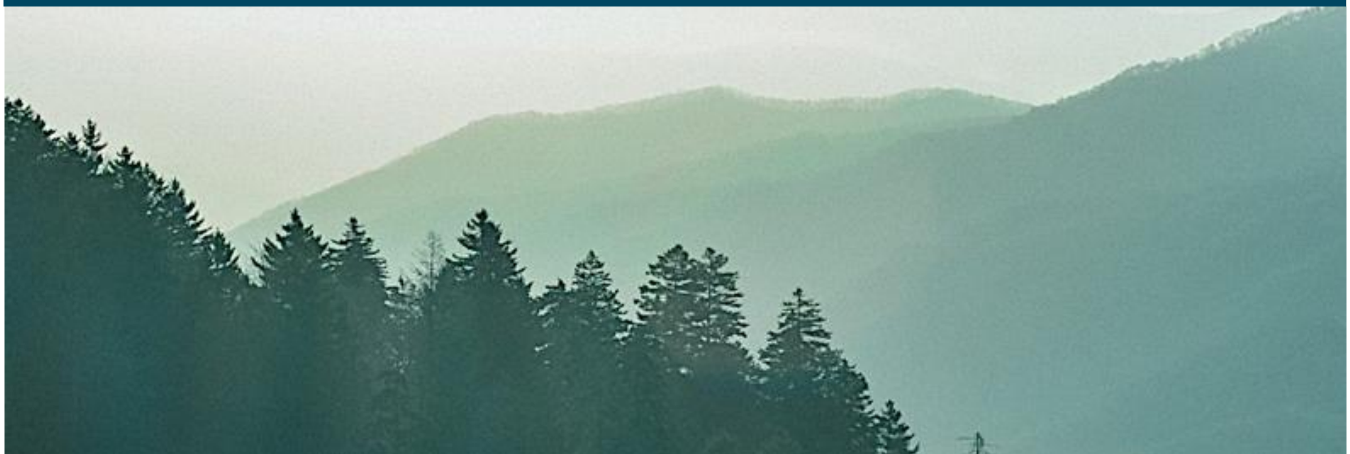
NORTH GROWTH MANAGEMENT



INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

JUNE 30, 2026

NORTH GROWTH BALANCED FUND

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can obtain a copy of the unaudited interim or audited annual financial statements at your request, and at no cost, by calling collect 1-604-688-5440, by writing to us at North Growth Management Ltd., Suite 830 One Bentall Centre, 505 Burrard Street, Box 56, Vancouver, BC V7X 1M4 or by visiting our website at www.northgrowth.com or SEDAR+ at www.sedarplus.ca. Security holders may also contact us by using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. The investment fund's Simplified Prospectus and Fund Facts are similarly available.

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, among other things, 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, without limitation, 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, catastrophic events and the risks detailed from time to time in the Fund's simplified prospectus. 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. The forward-looking information contained in this report is current only as of the date of this report. The Manager of the Fund does not undertake, and specifically disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

NORTH GROWTH BALANCED FUND

Management Discussion of Fund Performance

RESULTS OF OPERATIONS

For the six-month period ended June 30, 2026, the Series F and Series A units of the Fund rose 20.10% and 19.45% respectively. The difference in performance between the Series F and Series A units is mostly attributed to the 1.00% trailer commission paid on the Series A units of the Fund. Both series outperformed the Fund's blended benchmark of 40% S&P 500, 20% S&P/TSX Composite and 40% Treasury Bills, which returned 12.36% over the same period.

The first half of 2026 was dominated by the outbreak of war between the United States, Israel, and Iran in late February. The effective closure of the Strait of Hormuz drove oil prices sharply higher, equity markets on both sides of the border sold off, and inflation concerns intensified. Following a conditional ceasefire in early April, oil retreated and both the S&P 500 and S&P/TSX Composite recovered to record highs.

Central banks held policy steady through the volatility. The U.S. Federal Reserve, where Kevin Warsh succeeded Jerome Powell as Chair in May, kept the federal funds rate at 3.50% to 3.75% as headline CPI accelerated to a multiyear high of 4.2% year-over-year in May. The Bank of Canada held its overnight rate at 2.25%, signalling it is looking through the war's near-term inflation impact while remaining alert to more persistent price pressures.

Equity leadership differed by country: the U.S. advance was led by semiconductor, memory and related suppliers of the artificial intelligence build-out, while in Canada energy, financials and utilities led and small-capitalization stocks outperformed. The Fund participated on both fronts: U.S. holdings in semiconductor capital equipment, optical communications and electronics manufacturing, led by Applied Materials, Jabil and Ciena, and Canadian industrials led by Bird Construction, and Bombardier.

The Fund's Canadian money market holdings provided stability and income, with yields anchored near the Bank of Canada's policy rate. The Fund ended the period with approximately 61% in equities, 36% in money market securities and 3% in cash.

During the interim period, the Manager initiated four new positions: Adobe, D-Box Technologies, Moody's and Premium Brands Holdings. Three positions were eliminated: Atkore, InMode and Open Text. The Fund also received shares of FedEx Freight through its spinoff from FedEx.

RECENT DEVELOPMENTS

The Manager's core investment philosophy remains focused on identifying investment opportunities that meet its "Growth at a Reasonable Price" criteria. The Manager seeks well-managed companies that offer compelling long-term growth potential and are priced at reasonable valuations. For fixed income securities, the Manager takes a simple approach, investing in a well-diversified portfolio of Canadian money market securities with an emphasis on high credit ratings.

Market breadth broadened meaningfully on both sides of the border during the first half, with small- and mid-capitalization stocks leading in both Canada and the United States. As market leadership alternates between large-cap and small-cap stocks, we believe the Fund is well positioned in a broad market recovery. The Manager continues to monitor risks to the outlook, including the fragile ceasefire in the Middle East, elevated inflation and the potential for tighter monetary policy, and ongoing trade policy uncertainty.

Subsequent to the end of the reporting period, the first joint review of the USMCA was held on July 1, 2026. The United States declined to confirm its intention to extend the agreement for a further 16-year term, triggering annual reviews of the agreement, which otherwise remains in force.

RELATED PARTY TRANSACTIONS

North Growth Management Ltd. is the manager and portfolio advisor of the Fund. It provides investment and portfolio management services to the Fund and is responsible for the overall operations of the Fund. The Fund pays the Manager for services provided (see *Management Fee*).

During the interim period ended June 30, 2026, the Manager neither purchased nor redeemed any units of the Fund (2025 –subscribed to 1,000 Series A units and 24,000 Series F units of the Fund and subsequently switched all its Series A units to Series F units).

On June 30, 2026, the Manager and its affiliates and their officers and directors and their spouses beneficially owned 3.30% (December 31, 2025 – 8.88% of the outstanding units of the Fund).

On June 30, 2026, the Fund carried an outstanding balance payable to the Manager for management fees in the amount of $7,480 (December 31, 2025 – $507).

Financial Highlights

For the interim period ended June 30, 2026 and comparative period from July 23, 2025 to December 31, 2025

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance during the past periods.

SERIES F – NET ASSETS PER UNIT

Net Assets Per Unit[1]	June 30 2026	December 31 2025
Net Assets, beginning of period	**$10.95**	$10.00
Increase (decrease) from operations:		
Total revenue	**0.10**	0.08
Total expenses	**(0.06)**	(0.02)
Realized gains (losses) for the period	**0.06**	0.02
Unrealized gains (losses) for the period	**2.13**	1.01
Total increase (decrease) from operations[2]	**2.28**	1.14
Distributions:		
From income	**-**	-
From capital gains	**-**	-
Total Distributions[3]	**-**	-
Net assets, end of period	**$13.15**	$10.95

1. *This information is derived from the Fund's unaudited interim and audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes due to the timing of unitholder transactions during the period. An explanation of these differences can be found in the notes to the financial statements. Due to potential rounding differences, the sum of the individual components of the disclosed information does not necessarily amount to the "Net assets at end of period shown" balance.*
2. *Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.*
3. *Distributions were paid in cash or reinvested in additional units of the Fund.*

Financial Highlights (continued)

SERIES F – RATIOS AND SUPPLEMENTAL DATA

Ratios and Supplemental Data	June 30 2026	December 31 2025
Total net asset value (000's)[4]	**$8,569**	$2,600
Number of units outstanding (000's)[4]	**651**	237
Management expense ratio[5]	**0.95%**	0.95%
Management expense ratio before waivers and absorptions[6]	**1.19%**	1.80%
Trading expense ratio[7]	**0.03%**	0.07%
Portfolio turnover rate[8]	**0.10%**	0.23%
Net asset value per unit	**$13.15**	$10.95

4. *This information is provided as at June 30th for the interim period shown and December 31st of the comparative periods shown.*
5. *Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.*
6. *The Manager pays all fees related to the IRC; the Management expense ratio before waivers and absorptions represents what the MER would be if the Fund paid the IRC fees.*
7. *The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.*
8. *The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.*

Financial Highlights (continued)

SERIES A – NET ASSETS PER UNIT

Net Assets Per Unit[1]	June 30 2026	December 31 2025
Net Assets, beginning of period	**$10.90**	$10.00
Increase (decrease) from operations:		
Total revenue	**0.10**	0.08
Total expenses	**(0.12)**	(0.05)
Realized gains (losses) for the period	**0.06**	0.02
Unrealized gains (losses) for the period	**2.13**	1.01
Total increase (decrease) from operations[2]	**1.93**	0.79
Distributions:		
From income	**-**	-
From capital gains	**-**	-
Total Distributions[3]	**-**	-
Net assets, end of period	**$13.02**	$10.90

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2. *Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding over the financial period.*
3. *Distributions were paid in cash or reinvested in additional units of the Fund.*

Financial Highlights (continued)

SERIES A – RATIOS AND SUPPLEMENTAL DATA

Ratios and Supplemental Data	June 30 2026	December 31 2025
Total net asset value (000's)[4]	**$1,535**	$532
Number of units outstanding (000's)[4]	**118**	49
Management expense ratio[5]	**1.95%**	1.95%
Management expense ratio before waivers and absorptions[6]	**2.43%**	3.95%
Trading expense ratio[7]	**0.03%**	0.07%
Portfolio turnover rate[8]	**0.10%**	0.23%
Net asset value per unit	**$13.02**	$10.90

4. *This information is provided as at June 30th for the interim period shown and December 31st of the comparative periods shown.*
5. *Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.*
6. *The Manager pays all fees related to the IRC; the Management expense ratio before waivers and absorptions represents what the MER would be if the Fund paid the IRC fees.*
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8. *The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.*

Financial Highlights (continued)

MANAGEMENT FEE

North Growth Management Ltd. is the trustee, fund accountant, transfer agent, portfolio advisor and manager of the Fund and receives a management fee from the Fund for these services. The Fund has two series: Series A and Series F. The management fee for both series is 0.95% of assets under management, calculated daily and paid monthly based on the daily net asset value of each series.

The Manager pays all operating costs of the Fund from its management fee, except for brokerage fees, any taxes payable, interest charges, if any, and trailer fees. It is not reimbursed for these costs.

The Fund is distributed by registered dealers. Series A pays a trailing commission of 1.00%. Series F units do not pay a trailing commission and are available through discount brokers and dealers who are generally compensated by their clients on a fee-for-service basis.

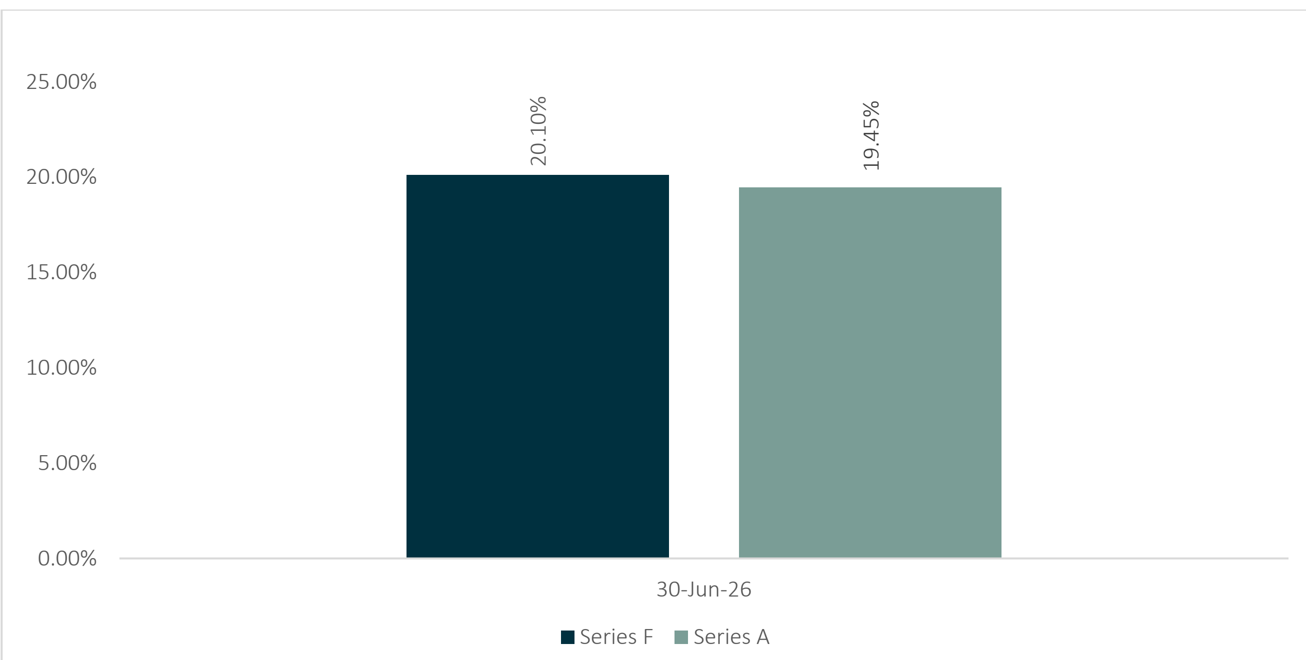
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The Fund's returns are after the deduction of fees and expenses, and the difference in returns between series of units is primarily due to the 1.00% per annum trailing commission on the Series A units. See *Financial Highlights* for the management expense ratio.

INTERIM RETURNS

The bar chart indicates the Fund's performance for the interim period. The bar chart shows, in percentage terms, how much an investment made on the first day of the interim period would have grown or decreased by the last day of the period.

Year-by-year return performance data is not available because the Fund is new. The Fund became a reporting issuer and began offering its units to the public on August 18, 2025. Canadian securities regulation prohibits funds from providing past performance data for any period if it was not a reporting issuer at all times during the period.



Summary of Investment Portfolio

As of June 30, 2026

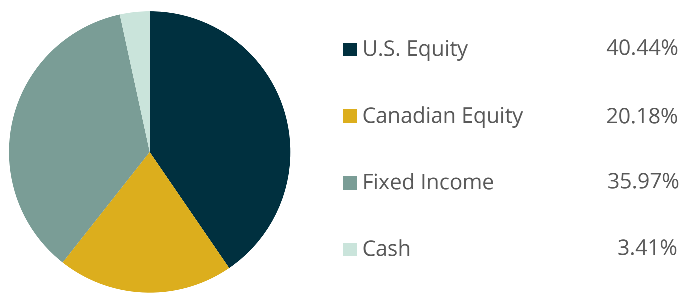
The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. It is updated quarterly, within 60 days of quarter end, and is available as indicated on the front cover of this report.

Top 25 Holdings

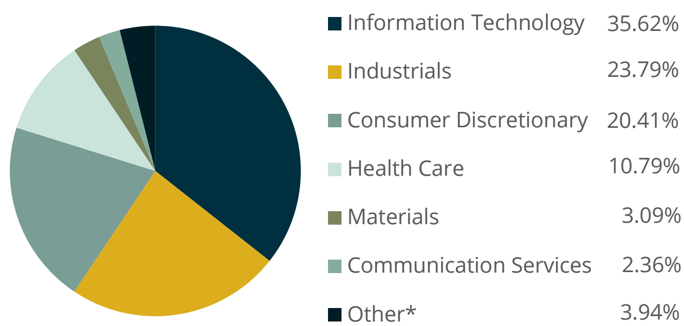
Top Equity Holdings	% of Net Assets
Applied Materials Inc.	3.60
Jabil Inc.	2.99
Ciena Corp.	2.87
Bird Construction Inc.	2.68
Lumentum Holdings Inc.	2.34
Coherent Corp.	1.96
Bombardier Inc., Class B	1.81
Brinker International Inc.	1.24
Motorola Solutions Inc.	1.24
West Pharmaceutical Services, Inc.	1.16
Johnson Controls International plc	1.15
Tapestry Inc.	1.14
Texas Instruments Inc.	1.10
Leon's Furniture Ltd.	1.07
5N Plus Inc.	1.00
Aritzia Inc.	0.99

Top Fixed Income Holdings	% of Net Assets
Government of Canada (2026-07-02 – 2026-12-16)	20.42
Provincial Treasurer of AB (2026-07-17)	1.98
Government of Quebec (2026-07-17)	1.98
Government of NL (2026-07-30)	1.98
Government of PEI (2026-08-04)	1.98
Province of Saskatchewan (2026-08-06)	1.98
Province of Ontario (2026-08-12)	1.98
Province of Manitoba (2026-09-02)	1.98
Province of BC (2026-07-07)	1.69

Asset Mix



Equity Sector Mix



* Financials, Consumer Staples, Utilities, Real Estate

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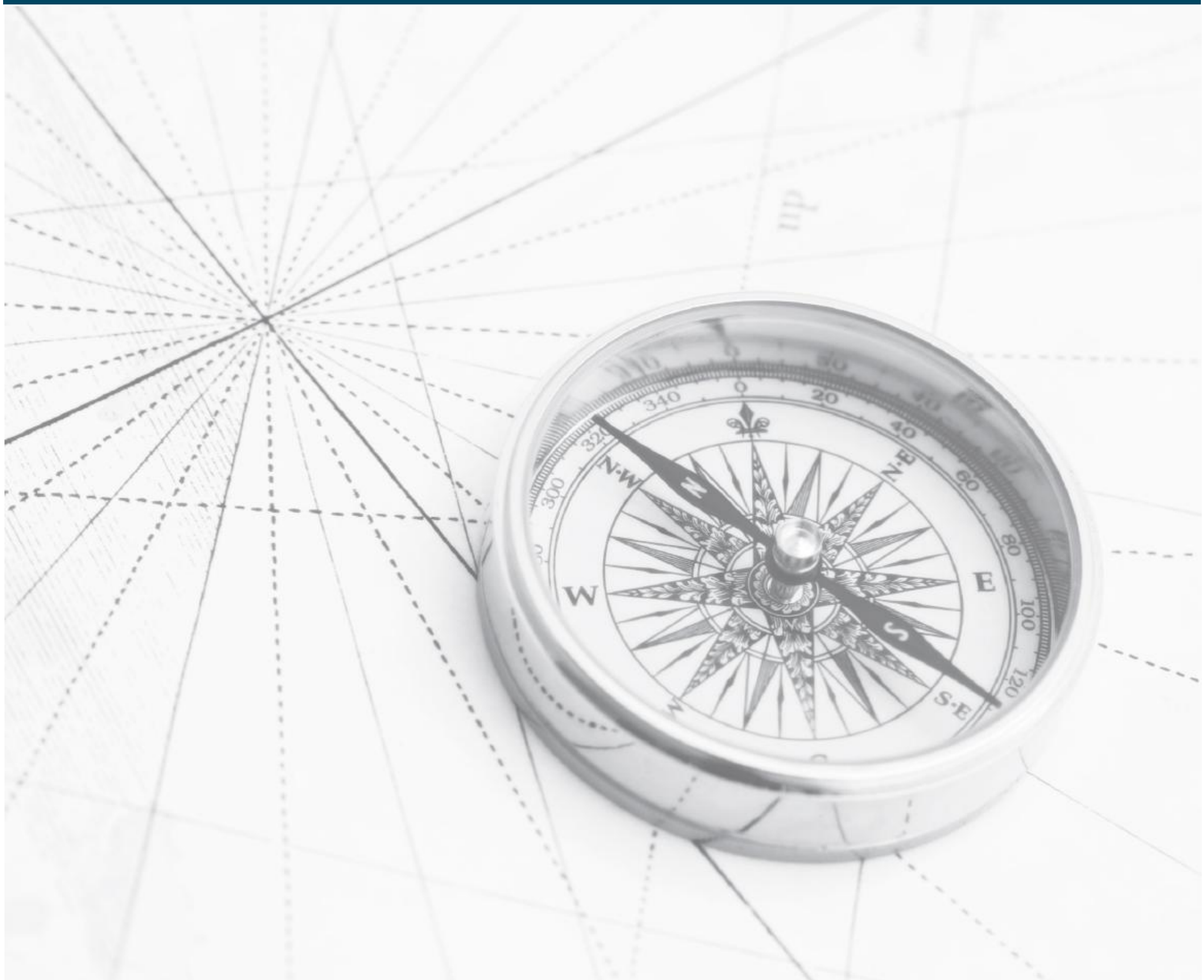

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