



NORTH GROWTH
MANAGEMENT



SEPTEMBER 2026 MONTHLY REPORT

OCTOBER 5, 2026

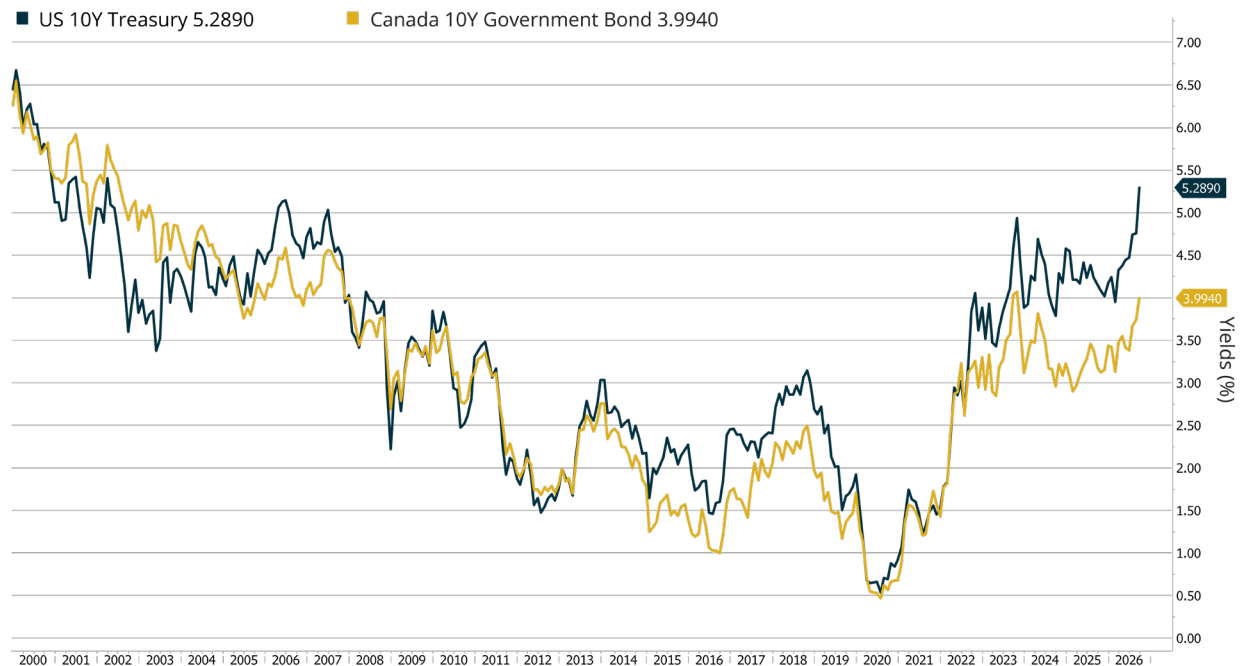
Market and Fund Performance Update

September was a challenging month for U.S. and Canadian equities as both the S&P 500 and S&P/TSX Composite indices declined. Macro and geopolitical headwinds pressured overall market sentiment while persistent enthusiasm for artificial intelligence (AI) in the U.S. provided support for the NASDAQ and mega-cap American tech names.

RISING LONG-TERM INTEREST RATES

Long-term government bond yields have surged sharply, with the U.S. 10-year Treasury ending September at 5.29% and the Canadian 10-Year Government Bond at 3.99%, the highest levels in two decades. Financial markets have been grappling with multiple interconnected concerns driving and resulting from the rise in yields.

US & Canada 10-Year Government Bond Yields (2000–Sep 2026)



Source: Bloomberg

Increasing oil prices stoked by ongoing geopolitical conflict and supply fears around the Strait of Hormuz have fueled inflation worries. In turn, continued inflation expectations coupled with solid U.S. economic data showing expansionary business activity have reinforced market bets on more interest rate hikes by the Federal Reserve.

Higher interest rates equate to higher borrowing costs for the U.S. and other nations as governments continue to spend aggressively. Surging bond yields are a major concern for countries' public finances as new and maturing debt are issued and refinanced at materially higher rates. Likewise, corporations and consumers as well face higher borrowing costs with surging yields.

For stocks specifically, higher yields compress valuations. Increased borrowing costs and reduced spending lead to lower revenues and profits for companies. Moreover, the theoretical stock values of companies' future cash flows are lower with higher discount rates.

In this current cycle, the widening U.S.-Canada spread is a notable divergence from the 2000s. Although Canada's 10-year bond yield has also risen significantly from the end of 2020, it remains much lower than the U.S. 10-year Treasury. This likely reflects differing economic and inflation trajectories, fiscal dynamics, and market expectations for the Bank of Canada versus the U.S. Fed.

OUR VIEW

As always, we remain focused on individual stock analysis that adheres to our "Growth at a Reasonable Price" investment philosophy. We engage in active stock selection, constructing our Funds from the bottom up, as opposed to making macro-driven investment decisions. However, surging long-term bond yields are undeniably negative for stocks and we are prepared for increasingly challenging times, especially after an extended period of strong equity returns.

TAX INFORMATION UPDATE

Tuesday, December 15th is the distribution date for both the North Growth U.S. Equity Fund and North Growth Canadian Equity Fund.

For the North Growth U.S. Equity Fund, we continue to estimate that the distribution, comprised almost entirely of capital gains, will be between 10% and 20% of the unit price. Due to the significant appreciation of several technology holdings, we have been actively capping the Fund's exposure to the networking and semiconductor industries which has resulted in higher realized capital gains than in years past.

For the North Growth Canadian Equity Fund, we anticipate that the distribution, also mostly capital gains, will be between 3% and 8% of the unit price.

Due to factors beyond our control, the current estimates for the distributions may change materially over the coming months. We will continue updating our projections in the October monthly report, and

will have the final distribution amounts in the November monthly report to be published on Wednesday, December 16th.

U.S. EQUITY FUND

In September, the North Growth U.S. Equity Fund depreciated by -1.6%. The Fund underperformed the S&P 500 which lost -0.4% and the NASDAQ Composite which gained 1.9%, but beat the smaller-capitalization S&P 400 MidCap and S&P 600 SmallCap which declined -4.2% and -5.6% respectively. In Canadian dollars, the Fund appreciated 1.0% versus the S&P 500's 2.3% monthly return.

Year-to-date, the Fund is up 28.3%. The Fund has outperformed all the indices we regularly track over the past nine months: the S&P 500 which gained 12.8%, the S&P 400 MidCap and S&P 600 SmallCap which advanced 9.9% and 14.1% respectively, as well as the NASDAQ Composite which appreciated 16.1%. In Canadian dollars year-to-date, the Fund has gained 33.2% versus the S&P 500 which is up 17.1%.

CANADIAN EQUITY FUND, SERIES N

In September, the North Growth Canadian Equity Fund, Series N, gained 1.2% compared to a loss of -2.6% for the S&P/TSX Composite. Information Technology was the only sector with positive performance last month.

September was characterized by a difficult Canadian macro policy environment. As Bank of Canada Deputy Governor, Toni Gravelle, publicly acknowledged at the Bloomberg Canadian Finance Conference in New York on September 29th, the Governing Council is in a "dilemma" and having "vigorous, deep debates" about how to balance trade-war growth risks against the inflation effects of a prolonged energy shock. While the inaugural Canada Investment Summit was a source of optimism, the benefits will show up only over time. Meanwhile, preliminary readouts suggest flat year-over-year economic activity for the third quarter, implying the second quarter's elevated growth might have been demand pulled forward. The amalgamation of all these factors may explain investors' equity positioning last month as the market favoured companies with either domestic infrastructure buildout exposure or diversified international exposure beyond the United States.

As always, 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 SEPTEMBER 30, 2026

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Fund \$CDN ^x	1.02	-2.63	21.37	33.23
S&P 500 in \$CDN ^x	2.27	2.45	20.31	17.06
North Growth U.S. Equity Fund \$U.S.	-1.56	-2.76	18.89	28.32
S&P 500 \$U.S.	-0.35	2.30	17.85	12.75
S&P 400 MidCap \$U.S.	-4.22	-6.36	7.20	9.88
S&P 600 SmallCap \$U.S.	-5.57	-7.93	10.21	14.08
NASDAQ Composite \$U.S.	1.93	2.61	24.78	16.09

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED SEPTEMBER 30, 2026

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
North Growth U.S. Equity Fund \$CDN ^x	49.84	33.55	18.40	16.70	17.73	12.83	13.90
S&P 500 \$CDN ^x	18.35	25.00	16.47	16.28	18.06	12.56	11.53
North Growth U.S. Equity Fund \$U.S.	46.53	31.29	15.68	15.75	15.36	11.48	13.45
S&P 500 \$U.S.	15.74	22.89	13.79	15.33	15.68	11.21	11.09
S&P 400 MidCap \$U.S.	11.69	14.54	8.03	10.47	12.44	9.79	11.60
S&P 600 SmallCap \$U.S.	16.02	14.81	6.22	9.83	12.44	9.27	10.95
NASDAQ Composite \$U.S.	19.26	27.50	14.06	18.65	18.65	14.33	11.98*

Source: Bloomberg "Total Return Analysis" as of September 30, 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 rates of return.

	September 30, 2026
Unit Price	\$ 107.30 CDN / \$ 75.41 US
Total Assets in Fund	\$ 982.4 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED SEPTEMBER 30, 2026

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund, Series N	1.19	-4.61	15.73	17.75
S&P/TSX Composite Index	-2.62	1.62	8.69	12.96

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED SEPTEMBER 30, 2026

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Prospectus
North Growth Canadian Equity Fund, Series N	25.38	22.01	10.97	13.58	13.18
S&P/TSX Composite Index	20.02	25.06	15.18	12.37	11.40

Source: Bloomberg "Total Return Analysis" as of September 30, 2026
The prospectus inception of the Fund: September 15, 2012.

	September 30, 2026
Unit Price	\$ 35.66 CDN
Total Assets in Fund	\$ 61.6 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED SEPTEMBER 30, 2026

	Current Yield*	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
North Growth Canadian Money Market Fund	2.22	2.19	3.31	3.02	1.96	1.55
30 Day Treasury Bill	N/A	2.33	3.47	3.12	1.99	1.59

* 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 — HOLDINGS AS AT SEPTEMBER 30, 2026

Ranking	Security	% of Net Assets
1	Lumentum Holdings Inc.	6.16
2	Applied Materials Inc.	5.76
3	Jabil Inc.	5.55
4	Ciena Corp.	5.19
5	Nvidia Corp.	3.71
6	Coherent Corp.	3.67
7	HP Inc.	3.37
8	Motorola Solutions Inc.	3.31
9	Brinker International Inc.	3.23
10	IQVIA Holdings Inc.	3.07
11	West Pharmaceutical Services, Inc.	2.98
12	Johnson Controls International plc	2.92
13	Thermo Fisher Scientific, Inc.	2.78
14	Texas Instruments Inc.	2.58
15	Tapestry Inc.	2.25
16	Global Payments Inc.	2.16
17	Watts Water Technologies Inc.	2.14
18	Abercrombie & Fitch Co.	2.00
19	Apple Inc.	1.98
20	Booking Holdings Inc.	1.94
21	Crocs, Inc.	1.87
22	Somnigroup International Inc.	1.63
23	United Rentals, Inc.	1.62
24	Adobe Systems Inc.	1.61
25	CME Group Inc.	1.54
26	Elevance Health, Inc.	1.49
27	Ulta Beauty Inc.	1.49
28	Biogen Inc.	1.46

Ranking	Security	% of Net Assets
29	Jacobs Solutions Inc.	1.43
30	Microsoft Corporation	1.29
31	NVR Inc.	1.27
32	AutoZone, Inc.	1.21
33	Warner Bros. Discovery Inc.	1.19
34	Align Technology, Inc.	1.05
35	Moody's Corporation	1.05
36	Arhaus Inc.	1.00
37	Old Dominion Freight Line, Inc.	0.94
38	NIKE Inc.	0.81
39	Qualcomm Inc.	0.62
40	Fortune Brands Innovations, Inc.	0.60
41	FedEx Corp.	0.55
42	Zoetis Inc.	0.49
43	Amentum Holdings Inc.	0.40
44	Masterbrand, Inc.	0.39
45	First Solar Inc.	0.35
46	Fedex Freight Holding Company, Inc.	0.11
Total Equities		94.21
Cash		5.79
Total Assets		100.00

CANADIAN EQUITY FUND — HOLDINGS AS AT SEPTEMBER 30, 2026

Ranking	Security	% of Net Assets
1	Bird Construction Inc.	11.84
2	Bombardier Inc., Class B	8.33
3	Leon's Furniture Ltd.	5.28
4	Constellation Software Inc.	4.84
5	Badger Infrastructure Solutions Ltd.	3.76
6	Aritzia Inc	3.64
7	ATS Corporation	3.46
8	ADF Group Inc.	3.45
9	TFI International Inc.	3.35
10	5N Plus Inc.	3.30
11	Canadian National Railway Company	3.16
12	Restaurant Brands International	2.74
13	Zymeworks Inc.	2.72
14	Groupe Dynamite Inc.	2.60
15	Bombardier Recreational Products Inc.	2.57
16	Hammond Power Solutions Inc.	2.36
17	Dollarama Inc.	2.34
18	CAE Inc.	2.29
19	MDA Space Ltd.	2.28
20	Stantec Inc.	1.99
21	AutoCanada Inc.	1.98
22	Shopify Inc.	1.68
23	Polaris Renewable Energy Inc.	1.66
24	Extendicare Inc.	1.65
25	TELUS Corporation	1.28
26	Profound Medical Corp.	1.12
27	Jamieson Wellness Inc.	1.11
28	Premium Brands Holdings Corp.	1.08

Ranking	Security	% of Net Assets
29	D-Box Technologies Inc.	0.38
30	Zedcor Inc.	0.32
31	Lululemon Athletica Inc.	0.30
32	Zoomd Technologies Ltd.	0.16
33	Dirtt Environmental Solutions Ltd.	0.15
Total Equities		89.17
Cash		10.83
Total Assets		100.00

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 11:00am Pacific Time (1:00pm Eastern Standard Time or 2:00pm Eastern Daylight Time), and for same-day Money Market Fund redemption requests is 10:00am Pacific Time (12:00pm Eastern Standard Time or 1:00pm Eastern Daylight Time). 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 9:00am Pacific Time (11:00am Eastern Standard Time or 12:00pm Eastern Daylight 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.

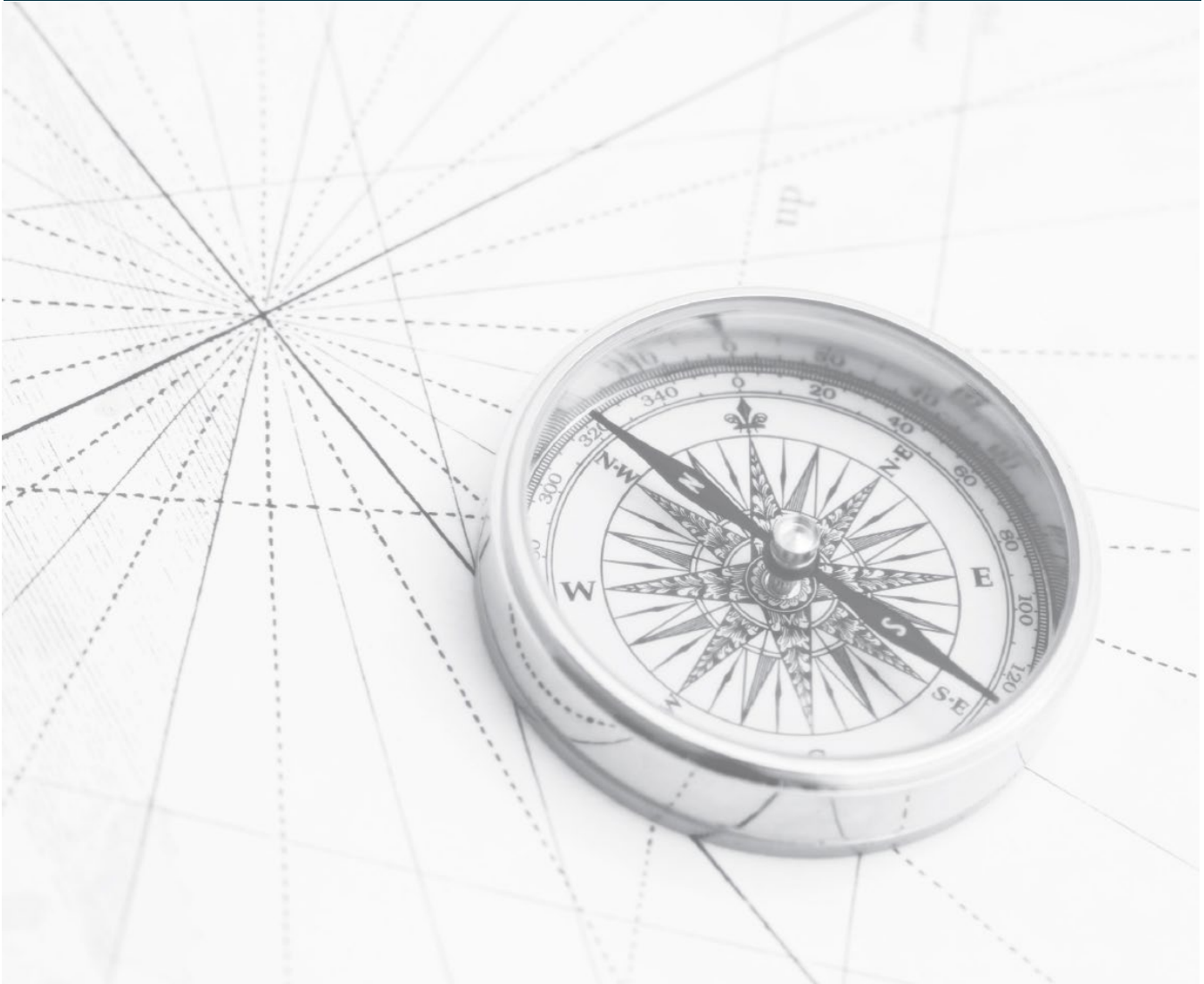


A NOTE ON FORWARD-LOOKING STATEMENTS

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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