



NORTH GROWTH
MANAGEMENT



SEPTEMBER 2026 MONTHLY REPORT

OCTOBER 6, 2026

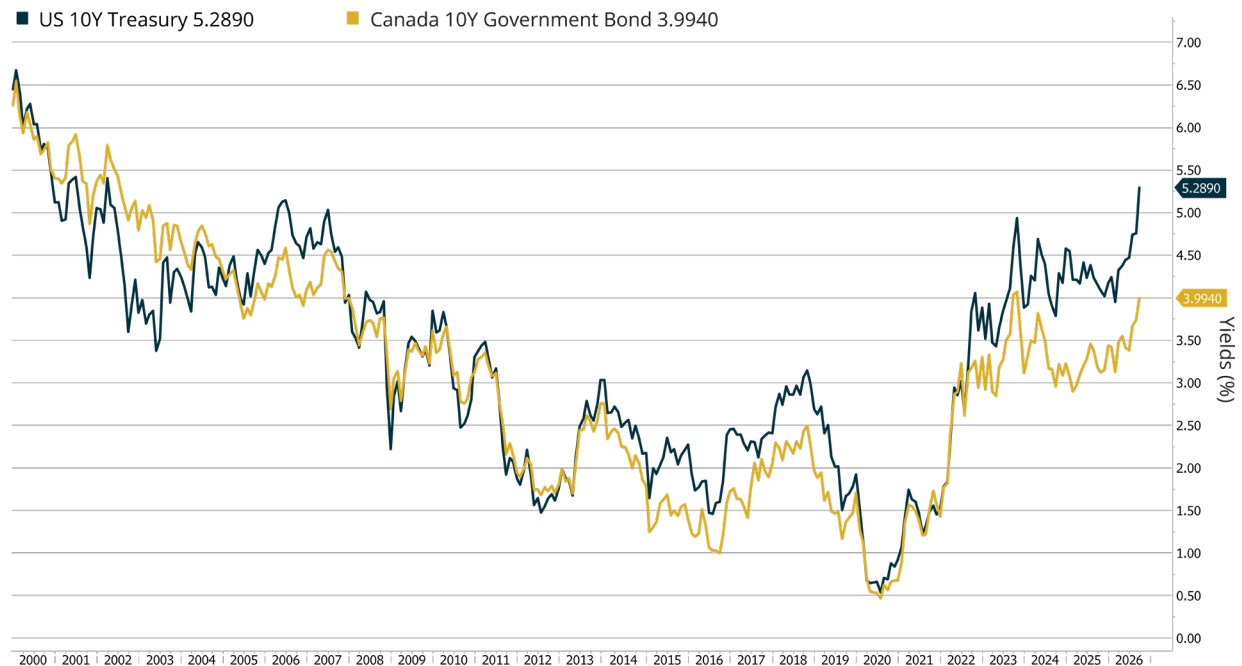
Market and Fund Performance Update

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.

U.S. EQUITY ADVISOR FUND, SERIES F

In September, the North Growth U.S. Equity Advisor Fund, Series F declined by -1.4%. 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 1.2% versus the S&P 500's 2.3% monthly return.

Year-to-date, the Fund's Series F is up 28.1%. 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's Series F has gained 33.1% versus the S&P 500 which is up 17.1%.

CANADIAN EQUITY FUND, SERIES F

In September, the North Growth Canadian Equity Fund, Series F, 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 BALANCED FUND

In September, the North Growth Balanced Fund, Series F, appreciated 0.5%. The Fund outperformed its benchmark which gained 0.4%. Year-to-date, the Fund is up 17.2% compared to its benchmark's return of 10.4%.

The North Growth Balanced Fund launched on August 18th, 2025 and is now available through FundServ. The Fund seeks 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. For additional information about the Balanced Fund please visit our website at www.northgrowth.com.

North Growth U.S. Equity Advisor Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Advisor Fund \$CDN¹ (Series F)	1.17	-2.53	21.20	33.05
North Growth U.S. Equity Advisor Fund \$CDN¹ (Series A²)	1.14	-2.62	21.00	32.74
S&P 500 in \$CDN ¹	2.27	2.45	20.31	17.06
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	-1.42	-2.68	18.71	28.13
North Growth U.S. Equity Advisor Fund \$U.S. (Series A²)	-1.44	-2.75	18.53	27.85
S&P 500 \$U.S.	-0.35	2.30	17.85	12.75

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception ³
North Growth U.S. Equity Advisor Fund \$CDN¹ (Series F)	49.83	33.92	18.72	16.95	16.31
North Growth U.S. Equity Advisor Fund \$CDN¹ (Series A²)	49.34	33.51	18.37	16.60	15.89
S&P 500 \$CDN ¹	18.35	25.00	16.47	16.28	16.41
North Growth U.S. Equity Advisor Fund \$U.S. (Series F)	46.48	31.64	15.99	15.99	14.25
North Growth U.S. Equity Advisor Fund \$U.S. (Series A²)	46.04	31.25	15.64	15.65	13.84
S&P 500 \$U.S.	15.74	22.89	13.79	15.33	14.35

Source: Bloomberg "Total Return Analysis" as of September 30, 2026

¹ The North Growth U.S. Equity Advisor 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.

² Formerly Series D

³ Date of inception: October 23, 2009.

North Growth Canadian Equity Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund Series F	1.22	-4.52	15.94	18.07
North Growth Canadian Equity Fund Series A¹	1.20	-4.58	15.78	17.83
S&P/TSX Composite Index ²	-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 ³
North Growth Canadian Equity Fund Series F	25.81	22.40	11.31	13.91	13.43
North Growth Canadian Equity Fund Series A¹	25.49	22.05	10.99	13.58	12.88
S&P/TSX Composite Index ²	20.02	25.06	15.18	12.37	11.40

¹ Formerly Series D

²Source: TSX © Copyright 2026 TSX Inc. All Rights Reserved

³ 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

North Growth Balanced Fund

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

	1 Month	3 Months	6 Months	YTD
North Growth Balanced Fund Series F	0.54	-2.38	11.72	17.24
North Growth Balanced Fund Series A	0.45	-2.65	11.12	16.29
Benchmark ¹	0.43	1.61	10.45	10.41

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

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception ²
North Growth Balanced Fund Series F	23.42	N/A	N/A	N/A	24.35
North Growth Balanced Fund Series A	22.08	N/A	N/A	N/A	23.00
Benchmark ¹	12.59	N/A	N/A	N/A	14.83

¹ The custom blended benchmark is composed of 40% S&P 500 Index, 20% S&P/TSX Composite Index (Source: TSX © Copyright 2026 TSX Inc. All rights reserved.) and 40% 90-Day Government of Canada Treasury Bill yields that have been annualized and converted to a daily return, and is rebalanced daily.

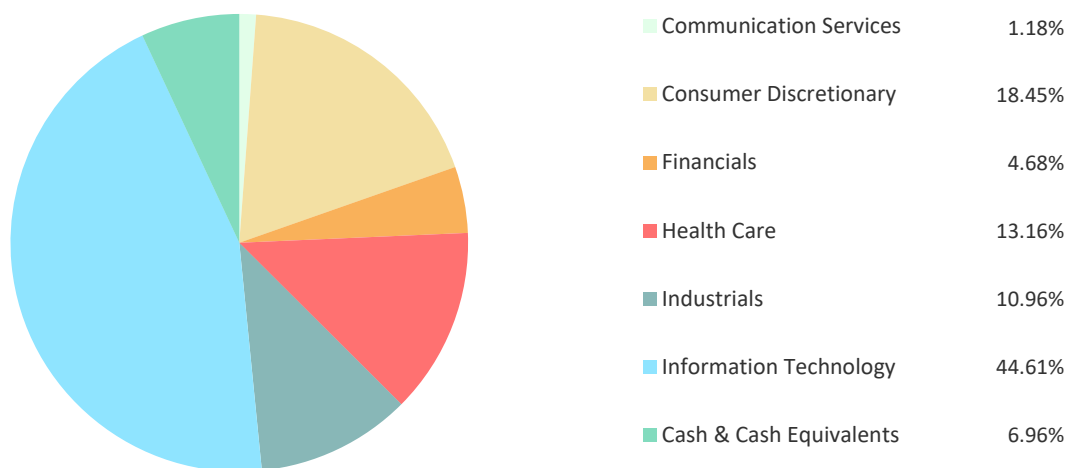
² Date of inception: August 18, 2025.

Equity Fund Holdings and Composition

U.S. EQUITY ADVISOR FUND — TOP 10 HOLDINGS AS AT SEPTEMBER 30, 2026

Ranking	Security	% of Net Assets
1	Lumentum Holdings Inc.	6.10
2	Applied Materials Inc.	5.70
3	Jabil Inc.	5.48
4	Ciena Corp.	5.13
5	Nvidia Corp.	3.67
6	Coherent Corp.	3.63
7	HP Inc.	3.32
8	Motorola Solutions Inc.	3.26
9	Brinker International Inc.	3.19
10	IQVIA Holdings Inc.	3.03
Top 10		42.51
Total Equities		93.04
Cash		6.96
Total Assets		100.00

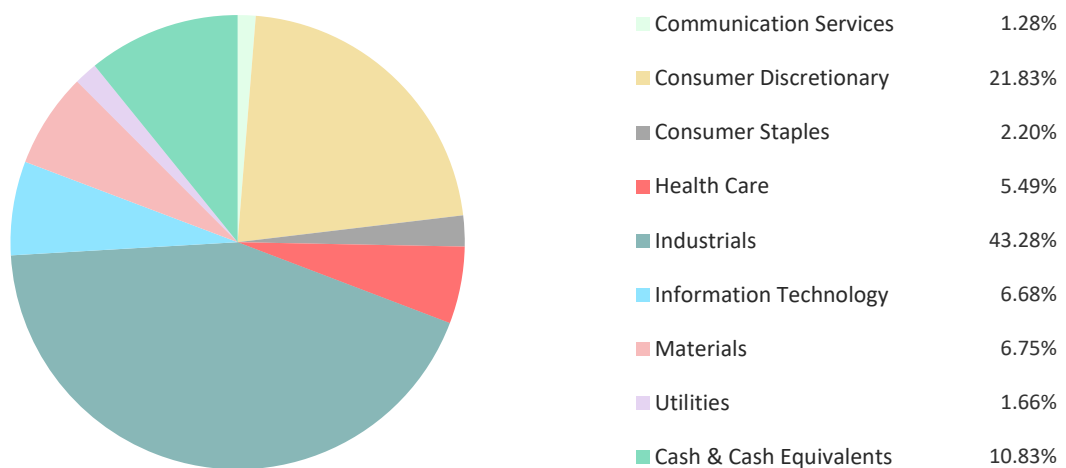
U.S. EQUITY ADVISOR FUND — SECTOR MIX AS AT SEPTEMBER 30, 2026



CANADIAN EQUITY FUND — TOP 10 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
Top 10		51.25
Total Equities		89.17
Cash		10.83
Total Assets		100.00

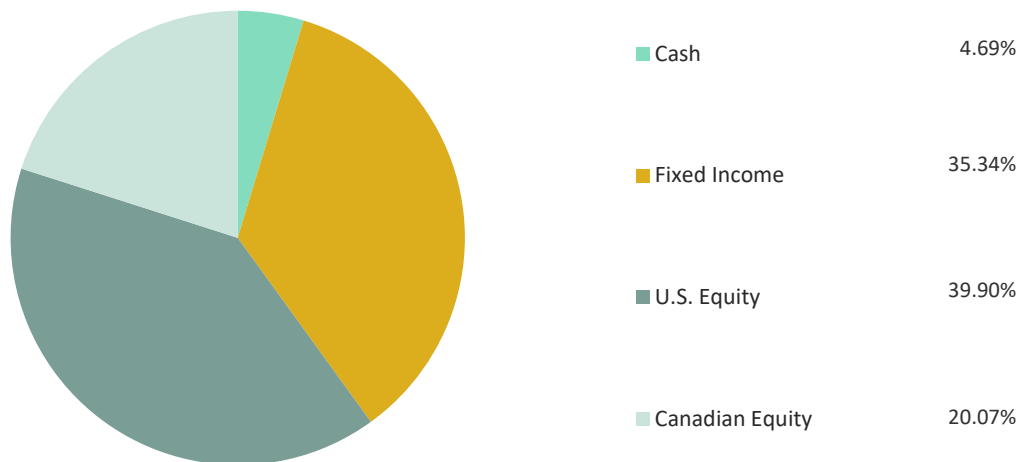
CANADIAN EQUITY FUND — SECTOR MIX AS AT SEPTEMBER 30, 2026



BALANCED FUND — TOP 10 EQUITY HOLDINGS AS AT SEPTEMBER 30, 2026

Ranking	Security	% of Net Assets
1	Bird Construction Inc.	2.74
2	Bombardier Inc., Class B	1.86
3	Leon's Furniture Ltd.	1.18
4	Constellation Software Inc.	1.08
5	Badger Infrastructure Solutions Ltd.	0.84
6	Aritzia Inc.	0.81
7	ATS Corporation	0.78
8	ADF Group Inc.	0.77
9	TFI International Inc.	0.75
10	5N Plus Inc.	0.74
Top 10		11.55
Total Equities		59.97
Total Fixed Income		35.34
Cash		4.69
Total Assets		100.00

BALANCED FUND — ASSET MIX AS AT SEPTEMBER 30, 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.

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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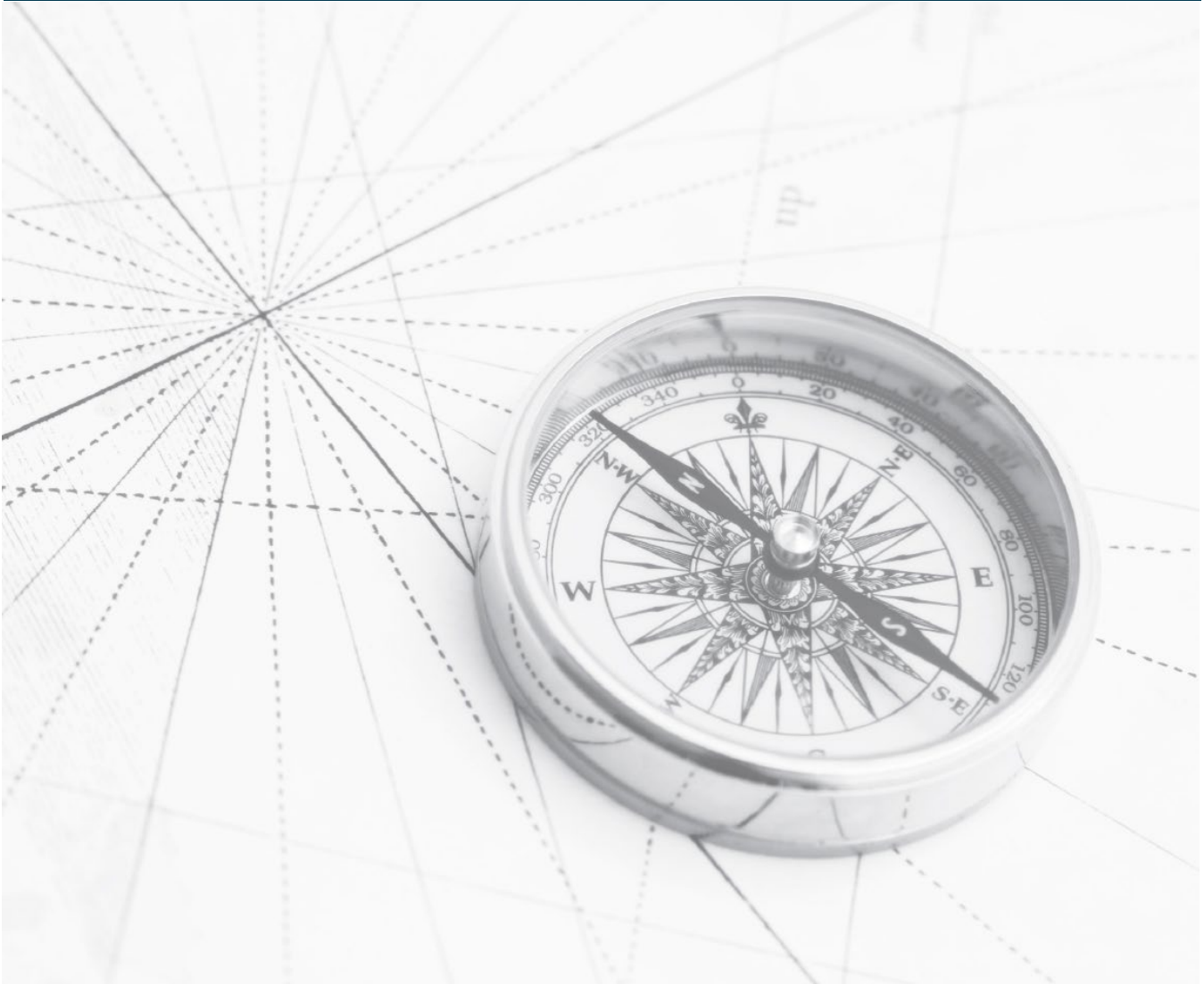
A NOTE ON FORWARD-LOOKING STATEMENTS

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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