



# NORTHQUEST CAPITAL FUND, INC.

SEMI-ANNUAL SHAREHOLDER REPORT

June 30, 2024

NorthQuest Capital Fund, Inc.  
NQCFX

## EXPENSE INFORMATION

What were the Fund costs for the past six months?  
(based on a hypothetical \$10,000 investment)

Fund Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment*
NorthQuest Capital Fund, Inc.	\$71.58	1.44%

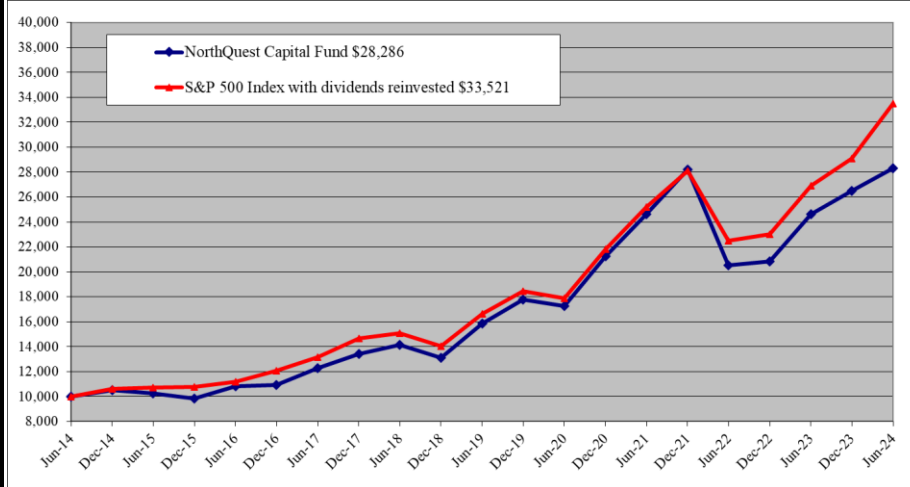
\* Annualized

## PERFORMANCE GRAPH

### AVERAGE ANNUAL RETURNS

	1 Year	5 Years	10 Year
NorthQuest Capital Fund, Inc.	14.90%	12.28%	10.96%
S&P 500 Index with dividends reinvested	24.56%	15.04%	12.85%

### Cumulative Performance Comparison of \$10,000 Investment



Past performance is not a good predictor of future performance. The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. To obtain performance data current to the most recent month end, please call 1-800-239-9136.

## FUND STATISTICS

NET ASSETS:	PORTFOLIO HOLDINGS:	PORTFOLIO TURNOVER:	ADVISORY FEES PAID BY FUND:
\$8.2 MILLION	23	6.51%	\$40,221

## ADDITIONAL INFORMATION

This semi-annual shareholder report contains important information about the NorthQuest Capital Fund, Inc. - NQCFX for the period January 1, 2024 to June 30, 2024.

You can find additional information about the Fund at [www.NorthQuestFund.com](http://www.NorthQuestFund.com). You can also request this information by contacting us at 1-800-239-9136.

## MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE

To the Shareholders of NorthQuest Capital Fund, Inc:

Our Fund began the year at a share price of \$24.43 and ended the past six months at \$26.06. The Fund's total return for this period increased 6.67%. Please see the performance chart.

### 2024 Performance

The Fund and Other Indexes	Year-To-Date
NorthQuest Capital Fund	6.67%
Dow Jones Industrial Average	3.79%
NASDAQ Composite	18.13%
S&P500 Index with dividends reinvested	15.29%

### Portfolio Adjustments

During the first half of 2024 the Fund purchased 1,100 shares of Arista Networks Inc. (ANET), 200 shares of Parker-Hannifin Corp. (PH), 200 shares of Paccar Inc. (PCAR), and 500 shares of Advanced Drainage Systems Inc. (WMS).

The Fund sold all of its shares of Alphabet Inc. Class C (2,200 shares), Union Pacific Corp. (1,000 shares) and Zoetis Inc. Class A (1,500 shares). NorthQuest also sold 100 shares of O'Reilly Automotive Inc. These sales were used to increase the Fund's cash balance and to purchase shares of (ANET), (PH), (PCAR, and (WMS).

Arista Networks Inc. (ANET) is a new addition to our investment portfolio. ANET designs and sells multi-layer network switches and provides routing, artificial intelligence, and software solutions for large data center and routing environments. Arista serves many "Fortune 500" global companies. It has no debt and has a consistent record of increasing earnings and revenues. The corporate culture is focused on delivering quality products and service. ANET management regards every employee as a "Mini CEO" which makes Arista a special place to work.

### Fund Performance and Strategy

The Fund's portfolio was defensively positioned during the six-month period ended June 30, 2024. The Fund added more shares of industrial companies and increased its cash equivalents. The Fund underperformed its benchmark, the S&P500 Index with dividends reinvested, which had boosted returns from several high-priced technology companies known as the "Magnificent Seven".

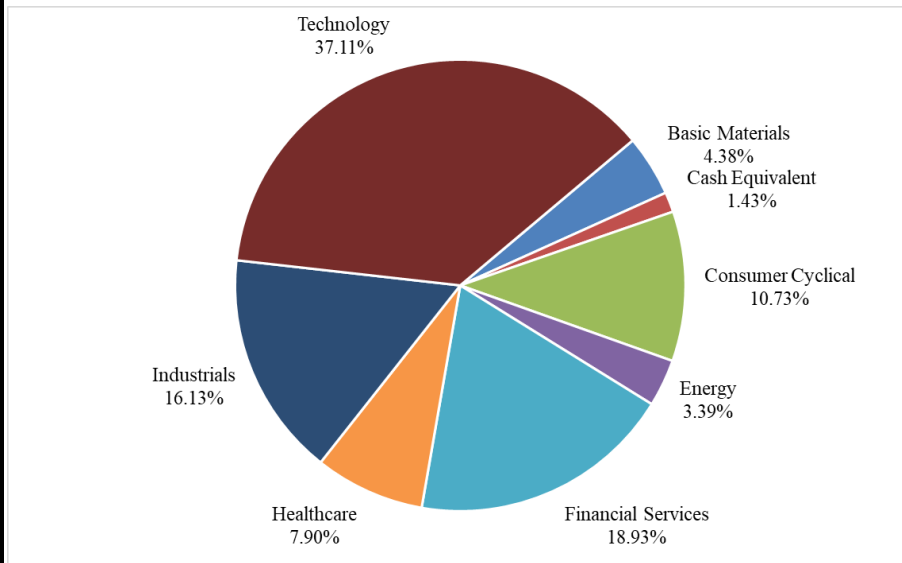
You will find enclosed the Fund's financial report. Please do not hesitate to call or write me with regard to any comments or questions about this report. Thank you for investing with us.

Sincerely,

Peter J. Lencki  
President

## PORTFOLIO ILLUSTRATION

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized using Morningstar® classifications.

## TOP TEN HOLDINGS

1.	Monolithic Power Systems, Inc.	7.04%
2.	Apple, Inc.	6.19%
3.	Arthur J. Gallagher & Co.	6.03%
4.	Microsoft Corp.	5.47%
5.	Lam Research Corp.	5.21%
6.	Mastercard, Inc.	4.86%
7.	Intuit, Inc.	4.83%
8.	Arista Networks, Inc.	4.72%
9.	The Sherwin-Williams Co.	4.38%
10.	S&P Global, Inc.	4.37%
	<b>Total % of Net Assets</b>	<b>53.10%</b>

## HOW HAS THE FUND CHANGED

The Fund has not had any material changes during the six months ended June 30, 2024.

## HOUSEHOLDING

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your NorthQuest Capital Fund, Inc. documents not be househanded, please contact NorthQuest Capital Fund, Inc. at 1-800-239-9136, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by NorthQuest Capital Fund, Inc. or your financial intermediary.

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, visit [www.NorthQuestFund.com](http://www.NorthQuestFund.com) or contact us at 1-800-239-9136.

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# **NORTHQUEST CAPITAL FUND, INC.**

## **SEMI-ANNUAL REPORT**

**JUNE 30, 2024**

**(UNAUDITED)**



**NorthQuest Capital Fund, Inc.  
16 Rimwood Lane  
Colts Neck, NJ 07722  
1-800-239-9136**

**Ticker: NQCFX  
[www.NorthQuestFund.com](http://www.NorthQuestFund.com)**

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# NORTHQUEST CAPITAL FUND, INC.

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## SCHEDULE OF INVESTMENTS

JUNE 30, 2024 (UNAUDITED)

<u>Shares</u>		<u>Fair Value</u>
<b>COMMON STOCKS - 98.66%</b>		
<b>Computer Communications Equipment - 4.72%</b>		
1,100	Arista Networks, Inc. *	\$ 385,528
<b>Crude Petroleum &amp; Natural Gas - 3.39%</b>		
2,200	EOG Resources, Inc.	276,914
<b>Electronic Computers - 6.19%</b>		
2,400	Apple, Inc.	505,488
<b>Farm Machinery &amp; Equipment - 3.20%</b>		
700	Deere & Co. *	261,541
<b>Hospital &amp; Medical Service Plans - 3.74%</b>		
600	UnitedHealth Group, Inc.	305,556
<b>Insurance Agents Brokers &amp; Services - 6.03%</b>		
1,900	Arthur J. Gallagher & Co.	492,689
<b>Miscellaneous Fabricated Metal Products - 3.71%</b>		
600	Parker-Hannafin Corp.	303,486
<b>Motor Vehicles &amp; Passenger Car Bodies - 3.28%</b>		
2,600	Paccar, Inc.	267,644
<b>Plastics Foam Products - 2.94%</b>		
1,500	Advanced Drainage Systems, Inc.	240,585
<b>Retail-Auto &amp; Home Supply Stores - 3.88%</b>		
300	O'Reilly Automotive, Inc. *	316,818
<b>Retail-Building Materials, Hardware, Garden Supply - 7.03%</b>		
1,200	The Sherwin-Williams Co.	358,116
800	Tractor Supply Co.	216,000
		<hr/>
		574,116
<b>Retail-Lumber &amp; Other Building Materials Dealers - 4.21%</b>		
1,000	Home Depot, Inc.	344,240
<b>Security &amp; Commodity Brokers, Dealers, Exchanges &amp; Services - 3.69%</b>		
2,200	Intercontinental Exchange, Inc.	301,158
<b>Semiconductors &amp; Related Devices - 7.04%</b>		
700	Monolithic Power Systems, Inc.	575,176
<b>Services-Business Services - 4.86%</b>		
900	Mastercard, Inc. Class A	397,044

*The accompanying notes are an integral part of these financial statements.*

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# NORTHQUEST CAPITAL FUND, INC.

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## SCHEDULE OF INVESTMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

<u>Shares</u>		<u>Fair Value</u>
<b>Services-Consumer Credit Reporting, Collection Agencies - 4.37%</b>		
800	S&P Global, Inc.	\$ 356,800
<b>Services-Prepackaged Software - 10.30%</b>		
600	Intuit, Inc.	394,326
1,000	Microsoft Corp.	446,950
		<hr/> 841,276
<b>Software - Infrastructure - 3.69%</b>		
5,000	Fortinet, Inc. *	301,350
<b>Special Industry Machinery - 5.21%</b>		
400	Lam Research Corp.	425,940
<b>Surgical &amp; Medical Instruments - 4.17%</b>		
1,000	Stryker Corp.	340,250
<b>Wholesale-Misc. Durable Goods - 3.01%</b>		
800	Pool Corp.	<hr/> 245,864
TOTAL COMMON STOCKS (Cost \$4,015,359) - 98.66%		<hr/> 8,059,463
<b>SHORT-TERM INVESTMENT - 1.44%</b>		
117,421	Huntington Conservative Deposit Account 5.12% **	<hr/> 117,421
TOTAL SHORT-TERM INVESTMENT (Cost \$117,421) - 1.44%		<hr/> 117,421
<b>TOTAL INVESTMENTS (Cost \$4,132,780) - 100.10%</b>		8,176,884
<b>LIABILITIES IN EXCESS OF OTHER ASSETS, NET - (0.10)%</b>		<hr/> (8,068)
<b>NET ASSETS - 100.00%</b>		<hr/> <hr/> \$ 8,168,816

\* Non-income producing securities during the period.

\*\* Variable rate security; the coupon rate shown represents the yield at June 30, 2024.

*The accompanying notes are an integral part of these financial statements.*

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# NORTHQUEST CAPITAL FUND, INC.

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## STATEMENT OF ASSETS AND LIABILITIES

JUNE 30, 2024 (UNAUDITED)

Assets:		
Investments in Securities, at Value (Cost \$4,132,780)	\$	8,176,884
Cash		500
Receivables:		
Dividends and Interest		4,081
Prepaid Expenses		1,739
Total Assets		<u>8,183,204</u>
Liabilities:		
Due to Advisor		6,614
Accrued Expenses		7,774
Total Liabilities		<u>14,388</u>
Net Assets	\$	<u>8,168,816</u>
Net Assets Consist of:		
Common Stock, at \$0.001 par value	\$	313
Paid In Capital		3,815,062
Distributable Earnings		4,353,441
Net Assets, for 313,452 Shares Outstanding	\$	<u>8,168,816</u>
Net Asset Value Per Share	\$	<u>26.06</u>

*The accompanying notes are an integral part of these financial statements.*

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# NORTHQUEST CAPITAL FUND, INC.

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## STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2024 (UNAUDITED)

Investment Income:	
Dividends	\$ 39,770
Interest	2,963
Total Investment Income	<u>42,733</u>
Expenses:	
Advisory fees	40,221
Audit fees	5,099
Transfer Agent fees	4,896
Registration	2,317
Custody	2,133
Other expenses	918
State taxes	750
Postage & printing	614
NASDAQ fees	421
Trustee fees	339
Insurance fees	202
Total Expenses	<u>57,910</u>
Net Investment Loss	<u>(15,177)</u>
Realized and Unrealized Gain on Investments:	
Realized Gain on Investments	324,514
Net Change in Unrealized Appreciation on Investments	220,380
Realized and Unrealized Gain on Investments	<u>544,894</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 529,717</u>

*The accompanying notes are an integral part of these financial statements.*

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# NORTHQUEST CAPITAL FUND, INC.

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## STATEMENTS OF CHANGES IN NET ASSETS

	(Unaudited) Six Months Ended <u>6/30/2024</u>	Year Ended <u>12/31/2023</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Loss	\$ (15,177)	\$ (13,165)
Net Realized Gain on Investments	324,514	76,143
Unrealized Appreciation on Investments	<u>220,380</u>	<u>1,637,304</u>
Net Increase in Net Assets Resulting from Operations	<u>529,717</u>	<u>1,700,282</u>
Distributions to Shareholders:	<u>-</u>	<u>(76,143)</u>
Capital Share Transactions	<u>(279,018)</u>	<u>22,376</u>
Total Increase in Net Assets	250,699	1,646,515
Net Assets:		
Beginning of Period/Year	<u>7,918,117</u>	<u>6,271,602</u>
End of Period/Year	<u>\$ 8,168,816</u>	<u>\$ 7,918,117</u>

*The accompanying notes are an integral part of these financial statements.*



# NORTHQUEST CAPITAL FUND, INC.

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period/year.

	(Unaudited) Six Months Ended	Years Ended				
	6/30/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019
Net Asset Value, at Beginning of Period/Year	\$ 24.43	\$ 19.38	\$ 26.52	\$ 21.28	\$ 19.85	\$ 15.07
Income (Loss) From Investment Operations:						
Net Investment Loss *	(0.05)	(0.04)	(0.10)	(0.20)	(0.14)	(0.10)
Net Gain (Loss) on Securities (Realized and Unrealized)	1.68	5.33	(6.82)	7.14	4.03	5.49
Total from Investment Operations	1.63	5.29	(6.92)	6.94	3.89	5.39
Distributions from Realized Capital Gains	-	(0.24)	(0.22)	(1.70)	(2.46)	(0.61)
Net Asset Value, at End of Period/Year	\$ 26.06	\$ 24.43	\$ 19.38	\$ 26.52	\$ 21.28	\$ 19.85
Total Return **	6.67% (b)	27.28%	(26.09)%	32.58%	19.70%	35.75%
Ratios/Supplemental Data:						
Net Assets at End of Period/Year (Thousands)	\$ 8,169	\$ 7,918	\$ 6,272	\$ 8,252	\$ 5,861	\$ 5,175
Ratio of Expenses to Average Net Assets	1.44% (a)	1.48%	1.51%	1.47%	1.59%	1.60%
Ratio of Net Investment Loss to Average Net Assets	(0.38)% (a)	(0.19)%	(0.45)%	(0.83)%	(0.67)%	(0.55)%
Portfolio Turnover	6.51% (b)	2.47%	26.07%	15.24%	30.94%	22.90%

\* Per share net investment loss has been determined on the basis of average shares outstanding during the period/year.

\*\* Assumes reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

*The accompanying notes are an integral part of these financial statements.*

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 (UNAUDITED)

### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Nature of Operations:* NorthQuest Capital Fund, Inc. (the “Fund”) was incorporated on January 3, 2001 in New Jersey and commenced investment operations January 15, 2002. The Fund is registered as an open-end, non-diversified management investment company under the Investment Company Act of 1940, as amended, and its shares are registered under the Securities Act of 1933.

The Fund's investment objective is to seek long-term capital appreciation and to secondarily earn dividend income.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements. The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.

*Security Valuation:* All investments in securities are recorded at their estimated fair value, as described in Note 2.

*Federal Income Taxes:* The Fund makes no provision for federal income or excise tax. The Fund intends to qualify each year as a “regulated investment company” (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of their taxable income. The Fund also intends to distribute sufficient net investment income and net capital gains, if any, so that they will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense. Therefore, no federal income tax or excise provision is required.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained, assuming examination by tax authorities. Management has analyzed the Fund's tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2020-2022) or expected to be taken in the Fund's 2023 tax returns. The Fund identifies their major tax jurisdiction as U.S. Federal and state of New Jersey, however the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the six months ended June 30, 2024, the Fund did not incur any interest or penalties.

*Distributions to Shareholders:* The Fund intends to distribute to its shareholders substantially all of its net realized capital gains and net investment income, if any, annually.

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

*Other:* The Fund follows industry practice and records security transactions on the trade date. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis.

*Cash and Cash Equivalents:* The Fund maintains its cash in an account at a custodian bank, which, at times, may exceed federally insured limits. The Fund has not experienced any losses in such account and believes it is not exposed to any significant credit risk on its cash deposits.

*Use of Estimates:* The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

## 2. SECURITIES VALUATIONS

### *Processes and Structure*

The Fund's Board of Directors have adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated to the Advisor the responsibility for determining fair value prices, subject to review by the Board of Directors.

### *Hierarchy of Fair Value Inputs*

The Fund utilizes various methods to measure the fair value of most of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- *Level 1.* Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- *Level 2.* Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- *Level 3.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

### *Fair Value Measurements*

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows.

*Equity securities (common stocks).* Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized in level 2.

*Short term investments.* Short term investments are valued using amortized cost, which approximates fair value. These securities will be categorized in Level 1 of the fair value hierarchy.

The following table summarizes the inputs used to value the Fund's assets measured at fair value as of June 30, 2024:

<i>Categories</i>	<b>Financial Instruments—Assets</b>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
Common Stocks *	\$ 8,059,463	\$ -	\$ -	\$ 8,059,463
Short-Term Investment	117,421	-	-	117,421
	<u>\$ 8,176,884</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,176,884</u>

\* Industry classifications for these categories are detailed in the Schedule of Investments.

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

The Fund did not hold any Level 3 assets during the six months ended June 30, 2024. The Fund did not hold any derivative instruments at any time during the six months ended June 30, 2024. There were no significant transfers into or out of Level 1 or Level 2 during the period. It is the Fund's policy to recognize transfers into and out of Level 1 and Level 2 at the end of the reporting period.

### 3. INVESTMENT ADVISORY AGREEMENT AND OTHER RELATED TRANSACTIONS

The Fund has an investment advisory agreement with Emerald Research Corporation ("the Advisor"), whereby the Advisor receives a fee of 1% per year on the net assets of the Fund. All fees are computed on the average daily closing net assets of the Fund and are payable monthly. The investment advisory fee earned by the Advisor for the six months ended June 30, 2024 was \$40,221. The Advisor has contractually agreed to decrease the investment advisory fee or, if necessary, to reimburse the Fund for expenses if and to the extent that the Fund's aggregate annual operating expenses exceed 1.79% of the Fund's daily average net assets until August 10, 2024. The Fund owed the Advisor \$6,614 at June 30, 2024 for advisory fees. There was no reimbursement for the six months ended June 30, 2024.

Mr. Peter J. Lencki is President of the Advisor and is also President of the Fund.

### 4. CAPITAL SHARE TRANSACTIONS

As of June 30, 2024, there were 500,000,000 shares of \$0.001 par value capital stock authorized. Transactions in capital for the six months ended June 30, 2024 and year ended December 31, 2023 were as follows:

	<u>June 30, 2024</u>		<u>December 31, 2023</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	1,519	\$ 37,880	2,001	\$ 41,918
Shares reinvested	-	-	3,106	76,059
Shares redeemed	<u>(12,192)</u>	<u>(316,898)</u>	<u>(4,540)</u>	<u>(95,601)</u>
Net increase (decrease)	<u>(10,673)</u>	<u>\$ (279,018)</u>	<u>567</u>	<u>\$ 22,376</u>

### 5. INVESTMENT TRANSACTIONS

For the six months ended June 30, 2024, purchases and sales of investment securities other than short-term investments aggregated \$516,596 and \$872,945, respectively.

### 6. TAX MATTERS

Income and long-term capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from the character of net investment income or net realized gains presented in these financial statements in accordance with U.S. GAAP.

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

As of December 31, 2023, the tax basis components of unrealized appreciation (depreciation) and cost of investments were as follows:

Gross tax appreciation of investments	\$ 3,827,383
Gross tax depreciation of investments	<u>\$ (3,659)</u>
Net tax appreciation of investments	<u>\$ 3,823,724</u>
Federal tax cost of investments, including short-term investments	<u>\$ 4,087,759</u>

The tax character of distributions paid for the years ended December 31, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Long-term capital gain	\$76,143	\$70,058

The Fund's distributable earnings on a tax basis are determined only at the end of each fiscal year. As of December 31, 2023, the Fund's most recent fiscal year-end, the components of distributable earnings on a tax basis were as follows:

Unrealized Appreciation	\$ <u>3,823,724</u>
Total Distributable Earnings, Net	\$ <u>3,823,724</u>

In accordance with GAAP, the Fund recorded a permanent book/tax difference of \$13,165 from net investment loss to paid in capital. This reclassification has no impact on the net asset value of the Fund and is designed generally to present undistributed income and net realized gains on a tax basis, which is considered to be more informative to shareholders.

## 7. CONTROL AND OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund under Section 2(a)(9) of the Investment Company Act of 1940. As of June 30, 2024, the Portfolio manager and immediate family members, in aggregate, owned approximately 40% of the shares of the Fund.

## 8. INDEMNIFICATIONS

In the normal course of business, the Fund enters into contracts that contain general indemnification to other parties. The Fund's maximum exposure under these contracts is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The Fund expects the risk of loss to be remote.

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# NORTHQUEST CAPITAL FUND, INC.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

### 9. MARKET RISK

#### *Russian Invasion of Ukraine*

Russia launched a large-scale invasion of Ukraine on February 24, 2022. As a result of this military action, the United States and many other countries have instituted various economic sanctions against Russian individuals and entities. The situation has led to increased financial market volatility and could have severe adverse effects on regional and global economic markets, including the markets for certain securities and commodities, such as oil and natural gas. The extent and duration of the military action, resulting sanctions imposed, other punitive action taken, and the resulting market disruptions cannot be easily predicted.

### 10. SECTOR CONCENTRATION RISK

Sector concentration risk is the possibility that securities within the same sector will decline in price due to sector-specific market or economic developments. If the Fund invests more heavily in a particular sector, the value of its shares may be especially sensitive to factors and economic risks that specifically affect that sector. As a result, the Fund's share price may fluctuate more widely than the value of shares of a mutual fund that invests in a broader range of sectors. Additionally, some sectors could be subject to greater government regulation than other sectors. Therefore, changes in regulatory policies for those sectors may have a material effect on the value of securities issued by companies in those sectors.

### 11. NEW ACCOUNTING PRONOUNCEMENTS

In September 2023, the SEC adopted a final rule relating to “Names Rule” under the 1940 Act. The amendments expanded the rule to require more funds to adopt an 80 percent investment policy, including funds with names suggesting a focus in investments with particular characteristics (e.g., growth or value) or with terms that reference a thematic investment focus (e.g., environmental, social, or governance factors). The amendments will require that a fund review its name for compliance with the rule. If needed, a fund may need to adopt an 80 percent investment policy and review its portfolio assets' treatment under such policy at least quarterly. The rule also requires additional prospectus disclosure and reporting and record keeping requirements. The amendments will become effective on April 9, 2024. The compliance date is February 9, 2026 for Funds with more than \$1 billion in assets and August 9, 2026 for Funds with less than \$1 billion in assets. The Fund is in compliance with this new rule.

### 12. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Funds through the issuance date of these financial statements and has noted no such other events requiring accounting or disclosure.

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# NORTHQUEST CAPITAL FUND, INC.

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## ADDITIONAL INFORMATION

JUNE 30, 2024 (UNAUDITED)

### PORTFOLIO HOLDINGS

The Fund files its complete schedule of investments with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-PORT. The Form N-PORT filing must be made within 60 days of the end of the quarter. The Fund's Form N-PORT is available on the SEC's web site at <http://www.sec.gov>, or they may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-800-239-9136, free of charge.

### PROXY VOTING

The Fund's proxy voting policies, procedures and voting records relating to common stock securities in the Fund's investment portfolio are available without charge, upon request, by calling the Fund's toll-free telephone number 1-800-239-9136. The Fund will send this information within three business days of receipt of the request, by first class mail or other means designed to ensure prompt delivery. The Fund's proxy information is also available on the Securities and Exchange Commission website at <http://www.sec.gov>.

### ADDITIONAL INFORMATION

The Fund's Statement of Additional Information ("SAI") includes additional information about the directors and is available, without charge, upon request. You may call toll-free 1-800-239-9136 to request a copy of the SAI or to make shareholder inquiries.

### SHAREHOLDER MEETING

At the Fund's annual shareholder meeting held on April 3, 2024, shareholders of record on January 12, 2024, elected four directors. In addition, Fund shareholders ratified the selection of Sanville & Company as our independent registered public accounting firm for the fiscal year ending December 31, 2024.

Below are the voting results from the meeting:

Total Shares Voted:	298,227
Total Outstanding Shares:	324,399

Proposal #1. The following four persons were elected to serve as directors of the Fund.

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Shares Returned</u>
Charles G. Camarata	298,227	0	0	298,227
William S. Foote, Jr.	298,227	0	0	298,227
Peter J. Lencki	298,227	0	0	298,227
George Sikora	298,227	0	0	298,227
Total	298,227			
Percentage of Shares Voted	91.93%			



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# NORTHQUEST CAPITAL FUND, INC.

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## ADDITIONAL INFORMATION (CONTINUED)

JUNE 30, 2024 (UNAUDITED)

Proposal #2. The shareholders approved the appointment of Sanville & Company as the independent registered public accounting firm to perform the audit of the Fund's financial statements for the year ending December 31, 2024.

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Shares Returned</u>
Sanville & Company	298,227	0	0	298,227
Total	298,227			
Percentage of Shares Voted	91.93%			

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**Board of Directors**

Charles G. Camarata  
William S. Foote, Jr.  
Peter J. Lencki  
George Sikora

**Investment Adviser**

Emerald Research Corporation  
16 Rimwood Lane  
Colts Neck, NJ 07722

**Dividend Paying Agent,  
Shareholders' Servicing Agent,  
Transfer Agent**

Mutual Shareholder Services, LLC  
8000 Town Centre Drive, Suite 400  
Broadview Heights, OH 44147

**Custodian**

The Huntington National Bank  
7 Easton Oval  
Columbus, Ohio 43219

**Independent Registered Public Accounting Firm**

Sanville & Company  
2617 Huntingdon Pike  
Huntingdon Valley, PA 19006

**Administration and Compliance**

Empirical Administration, LLC  
8000 Town Centre Drive, Suite 400  
Broadview Heights, OH 44147

This report and the financial statements contained herein are submitted for the general information of shareholders and are not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus. Nothing herein contained is to be considered an offer of sale or solicitation of an offer to buy shares of NorthQuest Capital Fund, Inc. Such offering is made only by prospectus, which includes details as to offering price and material information.

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