



NORTH GROWTH
MANAGEMENT



FEBRUARY 2021 MONTHLY REPORT

MARCH 9, 2021

Market and Fund Performance Update

U.S. equities climbed during most of February despite intense volatility in the bond markets. Offsetting concerns over the vaccination progress in battling COVID-19, the increased risk of the economy possibly overheating due to massive stimulus resulted in a run-up of longer-dated Treasury yields.

Notwithstanding general market jitters over rising interest rates, stocks of companies tied to economic re-openings have rallied solidly so far this year.

FOURTH QUARTER EARNINGS

The earnings reporting season for the fourth quarter of 2020 is now largely behind us. As anticipated, corporate profits came in above expectations and continued to recover during the final quarter of last year. In fact, the earnings growth rate for the S&P 500, on track to be 3.9%, returned to positive year-over-year for the first time since the fourth quarter of 2019. Analysts expect a continued acceleration in S&P 500 earnings throughout 2021, with estimated profit growth of 23.9% for the year.

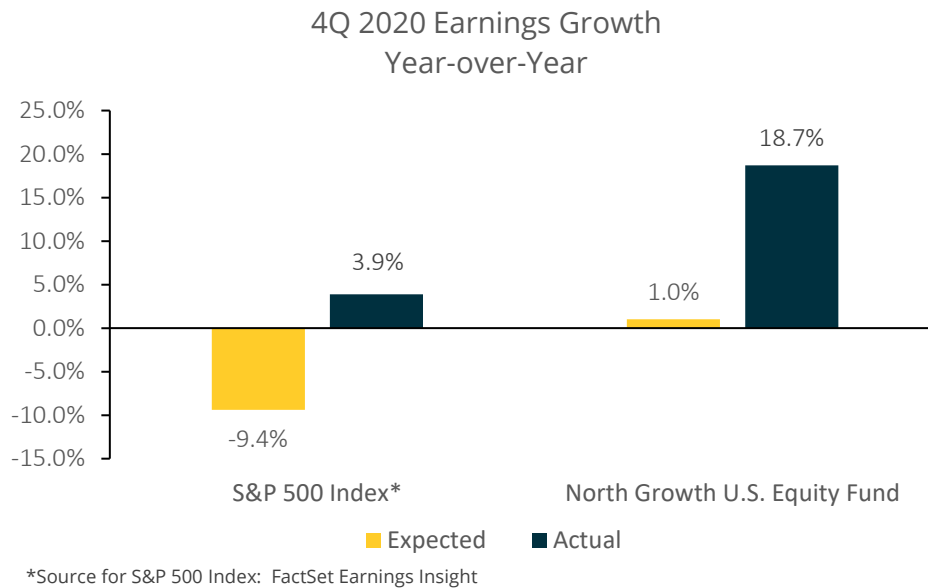
Again, the North Growth U.S. Equity Fund delivered strong results. With 91% of the portfolio having reported to date, profits on a weighted-average basis in the fourth quarter increased 18.7% over a year ago, substantially better than estimates of 1.0% growth. And 83% of the portfolio's earnings results thus far have exceeded analysts' estimates.

For the market in general, with 96% of the companies in the S&P 500 having reported results, earnings during the latest quarter increased 3.9% year-over-year while sales grew 3.2%. According to FactSet on February 26, 2021, 79% of the reporting companies posted positive earnings surprises. At the sector level, Energy, Consumer Discretionary and Financials reported the largest positive earnings surprise percentages out of all eleven S&P 500 sectors.

The U.S. Fund's earnings growth profile continues to be consistently solid and broad-based. In the latest quarter, the earnings growth rate of the Fund was well above that of the S&P 500 Index.

As illustrated by the chart on the following page, the Fund's earnings results for the latest quarter were exceptionally strong. We believe this underscores the success of our active management and stock selection process.

We firmly believe that stock selection is the key to long term outperformance. As always, we remain steadfastly focused on the analysis of individual stocks that adhere to our "growth at a reasonable price" investment philosophy.



MORNINGSTAR'S FUND INSIGHT: "GOLD-RATED GROWTH AT A GREAT RATE"

On February 25th, Morningstar published an article profiling the North Growth U.S. Equity Fund, highlighting the Fund's "broad sector approach that's delivered double digits for decades". The Morningstar Fund Insight report may be accessed at:

<https://www.morningstar.ca/ca/news/209578/gold-rated-growth-at-a-great-rate.aspx>

U.S. EQUITY FUND

In February, the North Growth U.S. Equity Fund appreciated 3.1%. The Fund outperformed the S&P 500 which gained 2.8% as well as the NASDAQ Composite which increased 1.0%, but lagged the smaller-capitalization indices we regularly follow, the S&P 400 MidCap and S&P 500 SmallCap, which were up 6.8% and 7.7% respectively. A stronger Canadian currency reduced the Fund's February return to 2.3% in Canadian dollars versus the S&P 500's 2.0% Canadian-dollar monthly return.

CANADIAN EQUITY FUND, SERIES N

Boosted by the Energy sector, the S&P/TSX Composite delivered a strong 4.4% return in February. The North Growth Canadian Equity Fund, Series N, appreciated 2.5%, lagging the Index. Year-to-date, the Fund is up 6.9% versus the S&P/TSX Composite's return of 4.0%.

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED FEBRUARY 28, 2021

	1 Month	3 Months	6 Months	YTD
North Growth U.S. Equity Fund \$CDN	2.32	8.17	17.81	4.53
S&P 500 in \$CDN	1.99	3.35	6.74	1.34
North Growth U.S. Equity Fund \$U.S.	3.08	10.56	21.13	4.91
S&P 500 \$U.S.	2.76	5.63	9.74	1.72
S&P 400 MidCap \$U.S.	6.80	15.48	30.45	8.41
S&P 600 SmallCap \$U.S.	7.65	23.95	43.18	14.42
NASDAQ Composite \$U.S.	1.01	8.36	12.48	2.47

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED FEBRUARY 28, 2021

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
North Growth U.S. Equity Fund \$CDN	39.71	16.36	16.72	16.21	10.92	10.24	13.30
S&P 500 \$CDN	24.02	13.77	15.33	16.50	10.60	6.86	10.43
North Growth U.S. Equity Fund \$U.S.	47.90	16.74	18.24	13.15	10.11	11.30	13.22
S&P 500 \$U.S.	31.29	14.14	16.82	13.43	9.79	7.89	10.35
S&P 400 MidCap \$U.S.	39.79	12.04	15.20	11.68	9.78	9.96	12.25
S&P 600 SmallCap \$U.S.	46.70	13.23	16.66	12.94	9.89	10.63	11.86
NASDAQ Composite \$U.S.	55.34	23.26	25.09	18.26	13.69	10.63	*11.66

Source: Bloomberg "Total Return Analysis" as of March 1, 2021

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

The inception of the Fund: October 13, 1992.

Unit Price	\$ 55.59 CDN \$ 43.82 US
Total Assets in Fund	\$ 629.2 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR PERIODS ENDED FEBRUARY 28, 2021

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund, Series N	2.47	10.01	28.63	6.86
S&P / TSX \$CDN	4.36	5.82	11.02	4.03

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED FEBRUARY 28, 2021

	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	*Since Prospectus
North Growth Canadian Equity Fund, Series N*	31.46	24.12	13.39	15.20	15.76	14.27
S&P / TSX \$CDN	14.74	9.71	8.75	7.34	10.35	8.55

* The Canadian Equity Fund became a reporting issuer on June 15, 2012. It is not permitted to publish performance data prior to this date it became a reporting issuer.

Unit Price \$ 26.02 CDN

Total Assets in Fund \$ 60.8 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR PERIODS ENDED FEBRUARY 28, 2021

	*Current Yield	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
North Growth Canadian Money Market Fund	0.05	0.35	1.17	0.96	0.87	1.34
30 Day Treasury Bill	N/A	0.33	1.14	0.92	0.88	1.32

** 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.

In the current environment of ultra-low interest rates near zero, the Fund, like most interest-yielding instruments, is offering virtually no return. The downward trend on rates does not appear to be abating. North Growth will temporarily lower the management fee as needed in order to maintain a positive yield for the Fund's unitholders. **The current yield quoted above is net of the management fee.** We will provide a monthly update in these reports on the management fee.

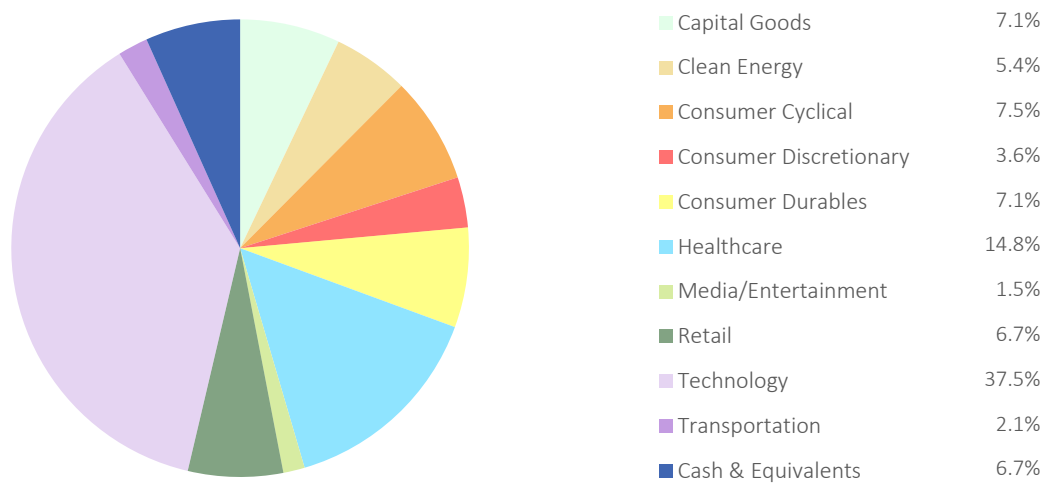
Management fee (February 1 - 28, 2021) for the Fund: 0.20%

Equity Fund Holdings and Composition

U.S. EQUITY FUND — TOP 10 HOLDINGS AS AT FEBRUARY 28, 2021

Ranking	Security	% of Net Assets
1	Applied Materials Inc.	5.29
2	Ciena Corp.	4.99
3	II-VI Inc.	4.15
4	Lumentum Holdings Inc.	3.10
5	Jabil Inc.	2.98
6	First Solar Inc.	2.93
7	American Eagle Outfitters Inc.	2.80
8	D.R. Horton, Inc.	2.61
9	HP Inc.	2.59
10	Bristol-Myers Squibb Company	2.58
Top 10		34.02
Total Equities		93.29
Cash		6.71
Total Assets		100.00

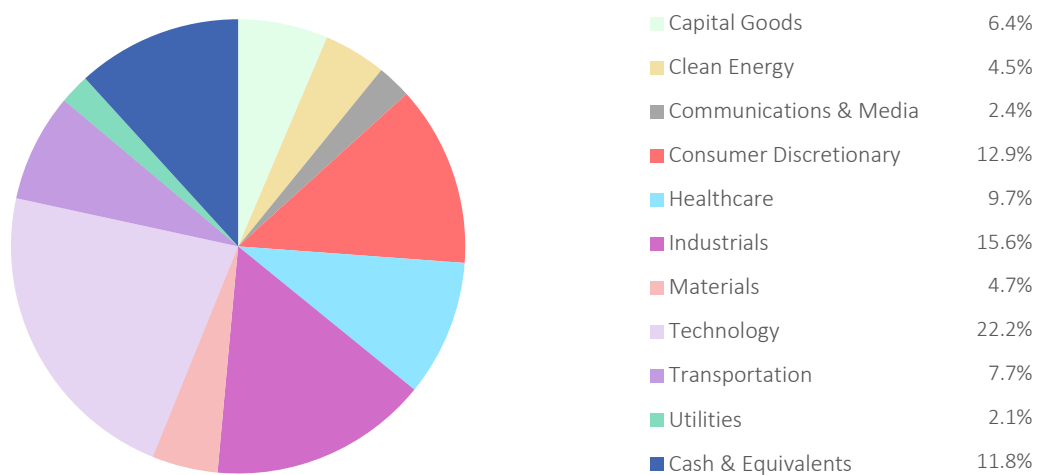
U.S. EQUITY FUND — SECTOR MIX AS AT FEBRUARY 28, 2021



CANADIAN EQUITY FUND — TOP 10 HOLDINGS AS AT FEBRUARY 28, 2021

Ranking	Security	% of Net Assets
1	ATS Automation Tooling Systems Inc.	6.40
2	Aritzia Inc.	6.26
3	Ballard Power Systems Inc.	6.07
4	TFI International Inc.	6.05
5	CAE Inc.	4.97
6	Leon's Furniture Ltd.	4.89
7	Open Text Corporation	4.73
8	Innergex Renewable Energy Inc.	4.46
9	Profound Medical Corp.	4.27
10	EXFO Inc.	4.08
Top 10		52.18
Total Equities		88.25
Cash		11.75
Total Assets		100.00

CANADIAN EQUITY FUND — SECTOR MIX AS AT FEBRUARY 28, 2021



Investing with Us

INVESTING WITH NORTH GROWTH MANAGEMENT:

North Growth Management is a focused firm. Our objective is 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 transactions is one hour before the applicable markets close, normally 3 p.m. Eastern Time or 12 p.m. (noon) Pacific 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 12 p.m. (noon) Eastern Time or 9 a.m. Pacific Time. Orders received after the cut-off time will be processed on the next business day.

As of June 1st, 2020 the office is again open. To ensure safe distancing, meetings will be scheduled by appointment only.

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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.

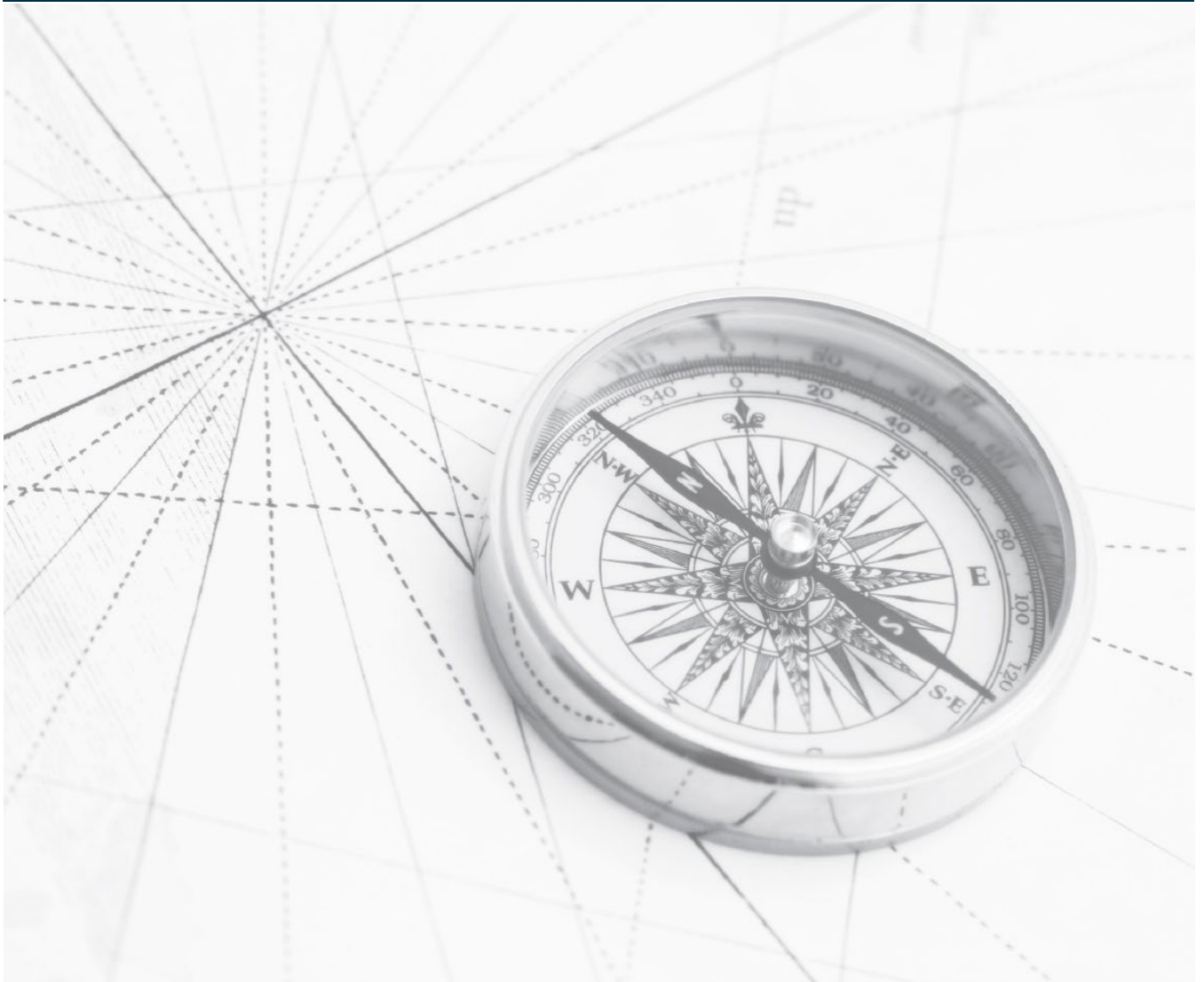


A NOTE ON FORWARD-LOOKING STATEMENTS

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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