



NORTH GROWTH
MANAGEMENT



DECEMBER 2021 MONTHLY REPORT

JANUARY 5, 2022

Market and Fund Performance Update

U.S. equities ended 2021 with a third consecutive year of superlative gains. Despite the S&P 500 having closed at record highs 70 times over the past 12 months, the stock market's ascent has been far from calm. Worries about new coronavirus variants, supply chain challenges, and shifts in monetary policy were all overcome by surprisingly strong corporate earnings and an overwhelming embrace of risk by market participants.

Notwithstanding the retail hype in meme stocks, the explosion of SPACs (special purpose acquisition companies) and IPOs (initial public offerings), and substantial returns in cryptocurrencies and commodities, much of the broader market rally was driven by a small group of mega-cap technology shares. The underlying stock market internals were weak as 2021 wrapped up. With the S&P 500 at record highs, many companies trading on the New York Stock Exchange marked one-year lows.

FUND DISTRIBUTIONS

As we communicated in the November report, December 15th was the distribution date for the North Growth U.S. Equity Fund and Canadian Equity Fund. The distribution for the U.S. Fund amounted to \$5.28 per unit (all capital gains). For the Canadian Equity Fund Series N, the distribution was \$1.57 per unit (consisting of \$0.05 income and \$1.52 capital gains).

Unitholders who hold the North Growth Funds in non-registered accounts can expect to receive their T3 tax slips by mail in the early part of February.

ANNUAL REPORT

Around the same time, in early to mid-February, we plan on publishing our 2021 Annual Report. As usual, the annual report will include a more in-depth discussion of the year in review and our outlook for 2022.

U.S. EQUITY FUND

In December, the North Growth U.S. Equity Fund appreciated 6.0%. The Fund outperformed all the indices we regularly follow: the S&P 500 which gained 4.5%, the S&P 400 MidCap and S&P 600 SmallCap which advanced 5.1% and 4.5% respectively, as well as the NASDAQ Composite which was up 0.8%. A stronger Canadian currency lowered the Fund's return to 5.1% in Canadian dollars versus the S&P 500's return of 3.6% in Canadian dollars.

In 2021, the Fund appreciated 18.4%, lagging all the indices we track. For the year, the S&P 500 gained 28.7%, the S&P 400 MidCap and S&P 600 SmallCap advanced 24.8% and 26.8% respectively, while the NASDAQ Composite was up 22.2%. In Canadian dollars, the Fund's annual return was 17.9% versus the S&P 500's gain of 28.2%.

CANADIAN EQUITY FUND, SERIES N

The North Growth Canadian Equity Fund, Series N, appreciated 3.7% in December against the S&P/TSX Composite Index which advanced 3.1%. For the year, the Fund delivered a total return of 19.8%, lagging the S&P/TSX Composite which was up 25.1% in 2021.

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED DECEMBER 31, 2021

	1 Month	3 Months	6 Months	YTD
NGM U.S. Equity Fund \$CDN	5.06	9.32	2.79	17.88
S&P 500 in \$CDN	3.55	11.11	14.23	28.16
NGM U.S. Equity Fund \$U.S.	6.01	9.23	0.49	18.38
S&P 500 \$U.S.	4.48	11.03	11.67	28.71
S&P 400 MidCap \$U.S.	5.08	8.00	6.09	24.76
S&P 600 SmallCap \$U.S.	4.53	5.64	2.64	26.82
NASDAQ Composite \$U.S.	0.75	8.47	8.23	22.21

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED DECEMBER 31, 2021

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
NGM U.S. Equity Fund \$CDN	17.88	22.03	16.77	17.66	11.07	10.50	13.36
S&P 500 \$CDN	28.16	23.03	17.12	19.15	11.28	8.28	11.01
NGM U.S. Equity Fund \$U.S.	18.38	25.05	18.12	15.10	10.45	11.77	13.29
S&P 500 \$U.S.	28.71	26.07	18.47	16.55	10.66	9.52	10.93
S&P 400 MidCap \$U.S.	24.76	21.41	13.09	14.20	10.45	10.56	12.42
S&P 600 SmallCap \$U.S.	26.82	20.11	12.42	14.50	10.15	10.73	11.89
NASDAQ Composite \$U.S.	22.21	34.30	25.01	21.03	14.51	12.14	*11.96

Source: Bloomberg "Total Return Analysis" as of December 31, 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	\$ 57.43 CDN \$ 45.30 US
Total Assets in Fund	\$ 701.7 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED DECEMBER 31, 2021

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series N	3.74	2.82	3.76	19.76
S&P / TSX \$CDN	3.06	6.47	6.66	25.09

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED DECEMBER 31, 2021

	1 Yr	3 Yrs	5 Yrs	9 Yrs	*Since Prospectus
NGM Canadian Equity Fund Series N*	19.76	25.65	16.21	14.21	14.30
S&P / TSX \$CDN	25.09	17.52	10.04	9.36	9.87

* 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 \$ 27.54 CDN

Total Assets in Fund \$ 73.8 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED DECEMBER 31, 2021

	*Current Yield	1 Year	3 Years	5 Years	10 Years	15 Years
NGM Canadian Money Market Fund	0.03	0.05	0.78	0.88	0.81	1.12
30 Day Treasury Bill	N/A	0.08	0.79	0.86	0.81	1.10

** 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. 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 (December 1 - 31, 2021) for the Fund: 0.25%

Equity Fund Holdings

U.S. EQUITY FUND — HOLDINGS AS AT DECEMBER 31, 2021

Ranking	Security	% of Net Assets	Ranking	Security	% of Net Assets
1	Ciena Corp.	6.09	29	Texas Instruments Inc.	1.54
2	Applied Materials Inc.	5.77	30	Abbott Laboratories	1.49
3	Jabil Inc.	4.35	31	RH	1.48
4	Lumentum Holdings Inc.	3.96	32	Apple Inc.	1.46
5	Qualcomm Inc.	3.60	33	Brinker International Inc.	1.39
6	Motorola Solutions Inc.	3.42	34	SolarEdge Technologies Inc.	1.36
7	II-VI Inc.	3.36	35	Zimmer Biomet Holdings Inc.	1.31
8	D.R. Horton, Inc.	3.31	36	The Walt Disney Company	1.28
9	HP Inc.	3.02	37	Nautilus Inc.	1.10
10	Anthem Inc.	2.92	38	Biogen Inc.	1.06
11	Best Buy Co., Inc.	2.72	39	Abercrombie & Fitch Co.	1.02
12	First Solar Inc.	2.64	40	Discovery Inc – CI C	0.89
13	Bristol-Myers Squibb Company	2.54	41	Booking Holdings Inc.	0.88
14	Tempur Sealy International, Inc.	2.47	42	Funko Inc.	0.81
15	FedEx Corp.	2.46	43	Watts Water Technologies Inc.	0.74
16	Foot Locker, Inc.	2.40	44	Skechers U.S.A., Inc.	0.71
17	Johnson Controls International plc	2.18	45	Itron Inc.	0.51
18	Jacobs Engineering Group Inc.	2.16	46	ChargePoint Holdings Inc.	0.38
19	Tapestry Inc.	2.08		Total Equities	96.19
20	Electronic Arts Inc.	2.04		Cash	3.81
21	Fortune Brands Home & Security Inc.	1.98		Total Assets	100.00
22	Nvidia Corp.	1.75			
23	PerkinElmer, Inc.	1.66			
24	Amgen Inc.	1.64			
25	Global Payments Inc.	1.58			
26	eBay Inc.	1.57			
27	Microsoft Corporation	1.56			
28	Syneos Health Inc.	1.55			

CANADIAN EQUITY FUND — HOLDINGS AS AT DECEMBER 31, 2021

Ranking	Security	% of Net Assets
1	ATS Automation Tooling Systems Inc.	8.80
2	Aritzia Inc.	8.21
3	TFI International Inc.	7.63
4	Dorel Industries Inc., Class B	6.04
5	Leon's Furniture Ltd.	4.90
6	CAE Inc.	4.24
7	Heroux-Devtek Inc.	4.17
8	Open Text Corporation	4.13
9	Intertape Polymer Group Inc.	3.36
10	Calian Group Ltd	3.30
11	Innergex Renewable Energy Inc.	3.24
12	Converge Technology Solutions Corp.	3.08
13	Bombardier Inc., Class B	2.99
14	Knight Therapeutics Inc.	2.77
15	Profound Medical Corp.	2.75
16	Novanta Inc.	2.72
17	IBI Group Inc.	2.26
18	TELUS Corporation	2.17
19	Dollarama Inc.	2.02
20	Restaurant Brands International	1.98
21	Zymeworks Inc.	1.94
22	Sierra Wireless Inc.	1.88
23	AutoCanada Inc.	1.80
24	Polaris Infrastructure Inc.	1.42
25	Evertz Technologies Limited	1.25
26	Ballard Power Systems Inc.	1.18
27	Real Matters Inc	1.15
28	Bombardier Recreational Products Inc.	0.89
29	Canadian Solar Inc.	0.82

Ranking	Security	% of Net Assets
29	Quisitive Technology Solutions Inc.	0.55
30	Perimeter Medical Imaging AI, Inc.	0.54
31	Magellan Aerospace Corp.	0.53
32	Blackberry Ltd.	0.44
32	Xebec Adsorption Inc.	0.43
Total Equities		95.58
Cash		4.42
Total Assets		100.00

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.

Please contact:

Marcus Vander Leek, CFA

Director of Business Development and Client Service

Email: marcus@northgrowth.com

WHERE TO FIND NGM FUND PRICES

Please visit www.northgrowth.com to view the Fund’s daily prices or to be added to our e-mail list to receive daily notification of the Funds’ prices.

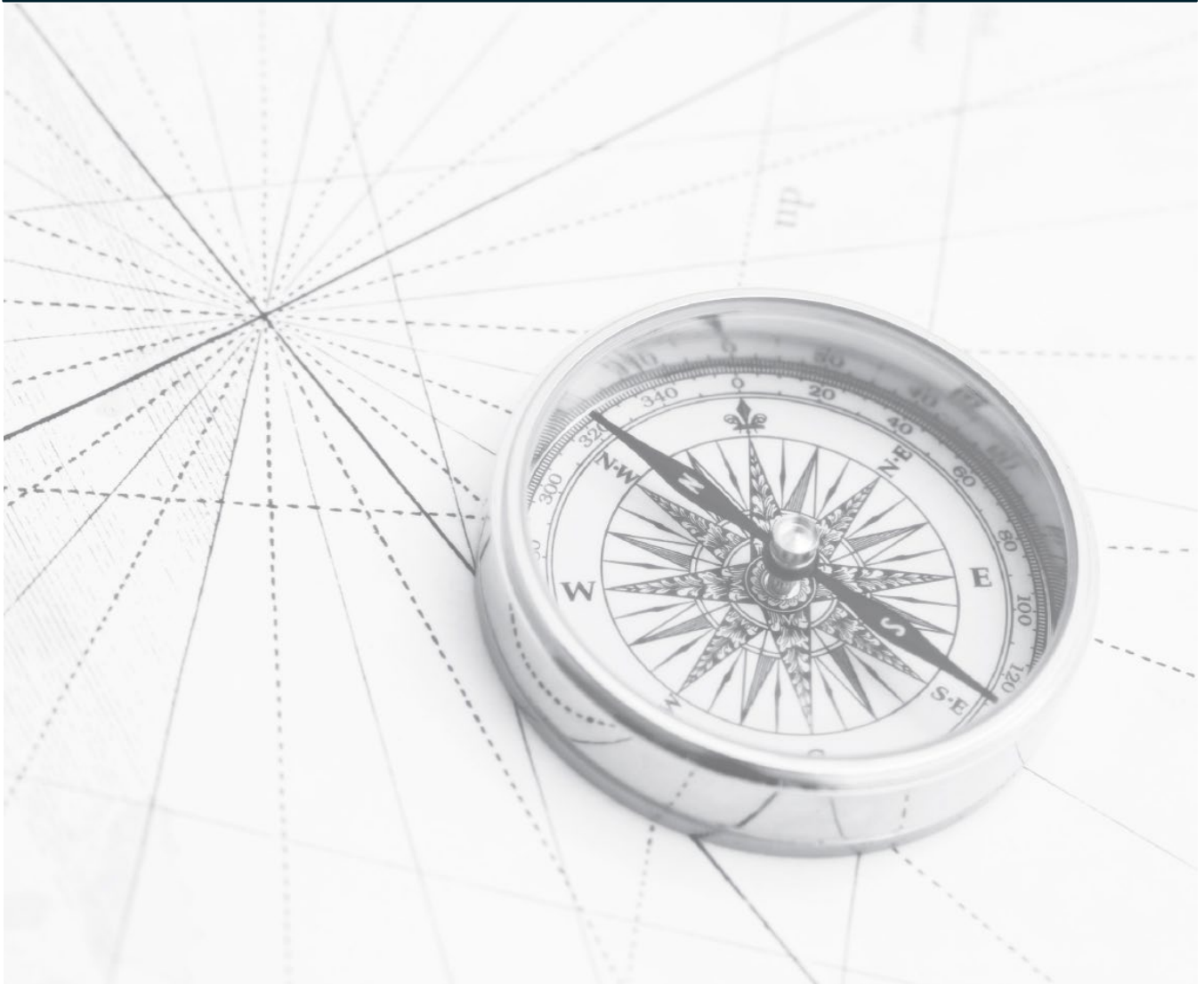


A NOTE ON FORWARD-LOOKING STATEMENTS

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.



NORTH GROWTH
MANAGEMENT



Suite 830, One Bentall Centre
505 Burrard Street, Box 56
Vancouver, BC V7X 1M4

T: 604-688-5440
F: 604-688-5402
info@northgrowth.com

northgrowth.com