



NORTH GROWTH
MANAGEMENT



MARCH 2022 MONTHLY REPORT

APRIL 8, 2022

Market and Fund Performance Update

Despite a rally during the final weeks of March, U.S. equities closed out their worst quarterly performance since the pandemic began two years ago. Under pressure from the lingering impacts of COVID-19, war in Ukraine, high inflation leading to expectations of aggressively rising interest rates, and consequently, fears of an economic recession, stocks suffered losses year-to-date. Notwithstanding the paltry returns across equity and bond markets, commodities have soared along with renewed retail demand for speculative meme shares such as GameStop and AMC Entertainment Holdings.

REITERATING OUR INVESTMENT PHILOSOPHY AMID VOLATILITY

Since mid-2021, the performance of the North Growth U.S. Equity Fund has lagged that of the S&P 500. The first three months of 2022 have been particularly challenging as the broad stock market continues to exhibit downside momentum. Perceived safe sectors and mega-cap technology behemoths have outperformed their cyclical counterparts amid concerns about the trajectory of the economy. Meanwhile, a voracious appetite for trading commodities and riskier assets remains. In short, the equity market appears to be binary with volatility rampant.

We continue to actively seek and research investment opportunities in this turbulent environment. Given that only a few companies have dominated the S&P 500 while the stock prices of most businesses have fallen behind, there continues to be a stark valuation gap in the market. The multiples of numerous quality firms with decent earnings and strong balance sheets have become increasingly attractive as the concentrated market pays virtually no attention to equity valuations.

In spite of the short-term disappointing relative performance of the U.S. Fund, the operating results of its individual holdings have been remarkably strong. Furthermore, the market valuations of the Fund's constituents remain low relative to their current earnings and long-term earnings outlook.

We would like to reiterate the investment philosophy of North Growth's equity funds. The following is verbatim of Rudy North's vision, articulated in the first 1992 Annual Report of the U.S. Fund:

"The Fund will focus on well managed, high potential stocks, regardless of their market capitalization.

As a group, less mature small and medium sized companies provide more dynamic growth opportunities than the more mature segment of the market. For this reason, small and medium sized companies will be an area of concentration for the Fund. These companies may have reduced marketability from time to time. For this reason, holdings of individual companies will be matched to their apparent liquidity and will tend to be kept relatively small.

Growth potential is not limited to smaller companies. Some very large companies operate in dynamic areas of the economy and on occasion outperform their smaller competitors through market dominance. The Fund will try to capitalize on these opportunities by assuming large positions in such companies. This concentration may also increase the Fund's short-term volatility.

Selection of reasonably priced stocks with exceptional growth prospects, whether small or large cap, will be the key of the Fund's success."

We remain focused on stock selection based on our long-standing "growth at a reasonable price" investment philosophy. Dedicated to our discipline, we believe both the U.S. and Canadian Equity Funds are positioned well for outperformance over the long run.

U.S. EQUITY FUND

In March, the North Growth U.S. Equity Fund declined –1.1%. The Fund underperformed all the indices we normally follow: the S&P 500 which gained 3.7%, the S&P 400 MidCap and S&P 600 SmallCap which advanced 1.4% and 0.4% respectively, as well as the NASDAQ Composite which was up 3.5%. A stronger Canadian currency reduced the Fund's monthly return to –2.7% in Canadian dollars versus the S&P 500's 2.1% Canadian-dollar March return.

CANADIAN EQUITY FUND, SERIES N

Uncertainty due to geopolitical tensions continued to drive the markets over March. The S&P/TSX Composite rallied 4.0% for the month. The North Growth Canadian Equity Fund, Series N, underperformed the index with a gain of 2.2%.

The majority of the market's move came during the third week of March while the rest of the month was relatively directionless. The driving factors behind the market were again commodity driven as gains in the Materials and Energy sectors contributed a combined 2.4% of performance. The underlying volatility in the past quarter was much higher than seen in 2021. The market has registered 12 days with moves larger than 1% year-to-date compared to 28 days for all of 2021.

Our focus continues to be on bottom-up, fundamentally strong companies as these undercurrents provide opportunities to improve the holdings in the portfolio. We strongly believe that high quality businesses endure and are able to adapt and outperform in different market conditions. During March, another one of the portfolio's companies, Intertape Polymer, announced that it is being taken private by a private equity firm. The Fund acquired its position in the company in March 2020 and the going private offer price will result in performance quintuple that of the performance of the S&P/TSX Composite Index over the same two year period.

North Growth U.S. Equity Fund

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED MARCH 31, 2022

	1 Month	3 Months	6 Months	YTD
NGM U.S. Equity Fund \$CDN	-2.71	-11.80	-3.57	-11.80
S&P 500 in \$CDN	2.06	-5.97	4.48	-5.97
NGM U.S. Equity Fund \$U.S.	-1.13	-10.51	-2.25	-10.51
S&P 500 \$U.S.	3.71	-4.60	5.92	-4.60
S&P 400 MidCap \$U.S.	1.38	-4.88	2.73	-4.88
S&P 600 SmallCap \$U.S.	0.37	-5.62	-0.30	-5.62
NASDAQ Composite \$U.S.	3.48	-8.94	-1.23	-8.94

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED MARCH 31, 2022

	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	Since Inception
NGM U.S. Equity Fund \$CDN	-5.11	13.20	12.40	14.60	10.21	9.76	12.76
S&P 500 \$CDN	14.92	16.30	14.55	17.25	10.85	7.93	10.68
NGM U.S. Equity Fund \$U.S.	-4.51	15.76	13.81	12.05	9.63	11.10	12.74
S&P 500 \$U.S.	15.65	18.92	15.99	14.64	10.26	9.25	10.66
S&P 400 MidCap \$U.S.	4.59	14.14	11.10	12.20	9.67	9.93	12.11
S&P 600 SmallCap \$U.S.	1.23	13.58	10.89	12.56	9.50	10.04	11.56
NASDAQ Composite \$U.S.	8.09	23.56	20.36	17.85	13.77	11.91	*11.49

Source: Bloomberg "Total Return Analysis" as of March 31, 2022

* 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	\$ 50.66 CDN \$ 40.54 US
Total Assets in Fund	\$ 617.2 Million CDN

North Growth Canadian Equity Fund, Series N

SHORT TERM RATES OF RETURN (%) FOR THE PERIOD ENDED MARCH 31, 2022

	1 Month	3 Months	6 Months	YTD
NGM Canadian Equity Fund Series N	2.17	-1.99	0.77	-1.99
S&P / TSX \$CDN	3.96	3.82	10.54	3.82

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED MARCH 31, 2022

	1 Yr	3 Yrs	5 Yrs	9 Yrs	*Since Prospectus
NGM Canadian Equity Fund Series N*	9.32	19.88	13.67	12.25	13.68
S&P / TSX \$CDN	20.19	14.15	10.34	9.42	10.03

* 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 \$ 26.99 CDN

Total Assets in Fund \$ 73.9 Million CDN

North Growth Canadian Money Market Fund

ANNUALIZED RATES OF RETURN (%) FOR THE PERIOD ENDED MARCH 31, 2022

	*Current Yield	1 Year	3 Years	5 Years	10 Years	15 Years
NGM Canadian Money Market Fund	0.32	0.07	0.64	0.86	0.79	1.06
30 Day Treasury Bill	N/A	0.13	0.67	0.84	0.80	1.04

** 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 will quickly rise in response to any future increase in the Bank of Canada's overnight rate.

The current yield quoted above is net of the management fee.

Equity Fund Holdings

U.S. EQUITY FUND — HOLDINGS AS AT MARCH 31, 2022

Ranking	Security	% of Net Assets
1	Ciena Corp.	5.37
2	Jabil Inc.	4.28
3	Lumentum Holdings Inc.	4.10
4	II-VI Inc.	3.99
5	Qualcomm Inc.	3.77
6	Applied Materials Inc.	3.57
7	Anthem Inc.	3.47
8	Bristol-Myers Squibb Company	3.33
9	HP Inc.	3.26
10	SolarEdge Technologies Inc.	3.05
11	Motorola Solutions Inc.	2.58
12	D.R. Horton, Inc.	2.55
13	Best Buy Co., Inc.	2.49
14	FedEx Corp.	2.46
15	Jacobs Engineering Group Inc.	2.39
16	Horizon Therapeutics, plc.	2.27
17	Tapestry Inc.	2.14
18	Nvidia Corp.	2.11
19	Johnson Controls International plc.	1.97
20	Electronic Arts Inc.	1.95
21	Tempur Sealy International, Inc.	1.89
22	RH	1.82
23	Global Payments Inc.	1.79
24	Booking Holdings Inc.	1.78
25	Texas Instruments Inc.	1.69
26	Foot Locker, Inc.	1.66
27	Brinker International Inc.	1.62
28	Perkin Elmer, Inc.	1.61

Ranking	Security	% of Net Assets
29	Apple Inc.	1.60
30	Microsoft Corporation	1.60
31	Syneos Health Inc.	1.58
32	Generac Holdings Inc.	1.54
33	eBay Inc.	1.51
34	Align Technology, Inc.	1.39
35	Fortune Brands Home & Security Inc.	1.31
36	The Walt Disney Company	1.27
37	InMode Ltd.	1.19
38	Amgen Inc.	1.10
39	Discovery Inc – CI C	1.08
40	Abercrombie & Fitch Co.	1.05
41	Funko Inc.	0.84
42	Nautilus Inc.	0.83
43	ChargePoint Holdings Inc.	0.82
44	First Solar Inc.	0.74
45	Rockwell Automation, Inc.	0.73
46	Intuitive Surgical, Inc.	0.58
47	Biogen Inc.	0.47
48	Watts Water Technologies Inc.	0.40
Total Equities		96.59
Cash		3.41
Total Assets		100.00

CANADIAN EQUITY FUND — HOLDINGS AS AT MARCH 31, 2022

Ranking	Security	% of Net Assets	Ranking	Security	% of Net Assets
1	Aritzia Inc.	8.00	30	Lululemon Athletica Inc.	0.56
2	ATS Automation Tooling Systems Inc.	7.90	31	Shopify Inc.	0.49
3	TFI International Inc.	7.46	32	Quisitive Technology Solutions Inc.	0.46
4	Intertape Polymer Group Inc.	5.06	33	Xebec Adsorption Inc.	0.38
5	Calian Group Ltd.	4.74	34	Perimeter Medical Imaging AI, Inc.	0.37
6	Leon's Furniture Ltd.	4.39	35	Blackberry Ltd.	0.34
7	CAE Inc.	4.33		Total Equities	92.95
8	Heroux-Devtek Inc.	3.96		Cash	7.05
9	Open Text Corporation	3.65		Total Assets	100.00
10	Dorel Industries Inc., Class B	3.61			
11	Innergex Renewable Energy Inc.	3.46			
12	Converge Technology Solutions Corp.	2.90			
13	Bombardier Inc., Class B	2.80			
14	IBI Group Inc.	2.76			
15	Knight Therapeutics Inc.	2.73			
16	AutoCanada Inc.	2.59			
17	TELUS Corporation	2.38			
18	Profound Medical Corp.	2.17			
19	Novanta Inc.	2.17			
20	Dollarama Inc.	2.07			
21	Sierra Wireless Inc.	1.90			
22	Restaurant Brands International	1.88			
23	Evertz Technologies Limited	1.44			
24	Polaris Infrastructure Inc.	1.42			
25	Canadian Solar Inc.	1.41			
26	Constellation Software Inc.	1.01			
27	Bombardier Recreational Products Inc.	0.82			
28	Real Matters Inc.	0.74			
29	Ballard Power Systems Inc.	0.60			

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.

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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.

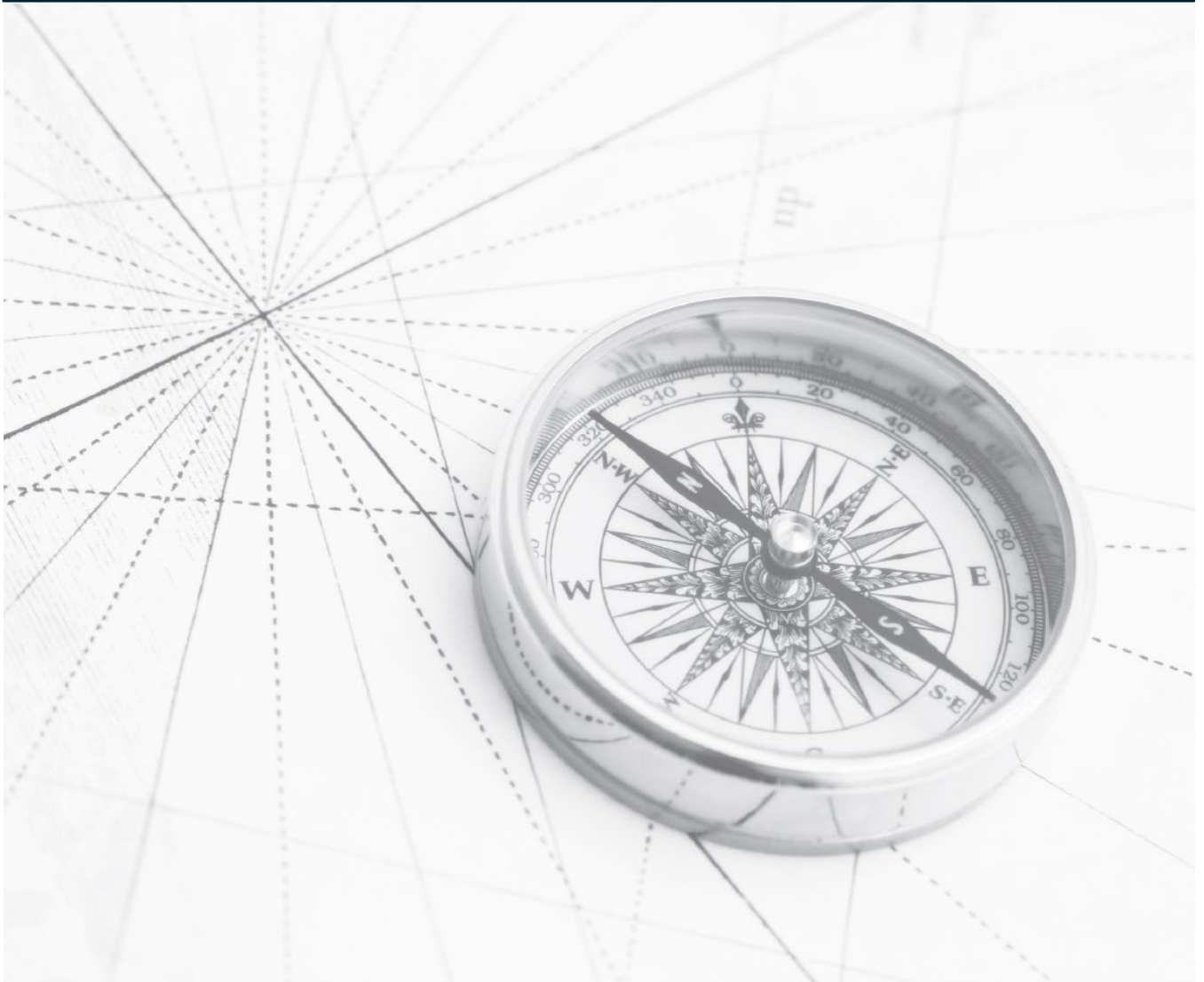


A NOTE ON FORWARD-LOOKING STATEMENTS

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.



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