

ARROW GLOBAL ADVANTAGE ALTERNATIVE CLASS SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended June 30, 2021

This semi-annual Management Report of Fund Performance contains financial highlights but does not contain the complete semi-annual financial statements for Arrow Global Advantage Alternative Class (the "Fund"). You may obtain a copy of the semi-annual financial statements, at no cost, by calling 877.327.6048, by writing to us at Arrow Capital Management Inc. (the "Manager" or "Arrow"), 36 Toronto Street, Suite 750, Toronto, Ontario M5C 2C5 or by visiting our website at www.arrow-capital.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's semi-annual financial reports, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the Fund.

Forward-Looking Information

This Management Report of Fund Performance contains forward-looking information and statements relating, but not limited to, anticipated or prospective financial performance and results of operations of the Fund. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. For this purpose, any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

Although the Fund believes it has a reasonable basis for making the forecasts or projections included in this Management Report of Fund Performance, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to, those associated with the performance of the equity securities market, expectations about interest rates and factors incorporated by reference herein as risk factors.

The above list of important factors affecting forward-looking information is not exhaustive, and reference should be made to the other risks discussed in the Fund's filings with Canadian securities regulatory authorities. The forward-looking information is given as of the date of this Management Report of Fund Performance, and the Fund undertakes no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion on Fund Performance

Investment Objective and Strategies

The investment objective of the Fund is to generate meaningful, risk-adjusted, absolute returns through exposure to global securities over the medium to long term, while preserving capital and mitigating risk.

The Fund will use leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The fund's leverage shall not exceed the limits on the use of leverage described in the "Investment Strategies" section in the simplified prospectus or as otherwise permitted under applicable securities legislation.

To achieve its investment objective, the Fund will invest and trade primarily in a diversified portfolio of four global asset classes: equities, fixed income securities, commodities and currencies. Exposure to these asset classes may be obtained directly or indirectly by investing in underlying funds that invest such securities.

The Fund is an alternative mutual fund whereby the specific strategies that differentiate this Fund from conventional mutual funds include: increased use of derivatives for hedging and non-hedging purposes, increased ability to sell securities short, and the ability to borrow cash to use for investment purposes.

Investment Risk

The risks of investing in the Fund remain as stated in the Fund's simplified prospectus. There were no material changes to the Fund over the period that affected the overall level of risk.

This Fund is suitable for investors who seek medium to long term growth through a diversified portfolio of equity and fixed income securities. To invest in this Fund, investors should be able to accept a medium degree of risk.

Leverage

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure to underlying assets that is greater than the amount invested. It is an investment technique that can magnify gains and losses. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times. The Fund's leverage is measured by calculating its aggregate gross exposure through the sum of the following: (i) the market value of short holdings; (ii) the amount of cash borrowed for investment purposes; and (iii) the notional value of the Fund's specified derivatives positions, excluding any specified derivatives used for hedging purposes. The maximum aggregate gross exposure is 300% of the Fund's NAV.

The Fund may borrow cash up to a maximum of 50% of its NAV and may sell securities short, whereby the aggregate market value of securities sold short will be limited to 100% of its NAV. The combined use of short-selling and cash borrowing by the Fund is subject to an overall limit of 100% of its NAV.

During the period from January 1, 2021 to June 30, 2021, the Fund's aggregate amount of leverage ranged from 0.0% to 44.3% (0% to 93.5% in December 31, 2020) of the Fund's NAV during such period of time.

Results of Operations

The net asset value ("NAV") of the Fund increased from \$104.3 million to \$121.2 million from December 31, 2020 to June 30, 2021. The Fund had net sales of \$13.2 million for the period. The Fund paid no distributions while the portfolio's performance increased assets by \$3.7 million. For the period ended June 30, 2021, Series F Shares of the Fund posted a gain of 3.6% (gain of 3.5% in the period ended June 30, 2020) while its benchmark, the MSCI World NR Index (USD) posted a gain of 13.1% (loss of 5.8% in the period ended June 30, 2020 over the same period. Please refer to the "Past Performance" section for performance information of the other series. The performance of the other series of the Fund differs from Series F Shares due largely to a varying level of expenses charged to each series, as explained in the Management Fees section.

The first half of 2021 proved to be a decent period for the strategy. We maintained a conservative bias and we remain on track on hit our risk/return targets for the year. Our sector rotation and stock selection was well rewarded as markets continued their upward trajectory. With low interest rates, lots of liquidity in the system and the successful roll out of vaccines, the market appears to be pushing inflation fears and potential rate hikes in the rear view mirror for now. On the COVID-19 front, Canada started out of the gates quite slowly but at the time of writing were at or near the top of the table in terms of the percentage of the population that has been vaccinated.

The cyclical never looked back after the election as they rallied higher in the first half of 2021, driven by continued stimulus from the new Democrat regime. Existing home sales (EHS) were better in June, although still decelerating on a year-over-year basis. Building permits were lower again in June after the peak in January. Housing price growth rose again, driven by continued inventory tightness and pandemic-catalyzed demand amplification - up 24.4% YoY. Initial jobless claims ticked higher in the week of July 17th after three consecutive weeks of lower numbers. Manufacturing PMI continued to trend higher while service PMI showed a deceleration after 14 months of consecutive improvement. On the contrary, Europe saw the service PMI continue to increase in July while manufacturing PMI peaked in June, but still remains at elevated levels. The ECB published revised inflation guidance as well, showing they expect inflation to peak in Q4'21 and normalize in FY22, as they continue to remain accommodative to financial markets. The variant remains an issue for policy makers in the back half of 2021.

Recent Developments

(BASED ON INFORMATION AS AT AUGUST 6, 2021)

Valuation of U.S. equities are stretched by any measure, yet current wisdom has excess liquidity driving markets higher potentially into the fourth quarter of 2021, as U.S. markets are pushing to record highs based on solid earnings. The comparative results will likely get tougher going forward. Thus, the current scenario considers a possible market peak just as global economy begins to return to normalcy and sustained GDP growth. Advice from most strategists is to stay invested until there are more convincing signs of a market top. We expect returns to be more muted in the back half of the year and have been reducing our net exposure to equities and becoming more defensive.

Related Party Transactions

Arrow Capital Management Inc. is the Manager and Portfolio Advisor of the Fund. The Manager, in consideration for management fees and performance fees, provides management services required in the day-to-day operations of the Fund. The Fund also reimburses the Manager for any operating or administrative expenses the Manager pays on behalf of the Fund.

The Fund may invest in other funds also managed by the Manager. These investments will either be made into a series that does not pay management fees or the Manager may pay a rebate to the Fund or other fund to offset fees paid by the other fund to the Manager. For the period ended June 30, 2021, the Manager has rebated \$72,352 (\$120,562 in June 30, 2020) of management fees to offset fees paid by another fund.

Management Fees

The table below outlines the Fund's annual Management Fee rate. It also states the percentage of the total management fees that were used to pay trailer commissions. The remainder of the management fees were used to pay for investment management services.

ANNUAL RATE (%)	Series A, U	Series F, G, ETF
Management Fees <i>(Annual Rate)</i>	1.95%	0.95%
Trailer Fees <i>(as a % of Management Fees)</i>	58.0%	-

In addition, the Fund pays Arrow performance fees ("Performance Fees") equal to 15% of the amount by which the Fund return in a year is in excess of the high water mark (the "High Water Mark"), and no Performance Fee is payable unless a hurdle rate of 5% is achieved in that year. 100% of the Performance Fees are used to pay for investment management services. Please refer to the Fund's simplified prospectus for further details relating to Performance Fees.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help the reader understand the Fund's financial performance. This information is derived from the Fund's financial statements and is represented net of expenses which have been charged to the Fund.

SERIES A - NET ASSETS PER SHARE			
For the period ended June 30, 2021 and for the years ended December 31,			
	2021	2020	2019
Net Assets, beginning of period¹	\$ 10.41	\$ 9.81	\$ 10.00
Increase (decrease) from operations:			
Total revenue	0.12	0.13	0.23
Total expenses	(0.26)	(0.57)	(0.42)
Realized gains (loss)	0.67	1.20	0.00
Unrealized gains (loss)	(0.20)	0.25	0.09
Total increase (decrease) from operations¹:	\$ 0.33	\$ 1.01	\$ (0.10)
Distributions²:			
From dividends	-	(0.01)	0.00
From capital gains	-	(0.39)	-
Total distributions	\$ -	\$ (0.40)	\$ -
Net Assets, end of period¹	\$ 10.73	\$ 10.41	\$ 9.81

SERIES A - RATIOS AND SUPPLEMENTAL DATA⁸			
For the period ended June 30, 2021 and for the years ended December 31,			
	2021	2020	2019
Net Asset Value ("NAV") (000s) ¹	\$24,290	\$23,408	\$22,178
Number of shares outstanding	2,263,132	2,249,007	2,261,513
Management expense ratio before performance fees ⁴	2.57%*	2.62%	2.73%
Management expense ratio ⁴	3.78%*	4.50%	2.73%
Management expense ratio before waivers or absorptions ⁵	3.78%*	4.50%	2.73%
Portfolio turnover rate ⁶	1,521.48%	2,441.80%	2,129.99%
Trading expense ratio before interest and borrowing expenses ⁸	0.72%*	0.82%	0.74%
Trading expense ratio ⁷	0.99%*	1.05%	0.84%
Net asset value per share	\$10.73	\$10.41	\$9.81

SERIES F - NET ASSETS PER SHARE			
For the period ended June 30, 2021 and for the years ended December 31,			
	2021	2020	2019
Net Assets, beginning of period¹	\$ 10.63	\$ 9.92	\$ 10.00
Increase (decrease) from operations:			
Total revenue	0.12	0.14	0.19
Total expenses	(0.20)	(0.50)	(0.31)
Realized gains (loss)	0.64	1.21	(0.04)
Unrealized gains (loss)	(0.19)	0.33	0.26
Total increase (decrease) from operations¹:	\$ 0.37	\$ 1.18	\$ 0.10
Distributions²:			
From dividends	-	(0.01)	-
From capital gains	-	(0.40)	-
Total distributions	\$ -	\$ (0.41)	\$ -
Net Assets, end of period¹	\$ 11.02	\$ 10.63	\$ 9.92

SERIES F - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019
Net Asset Value ("NAV") (000s) ¹	\$72,248	\$58,353	\$41,024
Number of shares outstanding	6,558,082	5,489,798	4,134,494
Management expense ratio before performance fees ⁴	1.45%*	1.51%	1.60%
Management expense ratio ⁴	2.68%*	3.69%	1.60%
Management expense ratio before waivers or absorptions ⁵	2.68%*	3.69%	1.60%
Portfolio turnover rate ⁶	1,521.48%	2,441.80%	2,129.99%
Trading expense ratio before interest and borrowing expenses ⁸	0.72%*	0.82%	0.74%
Trading expense ratio ⁷	0.99%*	1.05%	0.84%
Net asset value per share	\$11.02	\$10.63	\$9.92

SERIES G - NET ASSETS PER SHARE

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019 [†]
Net Assets, beginning of period¹ - CAD	\$ 13.89	\$ 13.21	\$ 13.16
Increase (decrease) from operations:			
Total revenue	(0.82)	(0.63)	0.23
Total expenses	(0.27)	(0.71)	(0.38)
Realized gains (loss)	0.87	1.61	0.04
Unrealized gains (loss)	0.37	0.52	(0.30)
Total increase (decrease) from operations¹:	\$ 0.15	\$ 0.79	\$ (0.41)
Distributions²:			
From dividends	-	(0.01)	-
From capital gains	-	(0.51)	-
Total distributions	\$ -	\$ (0.52)	\$ -
Net Assets, end of period¹ - CAD	\$ 14.02	\$ 13.89	\$ 13.21
Net Assets, beginning of period¹ - USD	\$ 10.91	\$ 10.17	\$ 10.00
Net Assets, end of period¹ - USD	\$11.31	\$ 10.91	\$ 10.17

SERIES G - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019 [†]
Net Asset Value ("NAV") (000s) ¹	\$7,424	\$6,653	\$2,062
Number of shares outstanding	529,463	479,102	156,189
Management expense ratio before performance fees ⁴	1.46%*	1.52%	1.61%
Management expense ratio ⁴	2.84%*	3.86%	1.61%
Management expense ratio before waivers or absorptions ⁵	2.84%*	3.86%	1.61%
Portfolio turnover rate ⁶	1,521.48%	2,441.80%	2,129.99%
Trading expense ratio before interest and borrowing expenses ⁸	0.72%*	0.82%	0.74%
Trading expense ratio ⁷	0.99%*	1.05%	0.84%
Net asset value per share - USD	\$11.31	\$10.91	\$10.17

SERIES U - NET ASSETS PER SHARE

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019 [†]
Net Assets, beginning of period¹ - CAD	\$ 13.66	\$ 13.10	\$ 13.16
Increase (decrease) from operations:			
Total revenue	(0.82)	(0.29)	0.18
Total expenses	(0.35)	(0.82)	(0.51)
Realized gains (loss)	0.91	1.62	0.06
Unrealized gains (loss)	0.41	0.46	(0.26)
Total increase (decrease) from operations¹:	\$ 0.15	\$ 0.97	\$ (0.53)
Distributions²:			
From dividends	-	(0.01)	-
From capital gains	-	(0.50)	-
Total distributions	\$ -	\$ (0.51)	\$ -
Net Assets, end of period¹ - CAD	\$ 13.72	\$ 13.66	\$ 13.10
Net Assets, beginning of period¹ - USD	\$ 10.73	\$ 10.09	\$ 10.00
Net Assets, end of period¹ - USD	\$ 11.07	\$ 10.73	\$ 10.09

SERIES U - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019 [†]
Net Asset Value ("NAV") (000s) ¹	\$1,526	\$1,863	\$1,078
Number of shares outstanding	111,145	136,356	82,310
Management expense ratio before performance fees ⁴	2.59%*	2.64%	2.74%
Management expense ratio ⁴	4.03%*	4.68%	2.74%
Management expense ratio before waivers or absorptions ⁵	4.03%*	4.68%	2.74%
Portfolio turnover rate ⁶	1,521.48%	2,441.80%	2,129.99%
Trading expense ratio before interest and borrowing expenses ⁸	0.72%*	0.82%	0.74%
Trading expense ratio ⁷	0.99%*	1.05%	0.84%
Net asset value per share - USD	\$11.07	\$10.73	\$10.09

SERIES ETF - NET ASSETS PER SHARE

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019
Net Assets, beginning of period¹	\$ 22.15	\$ 20.05	\$ 20.00
Increase (decrease) from operations:			
Total revenue	0.25	0.26	0.47
Total expenses	(0.17)	(0.34)	(0.44)
Realized gains (loss)	1.39	2.48	(0.13)
Unrealized gains (loss)	(0.44)	0.53	0.15
Total increase (decrease) from operations¹:	\$ 1.03	\$ 2.93	\$ 0.05
Distributions²:			
From dividends	-	(0.02)	-
From capital gains	-	(0.82)	-
Total distributions	\$ -	\$ (0.84)	\$ -
Net Assets, end of period¹	\$ 23.23	\$ 22.15	\$ 20.05

SERIES ETF - RATIOS AND SUPPLEMENTAL DATA⁸

For the period ended June 30, 2021 and for the years ended December 31,

	2021	2020	2019
Net Asset Value ("NAV") (000s) ¹	\$15,734	\$14,051	\$12,337
Number of shares outstanding	677,356	634,390	615,272
Management expense ratio before performance fees ⁴	0.41%*	0.48%	0.54%
Management expense ratio ⁴	0.41%*	0.48%	0.54%
Management expense ratio before waivers or absorptions ⁵	1.36%*	1.43%	1.49%
Portfolio turnover rate ⁶	1,521.48%	2,441.80%	2,129.99%
Trading expense ratio before interest and borrowing expenses ⁸	0.72%*	0.82%	0.74%
Trading expense ratio ⁷	0.99%*	1.05%	0.84%
Net asset value per share	\$23.23	\$22.15	\$20.05

†The Fund was launched on December 31, 2018. Series A, Series F and Series ETF units began operations on January 01, 2019. Series U and Series G units began operations on February 28, 2019.

*Ratios have been annualized.

1. The net assets per share shown are referenced to net assets attributable to holders of redeemable shares determined in accordance with International Financial Reporting Standards ("IFRS") and are derived from the Fund's financial statements. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.
2. Distributions, if applicable, were reinvested in additional shares of the Fund at the discretion of the underlying shareholders.
3. The Manager may absorb certain expenses or waive certain fees otherwise payable by the Fund. The amount of expenses absorbed or waived (if applicable) is determined annually at the discretion of the Manager and the Manager can terminate the absorption or waiver at any time.
4. Management expense ratio ("MER") is calculated as total expenses net of waived fees, if applicable, and excludes certain taxes, commissions and other fund transaction costs for the stated year expressed as an annualized percentage of daily average NAV during the stated year. The management expense ratio is calculated in accordance with Part 15 of NI 81-106. Management expense ratio before performance fee is the MER before any performance fees, if applicable, for the stated year.
5. Management expense ratio before waivers or absorptions is the MER inclusive of performance fees before any waivers or absorptions are deducted.
6. The Fund's portfolio turnover rate can indicate how actively the investment advisor manages the portfolio of investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of its securities in its portfolio once in the course of the year. The higher the fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover ratio for the year ended 2019 was calculated based on the average net portfolio of the Fund. The ratio for this year has been restated to be based on average gross portfolio of the Fund.
7. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the period.
8. The trading expense ratio before interest and borrowing expenses represents total commissions and other portfolio transaction costs excluding interest expenses and borrowing expenses expressed as an annualized percentage of daily average NAV during the period.
9. Ratios and supplemental data, where applicable, are computed using the NAV of the Fund.

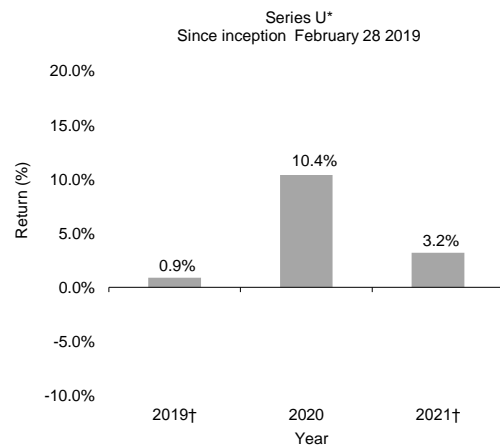
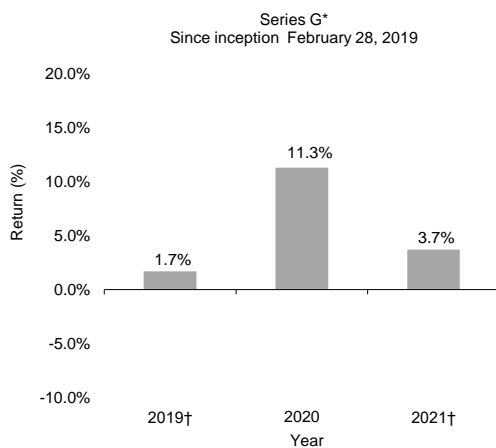
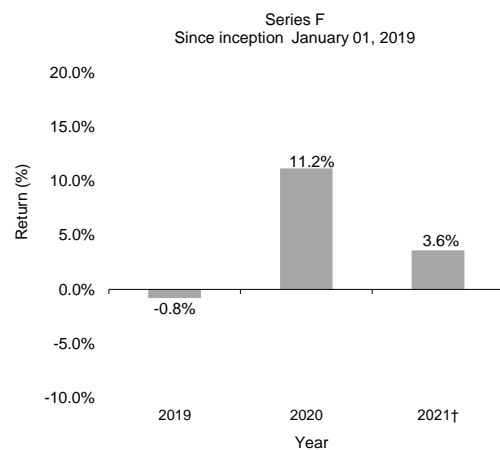
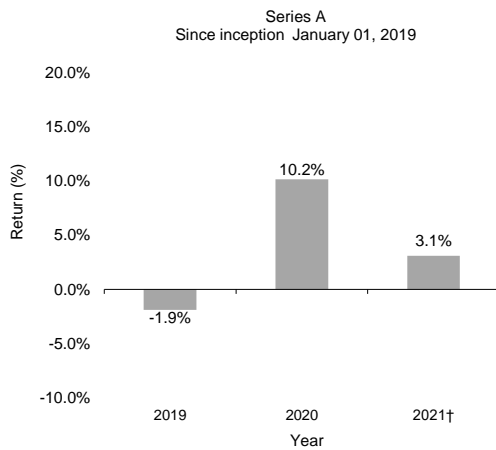
Past Performance

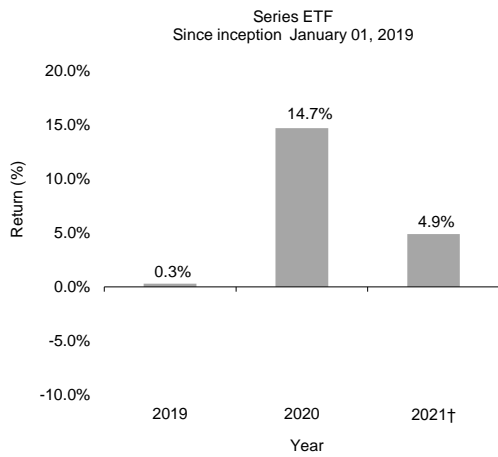
The performance information shown below assumes that all distributions, if any, made by the Fund in the year shown were reinvested in additional shares of the Fund. If you hold the Fund outside a registered plan, you will be taxed on distributions. Distributions of income the Fund earns and capital gains it realizes are taxable in the year received whether received in cash or reinvested in additional shares. No adjustment for potential tax consequences to an investor has been made to the performance information.

The indicated rates of return are historical annual compounded total returns including changes in unit value and do not take into account sale, redemption, distribution or other optional charges, that, if applicable, would have reduced returns or performance. An investment in the Fund is not guaranteed. Its value changes frequently and how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

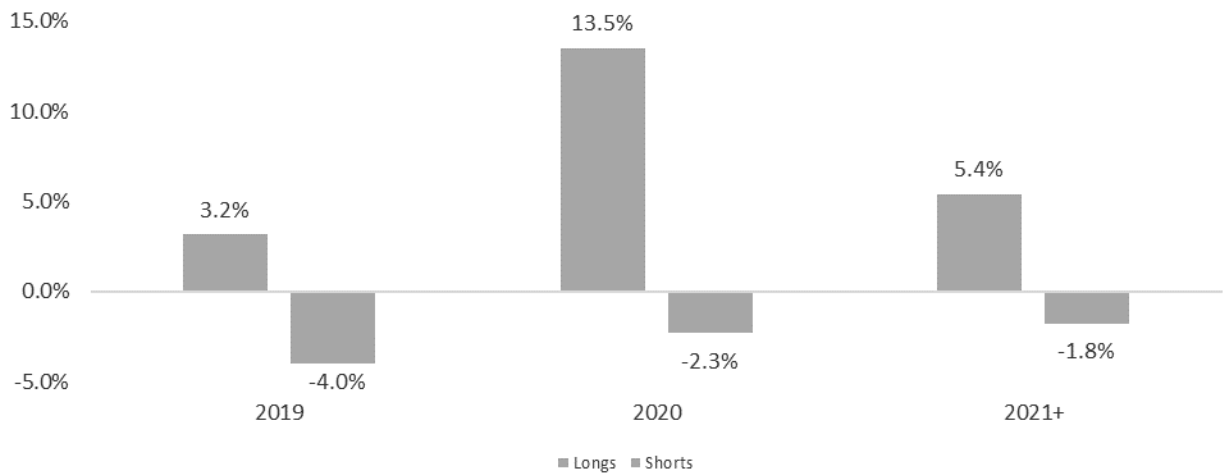
The bar chart below illustrates the Fund's performance for the periods shown. It shows, in percentage terms, how much an investment made on the first day of each financial year (or since inception) would have grown or decreased.





†Returns shown represent a partial year
* Returns shown in USD

The chart below illustrates the Fund's returns for Series F for the period ended June 30, 2021 and for the years ended December 31 for the Fund's shares by long and short holdings:



†Returns shown represent a partial year

Annual Compound Returns (Compound Performance)

The following table shows the annual compound total returns of the Fund and for its benchmark MSCI World NR Index USD for the period shown ended June 30, 2021. The Relative Performance returns show the performance of the Fund as compared to the benchmark.

	1 Year	Annualized Since Inception
Series A	10.3%	4.4%
Series F	11.4%	5.5%
Series G	11.7%	7.1%
Series U	10.6%	6.1%
Series ETF	14.9%	7.8%
MSCI World NR Index (USD)	39.0%	67.3%

Summary of Investment Portfolio as at June 30, 2021

The summary of investment portfolio below includes information regarding the Fund as a whole. This summary may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by contacting Arrow at 877.327.6048 or by visiting Arrow's website at www.arrow-capital.com.

Geographical Sector	% of Net Assets		Top 25 Holdings	%
	Long	Short		
			Long Positions	
Australia	0.3	-	Cash and Cash Equivalents	32.3
Austria	0.2	-	Invesco Senior Loan ETF	4.7
Belgium	0.1	-	iShares MBS ETF	4.0
Brazil	0.1	-	iShares J.P. Morgan USD Emerging Markets Bond ETF	2.2
Canada	7.6	(1.3)	VanEck Vectors Fallen Angel High Yield Bond ETF	1.4
Chile	-	(0.1)	Curvature Market Neutral Fund	1.3
China	0.5	-	Amazon.com Inc.	0.5
Denmark	0.2	-	Visa Inc., Class 'A'	0.5
France	1.3	-	Granite REIT	0.4
Funds	14.1	(4.3)	Penn National Gaming Inc.	0.4
Germany	1.7	-	Utilities Select Sector SPDR Fund	0.4
Hong Kong	0.1	-	Apple Inc.	0.3
Ireland	0.8	-	Rockwell Automation Inc.	0.3
Italy	0.3	-	Siemens AG, Registered	0.3
Japan	1.4	-	Constellation Brands Inc., Class 'A'	0.3
Malaysia	0.2	-	BGP Acquisition Corp., Class 'A'	0.3
Netherlands	0.8	-	Adidas AG, ADR	0.3
Norway	0.1	-	Albemarle Corp.	0.3
Singapore	0.1	-	Top long positions as a percentage of total net asset value	50.2
Spain	0.5	-		
Sweden	0.5	-	Consumer Discretionary Select Sector SPDR Fund	(1.3)
Switzerland	1.4	-	VanEck Vectors Semiconductor ETF	(0.9)
U.S.A.	32.3	(11.0)	Materials Select Sector SPDR Fund	(0.4)
United Kingdom	1.7	-	SPDR S&P Metals & Mining ETF	(0.4)
Derivatives	0.4	(0.3)	iShares Dow Jones U.S. Transportation Average Index Fund	(0.4)
Cash and Cash Equivalents	32.3	-	SPDR S&P Oil & Gas Exploration & Production ETF	(0.4)
Other Net Assets	18.0	-	Rollins Inc.	(0.3)
	117.0	(17.0)	Top short positions as a percentage of total net asset value	(4.1)
			Total (%)	46.1
			Total Net Asset Value (in \$ millions)	121.2