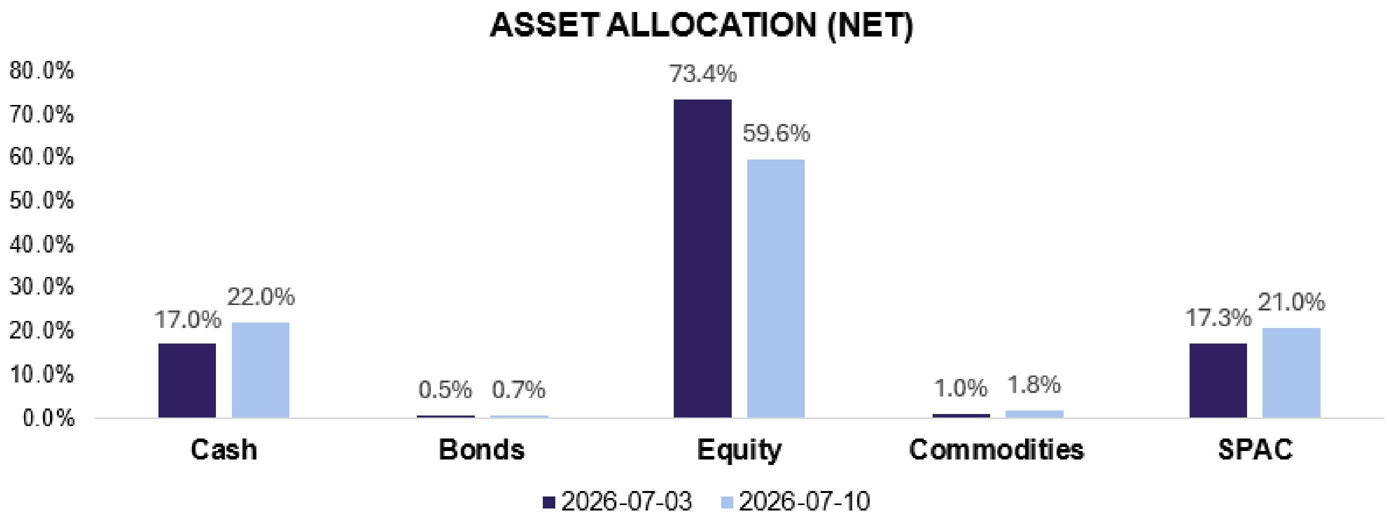
ARROW LONG/SHORT ALTERNATIVE FUND
commentary - Week ending July 10, 2026



Weekly performance, macro context, current positioning, and future expectations

Performance

July 10, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD -0.85%
MTD -0.58%
YTD 9.53%

S&P/TSX 60 (XIU ETF):

WTD 0.78%
MTD 1.70%
YTD 13.36%

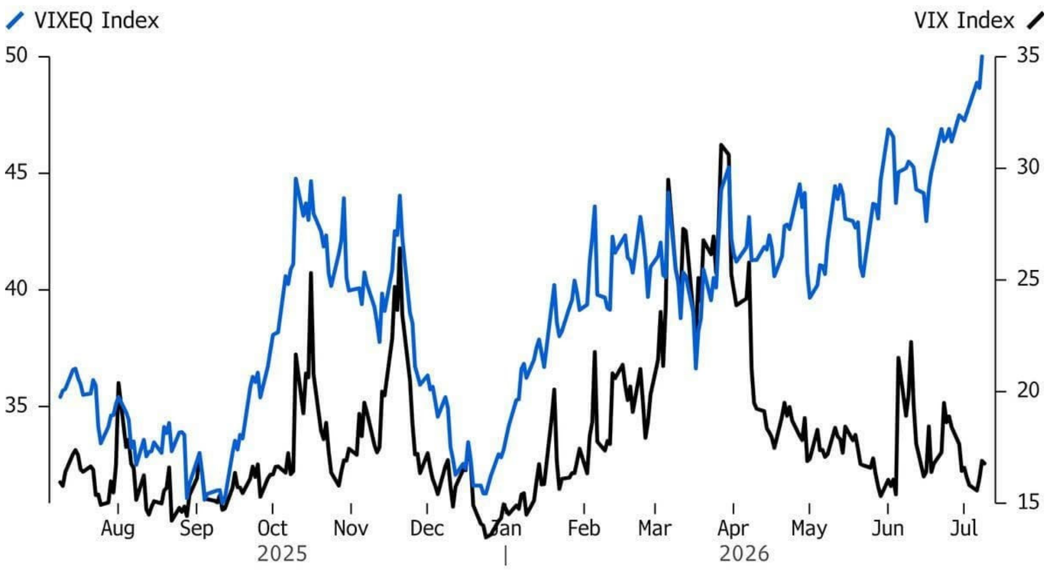
S&P 500 (SPY ETF):

WTD 1.37%
MTD 1.10%
YTD 11.30%

Fund Commentary

U.S. equities moved higher on the week, with SPY up ~1.4% and approaching all time highs. The heavy lifting was done by the MAG7, and dispersion between sectors continued with IWM down on the week. This is also highlighted by elevated single stock volatility, diverging from the VIX which remains quite muted. Middle East tensions came back to the fore, but ultimately, we think Trump will escalate to de-escalate. Q2 earnings season is upon us and will start to become a key focus. As well, key inflation measures are due this week in the CPI/PPI. We continue to be on the side of peak hawkishness.

Single-Stock Volatility Surges
Overall equity market volatility low

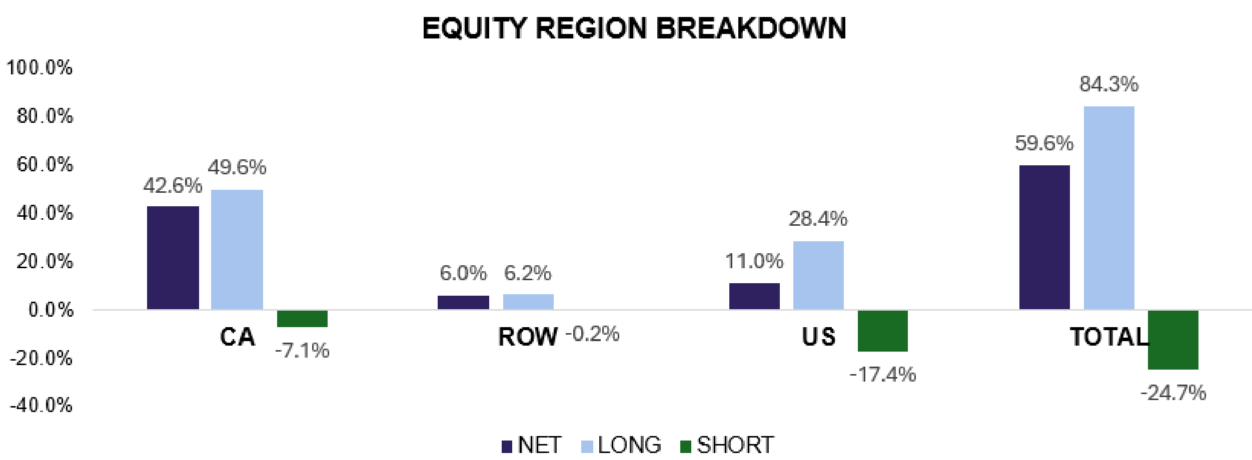


Source: Bloomberg

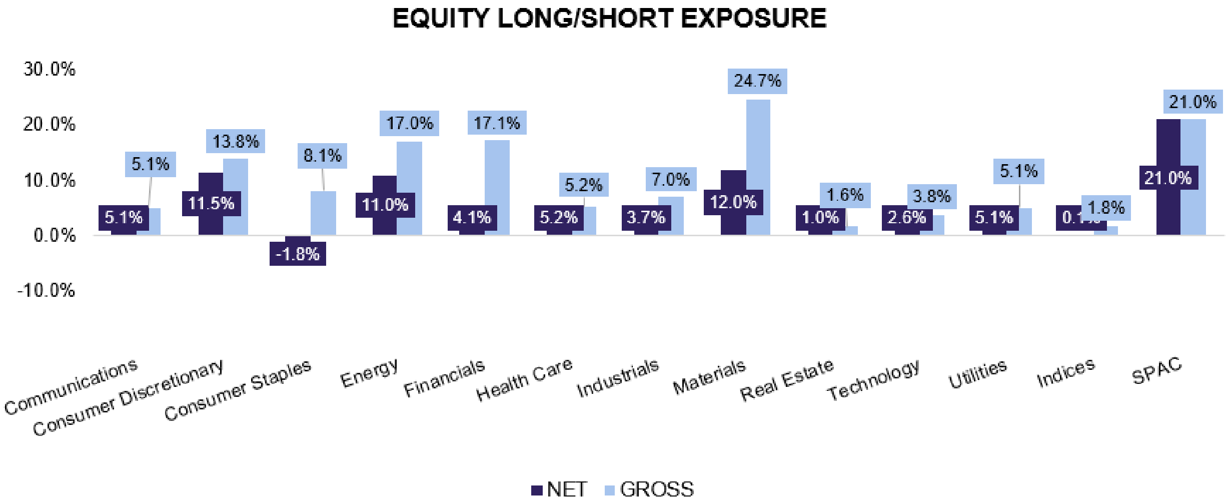
Bloomberg

On single stock ideas, we have been adding to some new positions that represent attractive risk/reward. One of them being Spinmaster (TOY), a toy maker that has underperformed the past 2 years for micro and macro reasons. We however view the current share price as an opportunity, as macro concerns related to tariffs and cost inflation have subsided, while a new management team has re-focused the firm's strategy. We argue shares are trading at trough earnings and multiple, trading at 5x EV/EBITDA, well below its historic 10x multiple. With a new Paw Patrol movie slated to be released later in the Summer, we see a growth tailwind that is not fully factored into what we see as conservative guidance numbers. We could see further signs of this recovery as early as Q2 earnings that are scheduled to report by month end.

Equity Allocation (% Total Portfolio including Futures)



Sector Exposures (% Long / Short Portfolio of individual companies)



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of June 30, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	21.81%	11.37%	6.60%	9.21%	9.81%

Published July 13, 2026

Effective June 25, 2024 Arrow Long/Short Alternative Class was merged into Arrow Long/Short Alternative Fund as part of the corporate class fund merger. Effective June 15, 2023, the Fund was renamed Arrow Long/Short Alternative Class (formerly Arrow Canadian Advantage Alternative Class).

Commissions, trailing commissions, management and performance fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns net of fees and expenses payable by the fund (except for figures of one year or less, which are simple total returns) including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values or returns on investment in an investment fund.

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The comparison presented is intended to illustrate the historical performance of the Fund as compared with the historical performance of a widely quoted market index or a weighted blend of widely quoted market indices or other investments. There are various important differences that may exist between the Fund and the stated indices or other investments that may affect the performance of each. The objectives and strategies of the Fund result in holdings that do not necessarily reflect the constituents of and their weights within the comparable indices. Indexes are unmanaged and their returns do not include any sales charges or fees. It is not possible to invest directly in market indices. Certain statements contained in this communication are based in whole or in part on information provided by third parties and Arrow Capital Management has taken reasonable steps to ensure their accuracy. Market conditions may change which may impact the information contained in this document.

More information about the Fund can be found on our website www.arrow-capital.com.