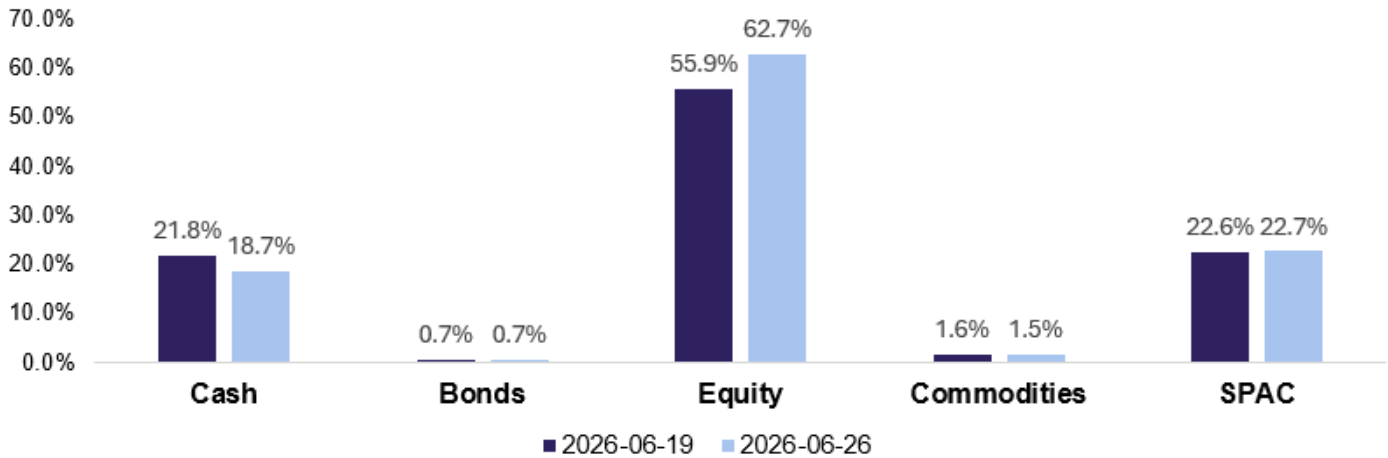


ARROW LONG/SHORT ALTERNATIVE FUND

commentary - Week ending June 26, 2026



ASSET ALLOCATION (NET)



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

Performance

June 26, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD -0.64%

MTD -2.24%

YTD 9.50%

S&P/TSX 60 (XIU ETF):

WTD 0.78%

MTD 1.91%

YTD 11.79%

S&P 500 (SPY ETF):

WTD -2.38%

MTD -3.39%

YTD 7.47%

Fund Commentary

Markets finished lower on the week with notable dispersion beneath the surface. SPY fell roughly 2% and the Nasdaq dropped 4.6%, while IWM posted modest gains. MAG7 and semis sold off, exacerbated by a Friday NYT report that OpenAI may delay its IPO, feeding concerns about the sustainability of AI capex funding. As the AI trade underperforms, capital is broadening into the rest of the economy - a healthy sign visible in the equal-weighted SPY's recent outperformance. Progress toward an Iran resolution pulled oil and bond yields lower, providing a bid for rate-sensitives and cyclicals that has left investors more comfortable stepping outside the AI complex. Healthcare traded particularly well on a mix of favourable fundamental reports, M&A announcements, and positive biotech trial data - a theme we've been adding to.

Our baseline remains that this dip will be bought, although narratives are shifting quickly and driving meaningful divergences. For instance, MAG7 and AI infrastructure positioning are at extremes and some mean reversion makes

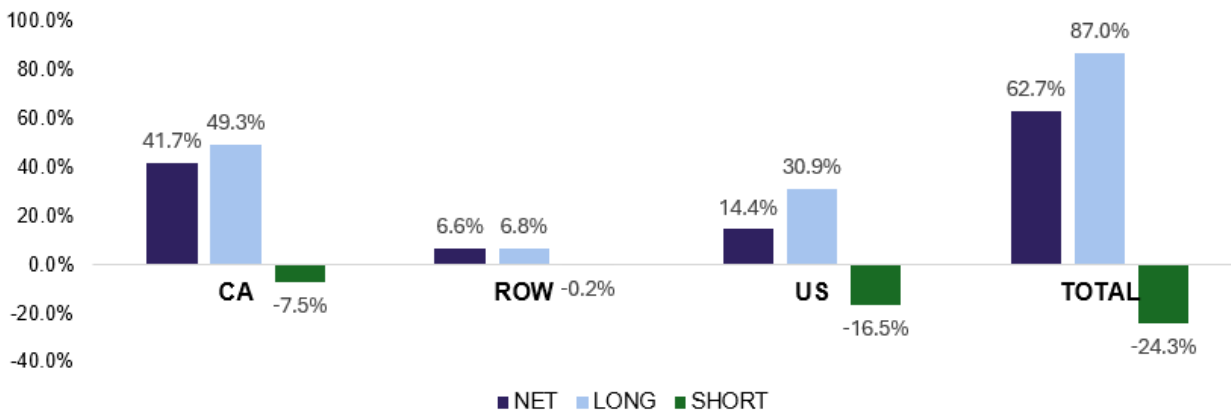
sense from here. On the macro side, we're watching the USD closely, as it's been on a tear the past month, and is looking quite extended. A checkback or a fake breakout should be broadly supportive for risk assets, and commodities more specifically. We added some upside optionality in materials last week. Quarter end rebalancing flows are also creating some technical noise through tomorrow, with seasonality historically favouring the first two weeks of July.

This week is holiday-shortened, with U.S. markets closed Friday for July 4th. A key economic data point will be the NFP, pulled forward to Thursday, which will be closely watched with cuts now priced out. As we near the mid point of the year, we reflect on year-to-date events and how our market thoughts have evolved over time. Below is a link to a short video that summarizes those thoughts and outlook for the rest of the year.

Link to Mid-Year Update Video: https://youtu.be/IZ_wGLMBqw4

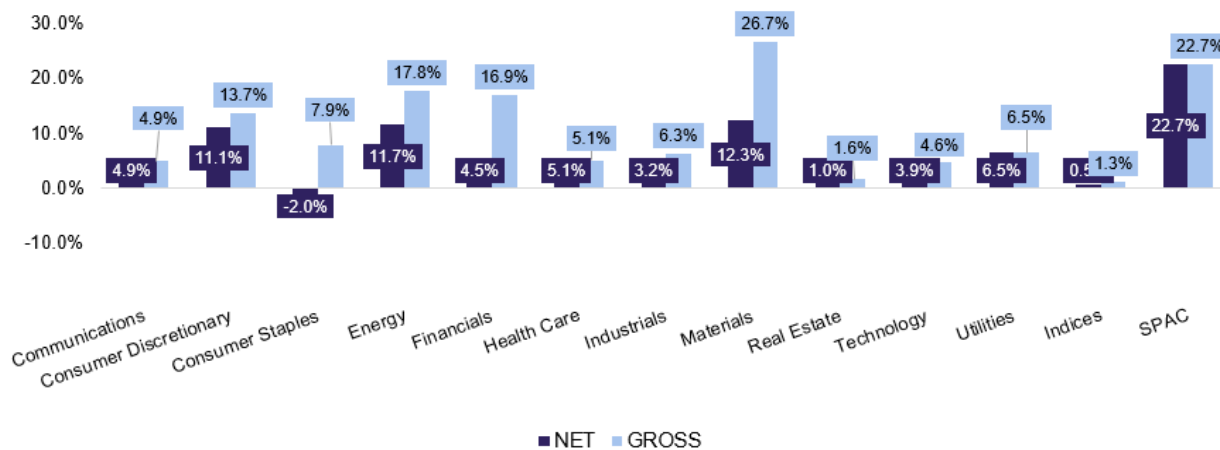
Equity Allocation (% Total Portfolio including Futures)

EQUITY REGION BREAKDOWN



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

EQUITY LONG/SHORT EXPOSURE



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of May 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	25.32%	11.30%	7.39%	9.42%	9.95%

Published June 29, 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.

This document is provided as a general source of information and should not be considered personal, legal, accounting, tax or investment advice, or construed as an endorsement or recommendation of any entity or security discussed. Every effort has been made to ensure that the material contained in this document is accurate at the time of publication. Market conditions may change which may impact the information contained in this document. All charts and illustrations in this document are for illustrative purposes only. They are not intended to predict or project investment results. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment. Investors should consult their professional advisors prior to implementing any changes to their investment strategies.

Certain statements in this document are forward-looking. Forward-looking statements (“FLS”) are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as “may,” “will,” “should,” “could,” “expect,” “anticipate,” “intend,” “plan,” “believe,” or “estimate,” or other similar expressions. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the FLS. FLS are not guarantees of future performance and are by their nature based on numerous assumptions. Although the FLS contained herein are based upon what Arrow Capital Management and the portfolio manager believe to be reasonable assumptions, neither Arrow Capital Management nor the portfolio manager can assure that actual results will be consistent with these FLS. The reader is cautioned to consider the FLS carefully and not to place undue reliance on FLS. Unless required by applicable law, it is not undertaken, and specifically disclaimed that there is any intention or obligation to update or revise FLS, whether as a result of new information, future events or otherwise.

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.