

February was an excellent month for the fund, with the fund rising +0.32% during a month that saw some significant pullbacks in the broader equity markets. In comparison the TSX dropped by 0.40% and the S&P500 fell -1.39% on the back of continual waffling by US President Trump on tariff policy. The US President's continual stream of on-again and off-again tariff announcements are undermining investor confidence in financial markets and are starting to cause a selloff among some of last year's high-fliers, which have traded well above fair values.

February's positive results bring our 5 year returns to +103.54% (15.27% annualized CAGR) which continues to be well ahead of our TSX benchmark, which has risen 82.42% (12.77% CAGR) over the last 5 years. For the month your fund performance was led forward by particularly strong double returns from Innergex Renewable Energy, Gilead Sciences, and Wheaton Precious Minerals, all of whom returned double digits.

INNERGEX RENEWABLE ENERGY, THE LATEST TAKEOVER IN THE FUND

The highlight of February, was a takeover bid of \$13.75 per share (an 86% premium) for our holding in Innergex Renewable Energy. Innergex is a leading global renewable independent power producer that produces electricity from Wind, Hydroelectric, Solar, and Battery Storage projects in Canada, USA, France, and Chile. The company has had a 20 year track record of identifying, constructing, and bringing to market a multitude of excellent green power projects with excellent economic returns.

We had always viewed Innergex as an excellent company, but had never owned it until 2024, when the recent momentum driven stock market took a dislike to most renewable companies and drove Innergex stock down from over \$30 in 2021 to under \$10 last year. As we viewed the value of the shares to be roughly double where they were trading last year, we took the opportunity to initiate a position in the portfolio, with the view that Innergex's excellent business would eventually be recognized by the market given the strong track record and humanity's growing thirst for more and more energy.

On February 24th, Quebec's large fund manager, the Caisse de Depot de Quebec, came to the same conclusion as we did and decided to put in an offer to takeover the entire company at an 86% premium of \$13.75 per share. Innergex's strong returns during the month helped propel our fund to its solid performance during the month. While we view the takeover at \$13.75 per share as 90% certain to succeed, there remains a small chance for a higher bid from another player as the takeover is being done at a still attractive 11x EV/EBITDA ratio with a 6% Free Cash Flow yield. Innergex is just one of the many excellent, but undervalued holdings in the fund that could be subject to future takeovers should their compelling valuations not be recognized.

MORE INSIDER BUYING IN FEBRUARY

February again saw buying from insiders at a many of our companies. The largest purchases occurred at Cenovus, Gibson Energy, Doman Building Materials, Lotus Creek, and BCE Inc. Insiders clearly see the same substantial upside opportunity that we do. Buying of stock by insiders at our companies is just one more point of support for the value opportunity present in our holdings, as these are the very people that know their businesses best.

MARCH 31ST.... NEXT LP CLOSING

The next closing for the NR Conservative Growth Fund LP is March 31st, 2024. Please feel free to contact Daria Krikun at 416-364-8591 or Aaron Sniderman at 416-847-3979 for more information or to set up an appointment or call 416-323-0477 to speak with any one of us directly concerning the Conservative Growth LP. Our toll-free number is 1-877-327-6048.

Warmest Regards,



Alex Ruus, CFA, MBA, P.Eng
Portfolio Manager
Arrow Capital Management Inc

Historical Performance	1 yr	3 yr	5 yr	10 yr	ITD
NR Conservative Growth Fund LP	12.75	5.74	15.28	7.37	8.88

Returns as of February 28, 2025

Commissions, trailing commissions, management fees, performance fees, and expenses all may be associated with investment funds. Please read the offering memorandum 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.

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This document is confidential and is intended solely for the information of the person to which it has been delivered. More information about the Fund can be found on our website www.arrow-capital.com. Published March 2025.