

March was another solid month of outperformance, with the fund rising +0.56% in what was a negative month in the financial markets. In comparison, the TSX fell -1.51%, while the US markets had an extremely difficult month with the S&P 500 falling -5.63%. US President Trump's very inconsistent trade policies and public announcements are causing a freeze up in decision making in the business community which is slowing the economy and financial markets.

March's positive results brings our 5 year fund returns to +172.44% (22.19% annualized CAGR) which is well ahead of our TSX index benchmark which returned 117.45% (16.80% CAGR) over the same time frame. Fund performance in March was led by large double digit gains in the month from Kits Eyecare, Tidewater Midstream, Osisko Gold Royalties, Wheaton Precious Metals, Sucro, and Elevance, all of which rose over 10% in a difficult month.

KITS EYECARE REPORTS EXCELLENT Q4

The highlight of March was an outstanding quarterly report from Kits Eyecare which drove the stock up 43% for the month. Kits Eyecare is a rapidly growing, digital eyecare platform providing eyewear for eyes everywhere. It offers customers access to a vast selection of contact lenses and eyeglasses, including its own KITS-designed products, as well as a robust suite of online vision tools. Its digital platform, based on state of the art in-house manufacturing and designs, removes intermediaries and enables it to offer better prices and deliver made-to-order personalized products with care and accuracy.

Eyecare products such as contacts and glasses are a large and growing market globally. As most people are aware, these purchases are essential for those who use the products and not a discretionary purchase. All purchasers also realize, that while a game changing product for the users, eyewear tends to be quite expensive. A large part of the large costs are due to a relatively convoluted distribution of the products with many middlemen taking large profits. Kits identified this as a large opportunity for a company that would bring top quality eyecare products at substantially lower prices to the glass and contact wearers that can be ordered through its website, Kits.com.

Since launching several years ago, the company has shown steady, but impressive growth and has recently emerged into profitability. We see a steadily growing stream of profits ahead for the company. Last year we took the opportunity of a pullback in the stock to establish a position in Kits and have been substantially rewarded this month when the company reported excellent 4th quarter results.

In the 4th quarter, Kits reported growth of over 30%, with expanding profit margins, as its investments in its state of the art manufacturing and distribution over the last several years is now paying off. Growth was shown in both number of customers as well as increasing sales to repeat customers, which just underlies how solid this business is. We look for more good returns to come from our holding in Kits over the coming years. And if you want to get some great high quality eyewear at a lower price than what you are now paying, try out Kits.com.

MARKET VOLATILITY IN 2025

With the everyday policy changes coming from US President Trump so far this year, do not be surprised to see substantial volatility to continue in the markets until a more established path is determined by the US administration. While we attempt to take advantage of the volatility these actions cause, we will continue to stick with the portfolio strategy that has been successful for many years of buying superior businesses that trade at a discount to their intrinsic value and then waiting for either the market, private equity, or competitors to recognize the value and drive the stock prices up.

Our portfolio is full of companies which have cash flow streams that grow over time, which should endure and prosper over time. We talk about the many examples of this in the monthly letter, such as Kits Eyecare this month. Companies like Kits, while volatile over shorter periods, should appreciate over time regardless of what the US president does.

Expect higher volatility this year, but you can be confident that this strategy, which has withstood the test of time, will continue to be successful over time, the track record of the fund stands as a testament to this.


MORE INSIDER BUYING IN MARCH

Despite the volatility, March again saw buying from insiders at many of our companies. The largest purchases occurred at Obsidian Energy, Element Fleet, Canfor, North American Construction, Cenovus, and Whitecap Resources. Insiders clearly are looking through the volatility in the market and seeing the great 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.

APRIL 30TH.... NEXT LP CLOSING

The next closing for the NR Conservative Growth Fund LP is April 30th, 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	9.41	4.97	22.19	7.43	8.87

Returns as of March 31, 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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