

May was a positive month for the fund with a gain of 2.73%. This roughly mirrored the May returns from the TSX at 2.77% and Dow30 at 2.58%, while lagging the S&P500 at 4.96%. This brings year to date returns to 6.49% which is slightly behind the TSX at 7.58%, S&P500 at 11.3%, but ahead of the Dow30 at 3.52%. The up market in May was led on the upside by strong returns from the Materials, Utilities, and Semiconductor stocks. Portfolio highlights for the month were gains of over 20% from CES Energy Services, 5N Plus Inc., Neo Materials, and Polaris Renewables, all of which gained on solid fundamental business developments.

## CES ENERGY SOLUTIONS POISED FOR A RECORD YEAR IN 2024

One of our top energy holdings, CES Energy Solutions, reported excellent results during May, driving the stock up 27% during the month. CES is a diversified provider of commercial services to the North American energy industry, and is one of the leading providers of drilling fluids and production chemicals to the industry. The company has steadily grown from a small Alberta company thirty years ago into a \$2 Billion diversified player serving the industry all across North America through a combination of superior products & services and shrewd acquisitions.

On May 9th, the company reported excellent 1st quarter growth, with a continuation of a record of strong profitability and free cash flow production. We now expect the company to produce record results for the coming year, which alongside an underlevered balance sheet, will allow the company to ramp up stock buybacks for what continues to be a stock that trades at a substantial discount to intrinsic value.

The combination of continuing growth, strong free cash flows, and share buybacks is setting us up for another excellent year of performance. Our projections show the stock trading at a double digit free cash flow yield and under 6 times Enterprise Value to EBITDA, which is a substantial discount to the recent takeover of its closest competitor, ChampionX, which was bought by Schlumberger for over 10 times EV to EBITDA. Look for more good returns to come from our holdings in CES over the coming periods. CES is just one of many of the very undervalued stocks in our portfolio.

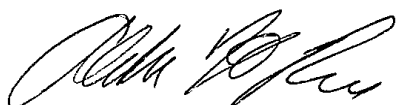
## ADDITIONAL INSIDER BUYING IN MAY

May witnessed yet more insider buying at a number of our portfolio holdings. The largest corporate insider buying occurred at Freehold Royalties, Doman Building Materials, BCE, and Capital Power. 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 of our holdings, as these are the very people that know their businesses best.

## June 30th.... NEXT LP CLOSING

The next closing for the NR Conservative Growth Fund LP is June 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	10.04	10.40	12.27	6.97	8.85

Returns as of May 31, 2024

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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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.

This document is not to be construed as a public offering of securities in any jurisdiction in Canada. Offering of units in the L.P. are made pursuant to the Confidential Offering Memorandum (offering memorandum) only to those investors in all jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about the L.P. including the L.P.’s fundamental investment objective, is contained in the offering memorandum, a copy of which may be obtained from Arrow Capital Management Inc.

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