

July was an excellent month for the fund, rising +4.87%, just behind the TSX at 5.87%, but well ahead of the US markets which saw the S&P500 up 1.22%. This brings year to date returns to +10.43%, slightly behind the broader markets. The fund is now up +37.92% (11.31% CAGR) over the last 3 years, both continuing to solidly outperform both the TSX at 25.01% (7.72% CAGR) and the S&P500 at 31.64% (9.60% CAGR).

July's returns were led to the upside by strongest returns from the Real Estate and Materials sectors, while technology, industrials and energy sectors lagged. The growth fund's strong month was led by very strong returns from Tenaz Energy, BeWhere Holdings, Profound Medical, and Quipt Home Medical, all of which rose over 20% during the month due to solid fundamental improvements at those companies.

TRANSFORMATIONAL ACQUISITION DRIVES TENAZ ENERGY TO 97% GAIN

Tenaz Energy is a holding which we initiated 3 years ago when new management took over operatorship of a small Alberta oil producer and put in place a strategy to build a growing international energy producer through astute acquisitions and smart exploitation. Over the last 3 years, the team at Tenaz has made a number of small astute acquisitions that have steadily built value for shareholders, but due to the company's small size the market has to date largely ignored this excellent energy producer.

This changed in July, when after an extended negotiation, Tenaz was able to acquire 600,000 net acres of low-decline production in the Dutch North Sea at an attractive price to become the 2nd largest producer in the country and add significant scale. On July 18, Tenaz acquired NAM Offshore BV for \$246 Million. This is a major acquisition for Tenaz as it adds 11,000 boe/day of production (an increase of 380% for Tenaz) and reserves of 53.6 million barrels (an increase of 370%).

The acquisition also transforms Tenaz from a non-operated partner to the operating partner of the majority of the assets allowing them to control the pace of asset development. Additionally, they have acquired 2 quality production facilities with processing capacity of 3.4 Billion cubic feet of gas per day, which will allow resource development to proceed without having to spend substantial capital on process facilities making future returns on infill drilling and exploration very attractive.

The acquisition is being done at very compelling terms for Tenaz shareholders, at less than 2 times cash flow. Additionally the acquisition is being astutely financed by a combination of cash on the balance sheet, vendor financing (to be paid back through cash flow from the assets), and a small amount of debt which can easily be repaid within 2 years from Tenaz's substantial free cash flows.

As a result of the acquisition and the very low valuation the market has awarded Tenaz's stock, the stock rose 97% during July as investors are finally taking notice of this excellent energy producer. While July's 97% return was satisfying, the stock continues to trade a substantial discount to its intrinsic value which we calculate to be more than double the current share price. Look for more strong returns to come from our shareholding in Tenaz and our other stocks trading at large discounts to their intrinsic value.

ADDITIONAL INSIDER BUYING IN JULY

July saw another round of insiders buying at a number of our portfolio holdings. The largest corporate insider buying occurred at AutoCanada, Tenaz Energy, Tourmaline Oil, Gibson Energy, and Freehold Royalties. 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.

AUGUST 31st.... NEXT LP CLOSING

The next closing for the NR Conservative Growth Fund LP is August 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	9.30	11.31	12.32	7.20	8.98

Returns as of July 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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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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