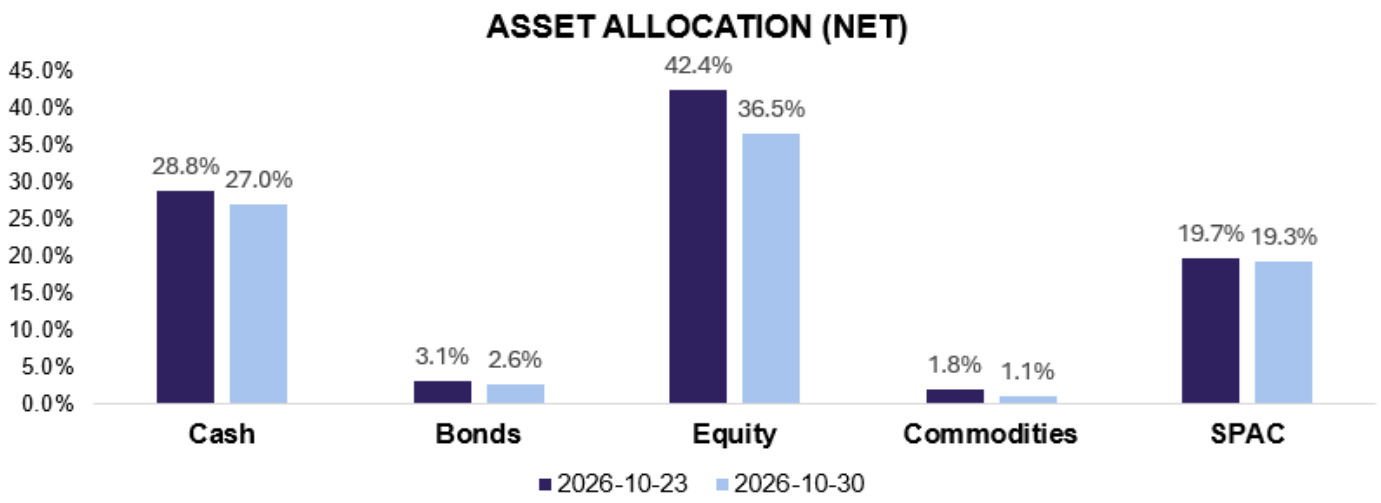
ARROW LONG/SHORT ALTERNATIVE FUND
commentary - Week ending October 30, 2026



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

Performance

October 30, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD 0.60%
MTD -2.41%
YTD 6.55%

S&P/TSX 60 (XIU ETF):

WTD -0.22%
MTD 2.73%
YTD 16.33%

S&P 500 (SPY ETF):

WTD -0.56%
MTD -0.91%
YTD 11.69%

Fund Commentary

Last week, the optimism around the Anthropic IPO faded as the week wore on and Mag7 earnings rolled through. The standout was Alphabet, which fell 13% on the week and suffered its worst single day drop on record, as the market began to fret about a slowdown in its core search franchise. The readthrough hit sentiment across the complex and marked a third consecutive week of pressure on the AI trade. On the flipside, the ex-AI trade continued to gain momentum, with IWM up 1.3%, and regaining its 200-day moving average.

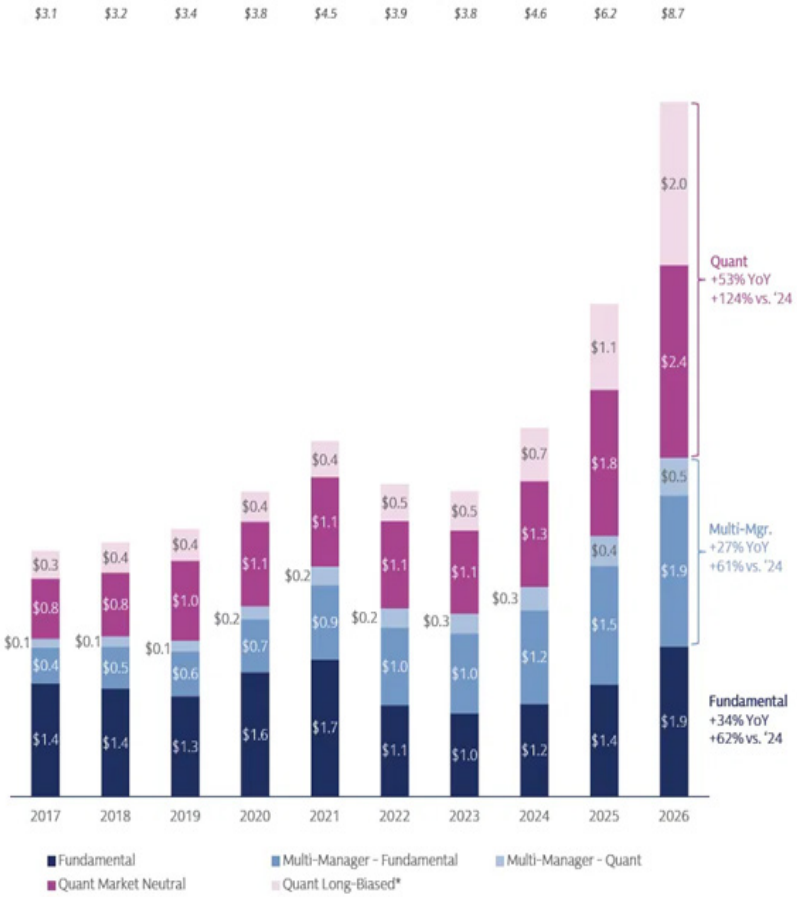
This is another consequential week with the midterm elections tomorrow night. Odds of a Democratic sweep have climbed above 70% in prediction markets, a notable uptick from the Summer, when it was pretty much a coin toss. Although the election is closely watched and talked about, we can't help but think the potential fallout of a Democratic sweep is not properly priced. Specifically, if we do see a Democratic sweep, we'd look for greater targeting of AI (data

centres), Trump's personal dealings, and the Billionaire class. That would only add to the already fragile sentiment stoked by the past few weeks of price action. It also raises the stakes for the upcoming Anthropic IPO, which we think will serve as an important near-term referendum on where we sit in the AI theme.

On the portfolio, an update on one of our core fundamental positions. MSG Sports completed its spin into two separate public companies last week, the Knicks (MSGK) and the Rangers (MSGR). It is worth refreshing the valuation as these entities separate, particularly in light of the updated franchise marks released over the past few weeks. On the latest Sportico estimates, the Knicks are valued at $12.8 billion (+30% Y/Y) and the Rangers at $4.15 billion (+14% Y/Y). Against those figures, both teams continue to trade at material discounts of 40%+ to NAV. With the teams now split, we would not be surprised to see a partial monetization of one or both assets over the next twelve months, which would help crystallize the underlying value. We continue to like these names and added to MSGR last week on some weakness.

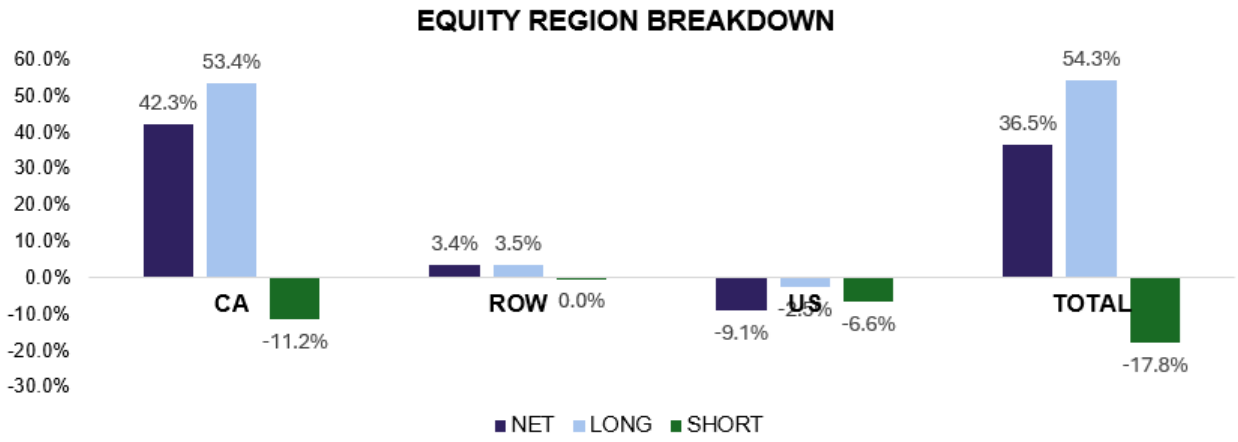
Finally, a word on philosophy. For those who have followed our funds, part of the reason we endorse a flexible and open mandate is the ongoing evolution of markets and market structure. While we believe fundamental analysis remains the primary long-term arbiter of price, the growth and proliferation of different strategies and capital pools have heightened short term volatility and divergences, exacerbating extreme moves in both directions. The chart below from Goldman illustrates how capital pools have evolved over the past decade, with quant and multi manager hedge fund strategies growing materially faster than fundamental ones. This is precisely why we manage the portfolio the way we do, emphasizing idiosyncratic, uncorrelated ideas while maintaining a tactical, top-down overlay that can adapt as markets are increasingly moved by non fundamental factors. This keeps us open minded and flexible, while providing protection from being overly dogmatic in our views. Based on our evolving views of the AI trade and knock on effects to the market and economy at large, we believe our differentiated approach will be that much more valuable as we enter 2027.

Equity GMV of Hedge Fund Strategies $tn (2017-2026)

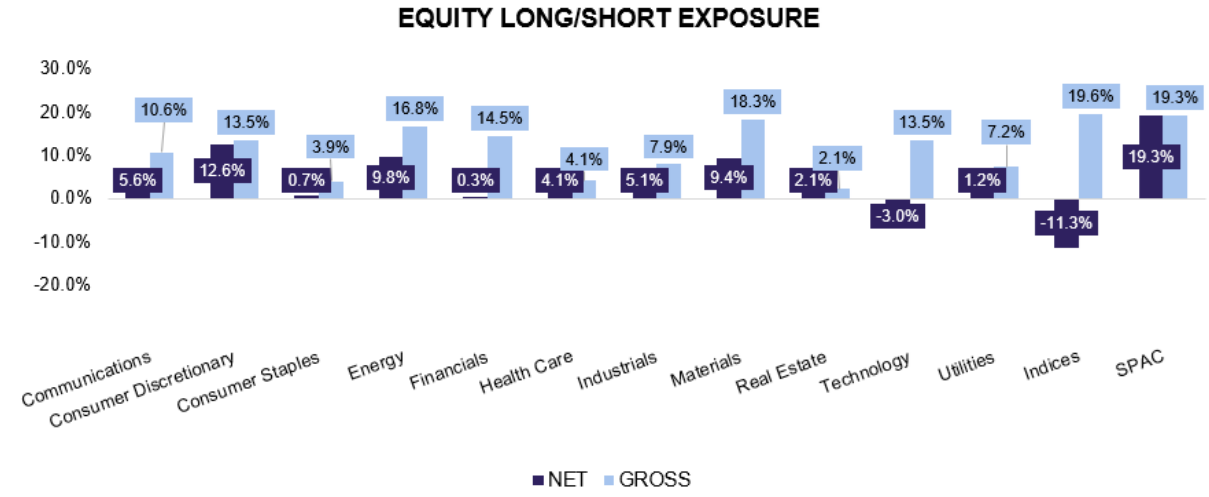


Source: Goldman Sachs

Equity Allocation (% Total Portfolio including Futures)



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



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of October 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	7.77%	9.19%	5.73%	8.58%	9.42%

Published November 2, 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.

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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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