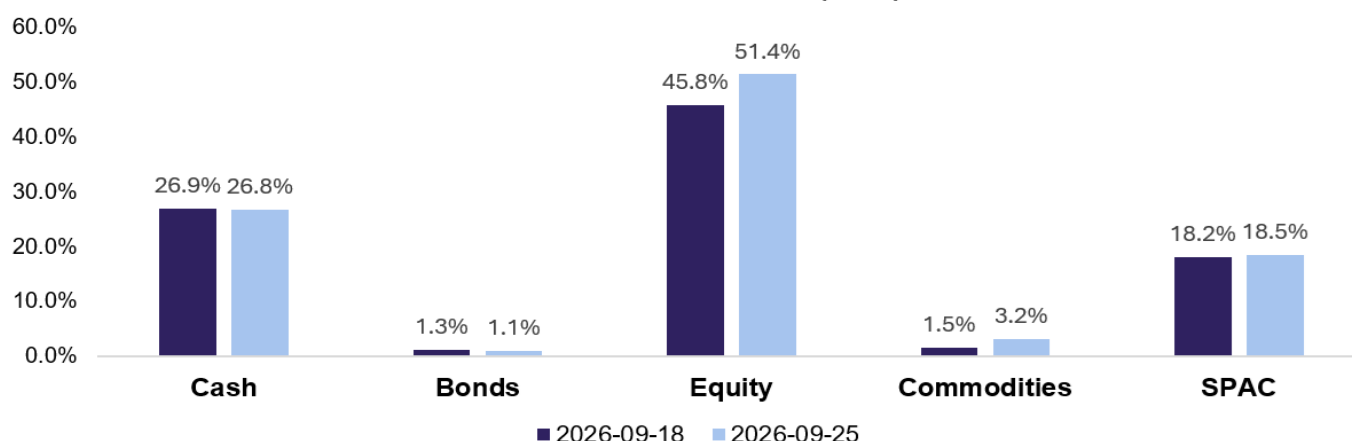


ARROW LONG/SHORT ALTERNATIVE FUND

commentary – Week ending September 25, 2026



ASSET ALLOCATION (NET)



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

Performance

September 25, 2026

Arrow Long/Short Alternative Fund (F Class):

WTD -0.07%

MTD -0.28%

YTD 9.72%

S&P/TSX 60 (XIU ETF):

WTD 0.08%

MTD -1.06%

YTD 14.82%

S&P 500 (SPY ETF):

WTD 1.27%

MTD 0.81%

YTD 14.00%

Fund Commentary

Bond yields and oil remain the key factors driving markets. The 10-year Treasury yield pushed to ~5.2%, it's highest since 2007, yet stocks held in, with the S&P 500 +1.2% and the Nasdaq +2% on the week. This was led by the Mag7, and more specifically META, which was up 13% on the back of the hype on Muse, its consumer AI agent. The rest of the market was left behind, and breadth continued to deteriorate.

The launch of Muse and corresponding market moves is a reminder of how markets are functioning these days. Thematic and factor driven positioning is increasingly driving price action, as models shoot first and ask questions later. This was true for GLP-1's, Software, and now Agentic AI. As this new theme enters the investment zeitgeist, specific industries including financials, media, and telecom are getting caught in the crossfire. We don't see this theme going away anytime soon. There is speculation that OpenAI and Google will soon field their own agent offerings.

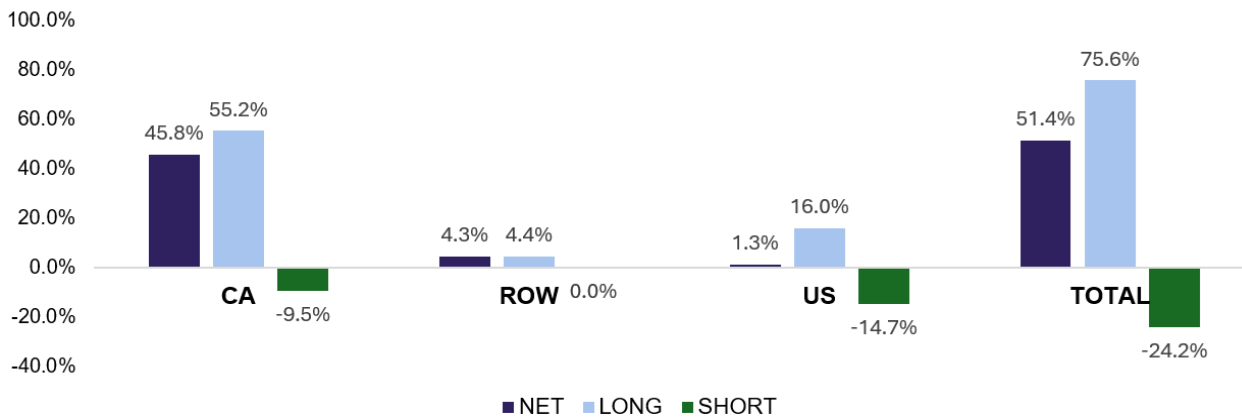
Turning to the portfolio, we had a couple of updates worth flagging:

DRI Healthcare (DHT.UN) agreed to acquire royalty participation rights on tavapadon, a newly approved (last week) oral treatment for Parkinson's disease. We view this positively, as the company continues to demonstrate its ability to recycle capital into new royalty streams at attractive returns. Trading at ~6x EV/EBITDA, we see DHT as undervalued given its long track record and the durability of the royalty model, particularly when its closest comparable trades at roughly double that multiple. Over time, if the public market continues to overlook the value here, we see DHT as a realistic takeout candidate.

Cineplex (CGX) announced a strategic review last week. This is not a major surprise given the chatter around a possible transaction over the past year, but we do see a reasonable probability that the company is ultimately acquired, with potential upside in the range of 20% to 50% from current levels. Importantly, in the event a sale does not materialize, we believe the fundamental valuation provides downside support, which makes the risk/reward attractive from here.

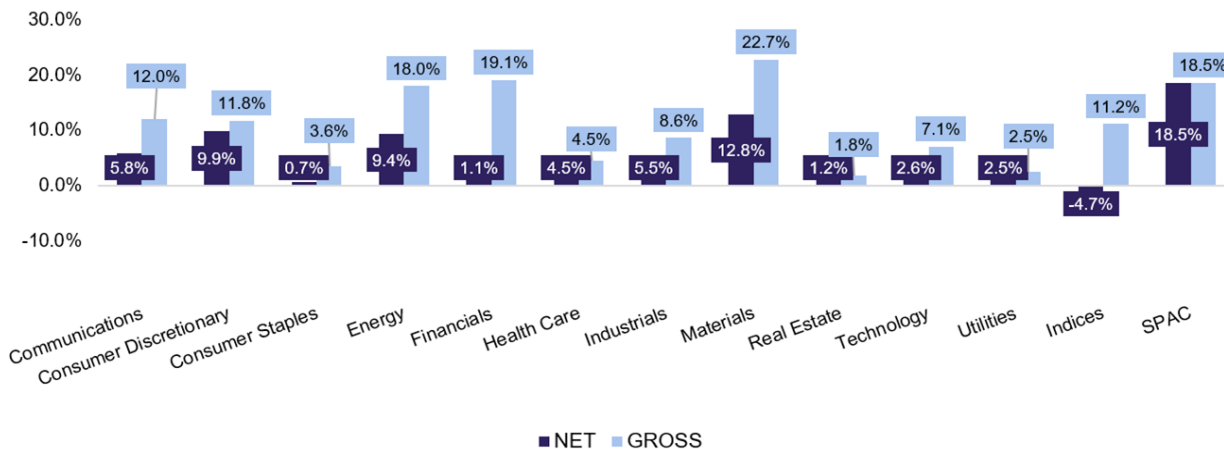
Equity Allocation (% Total Portfolio including Futures)

EQUITY REGION BREAKDOWN



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

EQUITY LONG/SHORT EXPOSURE



We look forward to reporting back next week.

Thanks,
Arrow Investment Team

Historical Performance – As of August 31, 2026

	1-Year	3-Year	5-Year	10-Year	ITD
ALSAF - Series F	18.86%	11.04%	6.72%	8.86%	9.67%

Published September 28, 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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