AGF MANAGEMENT LIMITED

2023
ANNUAL REPORT

Invested in Discipline

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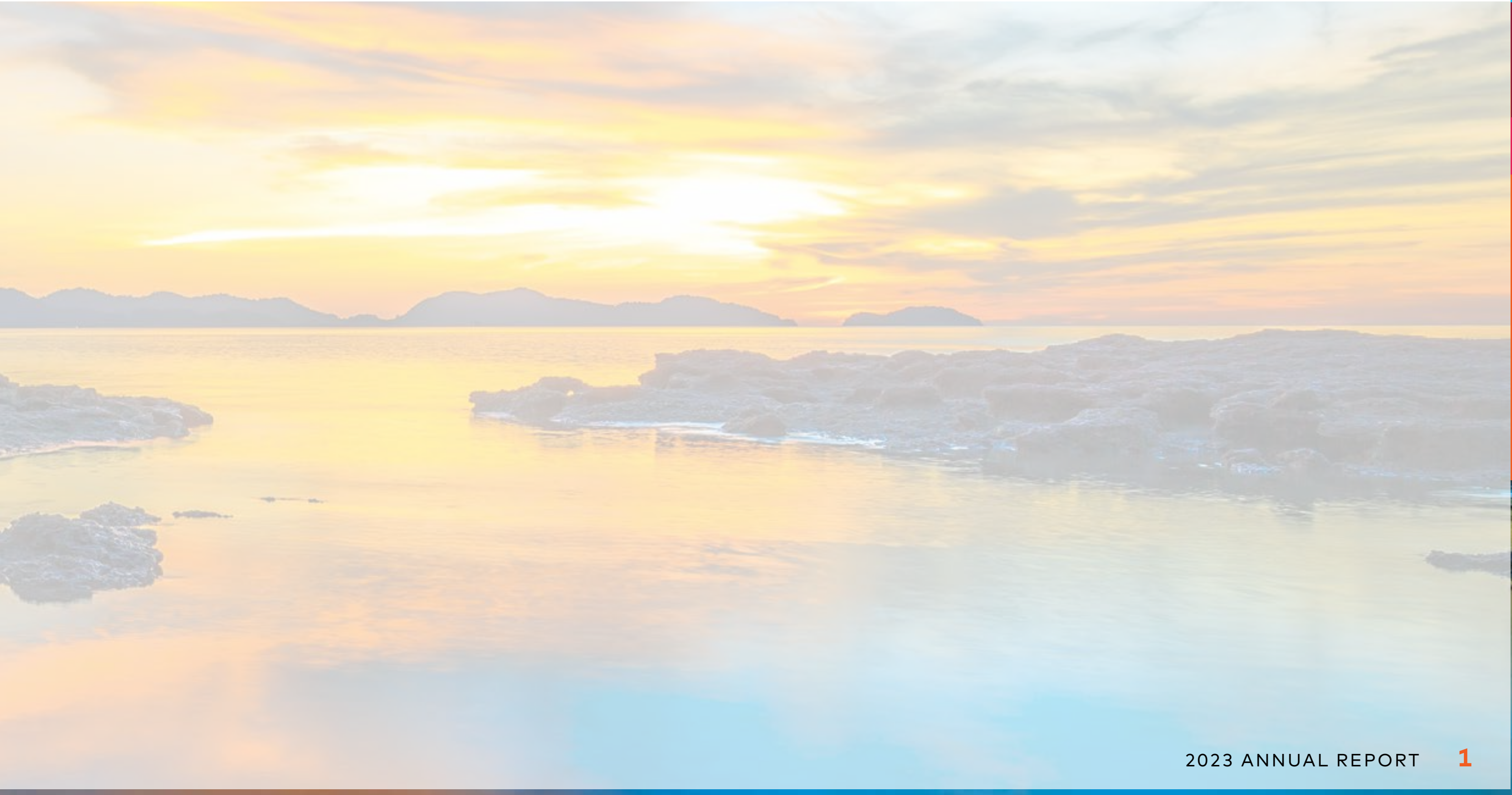
AGF Management Limited

Founded in 1957, AGF Management Limited (AGF) is an independent and globally diverse asset management firm. Our companies deliver excellence in investing in the public and private markets through three distinct business lines: AGF Investments, AGF Private Capital and AGF Private Wealth.

AGF brings a disciplined approach, focused on incorporating sound, responsible and sustainable corporate practices. The firm's collective investment expertise, driven by its fundamental, quantitative, alternative and private investing capabilities, extends globally to a wide range of clients, from financial advisors and their clients to high-net worth and institutional investors including pension plans, corporate plans, sovereign wealth funds, endowments and foundations.

Headquartered in Toronto, Canada, AGF has investment operations and client servicing teams on the ground in North America and Europe. AGF serves more than 800,000 investors. AGF trades on the Toronto Stock Exchange under the symbol AGF.B.



Our Approach: Invested in Discipline

At AGF[1], our disciplined approach is defined by three principles: Shared Intelligence, Measured Approach and Active Accountability. Together, these principles ensure disciplined processes that are transparent, repeatable and deeply woven into our DNA – helping us serve the needs of all our stakeholders, whatever tomorrow may bring.

Shared Intelligence

At AGF we value the open exchange of ideas as we work together with a shared purpose to deliver for our clients, shareholders and colleagues in an environment that values transparent communication, collaboration and teamwork.

Measured Approach

At AGF we're disciplined in all that we do. We embrace technology and innovation to keep pace with an evolving industry and markets, with an eye to managing risks and finding opportunities contributing to long-term growth of our business.

Active Accountability

At AGF we apply consistent processes designed to deliver repeatable results to meet performance goals, provide a unique client experience and build on a history of innovation.

[1] **About AGF Investments:** AGF Investments is a group of wholly owned subsidiaries of AGF Management Limited, a Canadian reporting issuer. The subsidiaries included in AGF Investments are AGF Investments Inc. (AGFI), AGF Investments America Inc. (AGFA), AGF Investments LLC (AGFUS) and AGF International Advisors Company Limited (AGFIA). The term AGF Investments may refer to one or more of these subsidiaries or to all of them jointly. This term is used for convenience and does not precisely describe any of the separate companies, each of which manages its own affairs. AGF Investments entities only provide investment advisory services or offers investment funds in the jurisdiction where such firm and/or product is registered or authorized to provide such services.

$42.2

Billion in AUM[2]

[2] AGF Management Limited reported total assets under management (AUM) and fee-earning assets of $42.2 billion as at November 30, 2023.

Our Businesses and Capabilities

As an independent and diversified global asset management firm, AGF's companies bring a disciplined approach to delivering excellence in investing in the public and private markets through three distinct business lines: AGF Investments, AGF Private Capital and AGF Private Wealth.

Being an independent firm has allowed us to make strategic acquisitions that improve our client service experience and enable us to offer new and innovative products, while enhancing our research capabilities.

The firm's collective suite of diverse investment solutions extends globally to a wide range of clients, from financial advisors and their clients to high-net worth and institutional investors including pension plans, corporate plans, sovereign wealth funds, endowments and foundations.

AGF | Investments™

$32.8

Billion in AUM[1]

AGF Investments* is comprised of various subsidiaries of AGF who manage and advise on a variety of investment solutions for clients globally. The investment teams draw upon and integrate fundamental and quantitative investing capabilities and research across the companies. AGF Investments' disciplined approach, global mindset and eye to risk management have allowed us to continue to evolve and thrive as a diversified asset manager. AGF Investments' teams embrace a culture of collaboration with the belief that an interconnected team leads to a better understanding of an interconnected world as we strive to deliver on investment objectives and provide an exceptional client experience.

AGF Investments' offerings include a broad range of equity, fixed income, alternative and multi-asset strategies covering a spectrum of objectives from wealth accumulation and risk management to income-generating solutions.

AGF Investments services a diverse client base from financial advisors and individual investors to institutional investors across the globe through segregated accounts, mutual funds, exchange-traded funds and separately managed accounts.

[1] Assets under management as at November 30, 2023.
[2] Assets and fee-earning assets under management as of November 30, 2023.
* AGF Investments entities only provide investment advisory services or offers investment funds in the jurisdiction where such firm and/or product is registered or authorized to provide such services.

AGF | Private Capital™

$2.1 Billion in AUM[2]

AGF Private Capital, AGFs private markets business, is central to the firm's mission to bring stability to the world of investing. As a well-established participant in this ever-evolving industry, AGF Private Capital's strategic vision is to build a diversified best-in-class private markets business that will meet the needs of retail brokers, family offices and institutions. AGF Private Capital is focused on expanding its existing relationships and continues to explore other unique opportunities to grow its platform and product offerings.

Private market investments can be key components in a well-constructed portfolio for all investor types, contributing to lower volatility and opportunities for better long-term risk-adjusted returns. AGF Private Capital combines diversified private markets capabilities alongside participation as a core investor in bespoke and distinct opportunities that deliver added value for the firm's shareholders and clients. AGF Private Capital delivers value across multiple streams: management fee-related earnings, carried interest, other fee arrangements, and invested capital.

AGF | Private Wealth™

$7.3 Billion in AUM[1]

AGF Private Wealth (Private Wealth) is AGF's private wealth platform – which includes Cypress Capital Management Ltd., Doherty & Associates Ltd. and Highstreet Asset Management Inc. – that provides investment solutions for high-net-worth individuals, endowments and foundations in key markets across Canada.

CYPRESS CAPITAL MANAGEMENT

DOHERTY & ASSOCIATES INVESTMENT COUNSEL

HIGHSTREET™ ASSET MANAGEMENT

A Message to Shareholders

Kevin McCreadie
Chief Executive Officer and
Chief Investment Officer

Looking back, 2023 was a year characterized by challenging business and market conditions. The world's geopolitical climate was – and remains – a source of volatility for global markets as conflicts in the Middle East and Ukraine carry on. Elevated interest rates and inflation contributed to higher volatility, and we anticipate this will continue to impact the trajectory of investment returns into next year.

Despite these difficult conditions we demonstrated our resilience and continued to implement our long-term plan to diversify our business across asset classes and client channels, giving us the stability to persevere and grow.

As an independent and diversified global asset management firm, AGF's companies bring a disciplined approach to delivering excellence in investing in the public and private markets and we are seeing momentum across our three distinct business lines: AGF Investments, AGF Private Capital and AGF Private Wealth.

[1] Past performance is not indicative of future results.

[2] About the Fundata FundGrade A+ RatingFundGrade A+® is used with permission from Fundata Canada Inc., all rights reserved. The annual FundGrade A+® Awards are presented by Fundata Canada Inc. to recognize the "best of the best" among Canadian investment funds. The FundGrade A+® calculation is supplemental to the monthly FundGrade ratings and is calculated at the end of each calendar year. The FundGrade rating system evaluates funds based on their risk-adjusted performance, measured by Sharpe Ratio, Sortino Ratio, and Information Ratio. The score for each ratio is calculated individually, covering all time periods from 2 to 10 years. The scores are then weighted equally in calculating a monthly FundGrade. The top 10% of funds earn an A Grade; the next 20% of funds earn a B Grade; the next 40% of funds earn a C Grade; the next 20% of funds receive a D Grade; and the lowest 10% of funds receive an E Grade. To be eligible, a fund must have received a FundGrade rating every month in the previous year. The FundGrade A+® uses a GPA-style calculation, where each monthly FundGrade from "A" to "E" receives a score from 4 to 0, respectively. A fund's average score for the year determines its GPA. Any fund with a GPA of 3.5 or greater is awarded a FundGrade A+® Award. For more information, see https://www.FundGradeAwards.com. Although Fundata makes every effort to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Fundata.

2023 Highlights

Each year, we evaluate our performance and progress against our strategic imperatives, and I would like to share our 2023 Strategic Imperatives results with you:

AGF Investments

Investment Management

- We measure AGF Investments' mutual fund performance by comparing gross returns before fees relative to peers within the same category, with first percentile being the best possible performance.
- The market exhibited historically narrow market breadth in the first half of 2023, led by a small group of mega-cap tech stocks. While the narrowness has subsided in the second half of 2023, our one-year performance continued to be impacted. As of November 30, 2023, our one-year average percentile ranking versus peers was 72% (target of 50%).
- AGF Investments' long-term performance, however, remains solid. Our three-year average percentile ranking versus peers was 47%[1] (target of 40%), with 60% of our strategies outperforming our peers on a three- and five-year basis.
- AGF European Equity Class (Series F) won a 2023 LSEG Lipper Fund Award in the European Equity category of 20 funds.
- AGF Investments Inc. was recognized with FundGrade A+® Awards[2] for four of its mutual funds: American Growth Class, AGF Fixed Income Plus Fund, AGF Global Convertible Bond Fund and AGF Global Select Fund.
- AGF International Advisors Company Limited (AGFIA) was once again accepted as a signatory to the UK Stewardship Code, a best-practice benchmark in investment stewardship. This stands as a testament to the rigor of AGFIA's responsible investing practices.

Mutual Funds

- In a challenging backdrop where the Canadian mutual fund industry reported its seventh consecutive quarter of net redemptions, AGF Investments' mutual funds business continued to outperform the industry.
- In 2023, our Canadian mutual funds gross sales remained strong, and our redemption rate remained below the industry's. As a result, AGF Investments reported mutual fund net redemptions of $77 million (approx. 0.3%[3] of AUM), compared to the industry which saw net redemptions equivalent to 4.2%[4] of AUM.

ETFs and SMAs

- We have seen consistent growth and momentum in our ETFs and SMA AUM, which grew by 19% over the past year.
- A number of our strategies are available on leading SMA and wealth management platforms, including Vestmark, SmartX, Envestnet and Pershing.

We are proud **that 37.5%** of the AGF Management Limited Board members are women, reflecting our commitment to workplace diversity.

AGF American Growth Class won in the U.S. Equity CIFSC Category, out of 836 funds. The FundGrade A+ start date was 1/31/2013 and the FundGrade A+ end date was 12/31/2022. AGF Fixed Income Plus Fund won in the Canadian Fixed Income CIFSC Category, out of 311 funds. The FundGrade A+ start date was 1/31/2013 and the FundGrade A+ end date was 12/31/2022. AGF Global Convertible Fund won in the High Yield Fixed Income CIFSC Category, out of 191 funds. The FundGrade A+ start date was 1/31/2016 and the FundGrade A+ end date was 12/31/2022. AGF Global Select Fund won in the Global Equity CIFSC Category, out of 1146 funds. The FundGrade A+ start date was 1/31/2013 and the FundGrade A+ end date was 12/31/2022.

[3] Mutual fund net redemptions as a % of Mutual fund assets at the beginning of the period.

[4] Long-term mutual fund net redemptions as a % of long-term mutual fund assets at the beginning of the period.

AGF Private Capital

- AGF Private Capital's strategic vision is to build a best-in-class private markets business that provides a diversified range of innovative solutions that meet the unique needs of advisors and investors.
- The growth of the firm's private markets business will continue to diversify AGF's investment capabilities and increase management and performance fee revenues, all of which are expected to contribute to earnings growth in the future.

AGF Private Wealth

- AGF Private Wealth is our private client platform, which provides investment solutions for high-net-worth individuals, endowments and foundations in key markets across Canada. The business remains resilient with over $7 billion in AUM.

Business Processes & Efficiency

- Our adjusted SG&A for the year was $205.6 million, in line with our guidance of $206 million.
- During the year, we have been thoughtful and disciplined in our approach to expenses while also investing for growth.

Here are our Strategic Imperatives for 2024:

Deliver
consistent and repeatable investment performance.

Maintain
sales momentum and penetrate high growth distribution channels.

Build
a diversified Private Capital and Alternatives business.

Meet
expense guidance while continuing to invest in key growth areas

Our results show we've done a good job weathering the storm, and as we look ahead, I'm pleased with where we stand.

Heading into the new fiscal year, we are well-positioned with a strong balance sheet and cash flows, and our 2024 business plans are designed to build on the successes outlined earlier.

As always, our people and our collaborative culture will be central to our continued success.

I believe we have the best culture I've ever experienced in my career. This was reinforced as we were recently recognized as one of Greater Toronto's Top Employers 2024. This honour speaks to the work we've done to invest in our people and enhance the employee experience.

Heading into 2024, we are poised for success with the right people in place, the right strategy and the flexibility a strong balance sheet affords. The year ahead will be all about working collaboratively, letting our strong culture flourish and executing on our strategy to deliver strong results.

I'm excited for all the new year will bring and I look forward to recapping our successes in next year's annual report.

Yours sincerely,

Judy Goldring, LL.B, LL.D, ICD.D
President and Head of Global Distribution

Throughout 2023, we were focused on maintaining and building upon our impressive momentum as we continued to build key relationships and deliver strong performance. The solid execution of our sales strategy allowed us to diversify and expand our client base, while focusing on evolving our product offerings and varying product structures to provide access to our investment capabilities in multiple ways. As our clients embrace different ways of investing, we are seeing the benefits of our vehicle agnostic approach in the form of consistent, strong growth in separately managed accounts both here in Canada as well as in the U.S.

Financial Highlights

Summary of Annual Results (from continuing operations)

(in millions of dollars, except per share amounts)

Years ended November 30[11]	2023	2022	2021	2020[1,2]	2019[3,4]
Income	$ 471.9	$ 469.0	$ 461.6	$ 543.9	$ 436.7
Expenses[9]	342.8	330.4	333.9	292.8	326.7
EBITDA before commissions[10]	129.1	138.6	127.7	251.1	110.0
Pre-tax income	115.0	87.2	51.8	194.4	57.3
Net income attributable to equity owners of the Company	87.7	66.6	39.3	173.9	47.9
Earnings per share attributable to equity owners of the Company					
Basic	$ 1.35	$ 0.97	$ 0.56	$ 2.25	$ 0.61
Diluted	1.30	0.96	0.55	2.22	0.60
Free cash flow[10]	$ 80.4	$ 70.3	$ 54.8	$ 46.1	$ 52.8
Dividends per share	$ 0.44	$ 0.40	$ 0.34	$ 0.32	$ 0.32
Long-term debt	$ 5.8	$ 21.6	$ –	$ –	$ 207.3
Weighted average basic shares	64,957,984	68,430,165	70,009,123	77,326,775	78,739,081
Weighted average fully diluted shares	67,233,845	69,437,213	71,660,642	78,359,570	79,672,961

1 Refer to Note 3 in the 2020 Consolidated Financial Statements for more information on the adoption of IFRS 16.
2 2020 includes $104.4 million related to gain on sale of Smith & Williamson Holdings Limited (S&WHL), net of currency hedge, and $41.3 million of dividends, net of currency hedge, from S&WHL, recognized as income.
3 Refer to Note 3 in the 2019 Consolidated Financial Statements for more information on the adoption of IFRS 15.
4 2019 includes income of $4.1 million related to one-time fund expense tax recovery, and $14.4 million related to restructuring costs.
5 2018 includes income of $1.5 million related to the Company's share of a one-time tax levy provision reversal for S&WHL, $5.2 million of one-time restructuring and administrative costs, $21.9 million provision release, and $2.2 million of interest recovery related to the transfer pricing case.

(in millions of dollars, except per share amounts)

Years ended November 30	2018[5]	2017[6]	2016[7]	2015[8]	2014
Income	$ 450.2	$ 455.5	$ 428.7	$ 449.6	$ 464.5
Expenses[9]	343.7	339.1	319.2	322.4	309.6
EBITDA before commissions[10]	106.5	116.4	109.5	127.2	154.9
Pre-tax income	62.5	61.8	52.7	63.9	79.1
Net income attributable to equity owners of the Company	73.9	52.1	42.5	48.3	61.3
Earnings per share attributable to equity owners of the Company					
Basic	$ 0.94	$ 0.66	$ 0.53	$ 0.59	$ 0.69
Diluted	0.92	0.64	0.53	0.58	0.68
Free cash flow[10]	$ 41.4	$ 58.7	$ 61.5	$ 67.8	$ 82.0
Dividends per share	$ 0.32	$ 0.32	$ 0.32	$ 0.51	$ 1.08
Long-term debt	$ 188.6	$ 138.6	$ 188.2	$ 268.8	$ 308.2
Weighted average basic shares	79,292,775	79,330,190	79,278,876	82,295,595	86,000,437
Weighted average fully diluted shares	80,637,948	81,245,279	80,253,600	83,584,539	87,384,880

[6] 2017 includes $10.0 million of income related to a litigation settlement.
[7] 2016 includes a $2.1 million charge in income related to the Company's share of a one-time tax levy for S&WHL and $3.7 million of one-time net expense recovery related to a reversal of a provision from prior years related to Harmonized Sales Tax (HST) offset by fund transition costs.
[8] 2015 includes a $5.7 million distribution related to a crystallization of an asset and a one-time restructuring cost of $7.2 million.
[9] Includes selling, general and administrative (SG&A), restructuring provisions, trailing commissions and investment advisory fees.
[10] See the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.
[11] Past performance is not indicative of future results.

A Q&A
Ken Tsang

Ken Tsang
Chief Financial Officer

In May 2023, AGF Management Limited welcomed industry veteran Ken Tsang to the position of Chief Financial Officer (CFO).

Ken is a respected and seasoned leader with nearly 30 years of experience as a strategic finance and corporate development leader in Financial Services. He has expertise in wealth management, retail banking and capital markets, including private markets experience. Ken also has global experience working in established and start-up environments in Canada, the U.S. and Asia.

What made you want to join AGF?

I joined AGF because I wanted to be part of a diversified global asset management firm with a long history of innovation, a strong financial position and positive momentum.

In the role of CFO, I have the opportunity to make a real impact at a publicly traded, Canadian owned-and-operated global investment management firm.

How would you describe your transition to AGF's CFO?

My transition to AGF's CFO has been fantastic. The firm has a strong and inclusive culture that puts people first. AGF is a highly collaborative organization, and I am proud to be part of a seasoned executive management team which leads with humility. Plus, I have a very capable Finance Team that has helped me to ramp up quickly, making my job a lot easier.

What sets AGF apart from other organizations you've worked at?

What sets AGF apart from other organizations is its ability to strike the right balance between scale and agility. We have sufficient scale to operate as a global investment firm, offering the full suite of investment products to our clients. We also have the capital to invest for growth (including growth through M&A). At the same time, we have an agile and nimble management structure, allowing us to be innovative and responsive to our partners' and clients' needs.

Can you speak to the importance of having a strong balance sheet?

At AGF, we operate in a cyclical industry where valuations and earnings fluctuate with the general market. By having a strong balance sheet (meaning that we generate positive cash flows with minimal financial leverage), we are less impacted by market movements, and are able to take a long-term view, which puts us in a better position to capitalize on potential market dislocations.

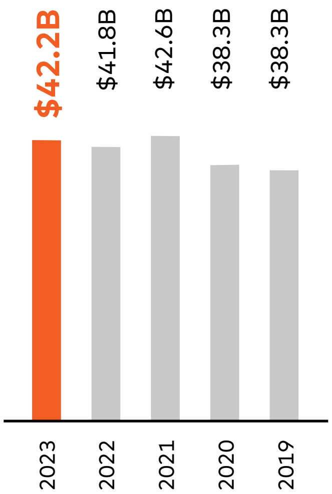
As CFO, what is your main focus going into 2024?

Looking ahead to 2024, I am focused on three areas:

1. Partnering with our businesses to deliver shareholder value:
2. Managing our enterprise risks while driving efficiencies: and
3. Fostering a diverse and inclusive work environment.

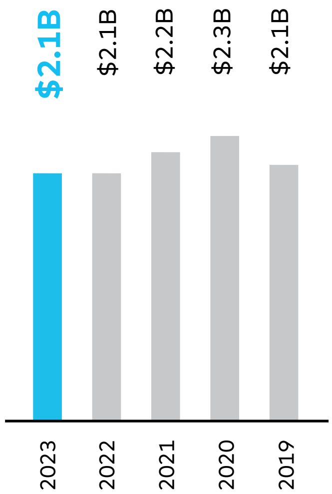
Assets Under Management & Fee-Earning Assets

$42.2 Billion



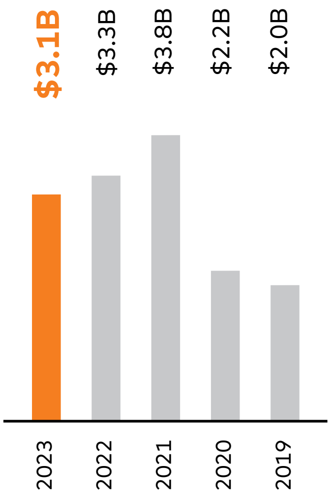
Private Capital AUM & Fee-Earning Assets

$2.1 Billion



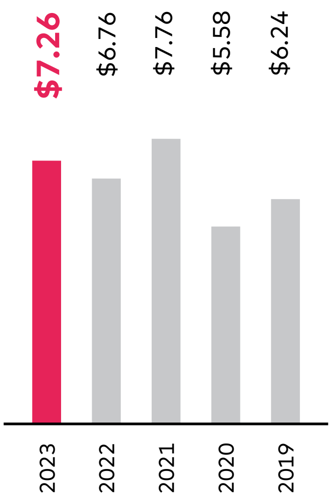
Mutual Fund Gross Sales

$3.1 Billion



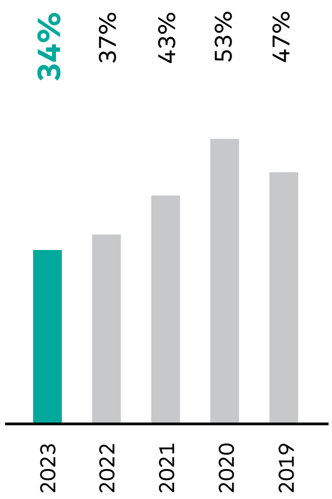
Share price

$7.26



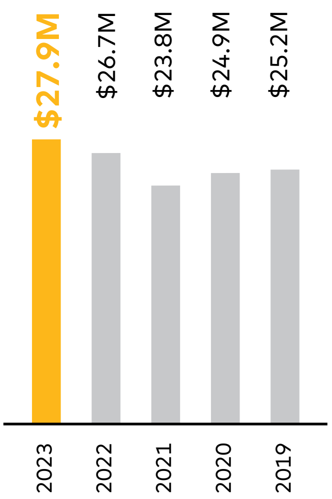
Dividend payout ratio

34%



Dividend paid

$27.9 Million



A Q&A with Ash Lawrence

Ash Lawrence
Head of
Private Capital

Ash Lawrence is Head of AGF Private Capital, AGF Management Limited's (AGF) private markets business.

Ash joined the firm in 2022 and is a seasoned private markets leader with approximately 20 years of experience and a wide breadth of expertise in investments and portfolio management across sectors. His goal for AGF Private Capital is to build out a a best-in-class private markets business that provides a diversified range of innovative solutions that meet the unique needs of financial advisors and their investors, family offices and institutions.

What have you been focused on during your first full year at AGF?

This year, we've been working through an active pipeline of private capital opportunities within Canada and the U.S. to accelerate the expansion of our footprint in the private markets space. It is our goal to grow and diversify our private markets business through strategic acquisitions as we aim to be one of Canada's leaders in private market and alternatives investing. I've also been focused on building a team of professionals to help originate and execute those transactions as well as support the growth of the business afterwards.

What is AGF Private Capital's objective?

Our objective is to invest capital and resources to grow and expand our private capital partners and affiliated managers as we seek to provide a diversified range of innovative private markets and alternative solutions for investors.

Our goal is two-fold. Firstly, we want to be able to provide clients, both institutional and retail, with the breadth of investment strategies and products that are required to construct an efficient, resilient and high-performing portfolio for today's world. It has become clear over the last decade that the efficient frontier portfolio set will need to include alternative investments strategies. Furthermore, the move to alternatives is even more acute in the institutional client set. A broader alternatives offering will provide a steppingstone to growing our institutional assets under management.

Secondly, as a public company our goal is always to drive shareholder value. Diversifying our revenue streams and increasing the proportion of our fee streams that come from private or alternative strategies provides better opportunities for growth. Additionally, the growth profile as well as other characteristics of private capital products and managers generally leads to investors attributing higher multiples of value. Deploying our capital into alternative and private markets managers is a good use of our capital, and it provides for higher future growth and increased shareholder value potential.

Our strategy is built around autonomy, sponsorship and alignment to deliver mutually beneficial relationships that drive growth.

What is the AGF Private Capital advantage?

AGF Private Capital provides significant strategic support to its partners through our multi-sector, cross-functional private capital platform.

As a fully-integrated asset manager, we have expertise and can provide best practices across a wide range of areas including governance and compliance, sustainability, business planning and capital budgeting, sales and marketing, and that's only scraping the surface of the potential benefits.

Sustainability at AGF

“While responsible and sustainable corporate practices influence the shape of our organization, we recognize that our approach must continue to evolve to meet the changing needs of our multiple stakeholders and manage for reputational, regulatory and other risks. The opportunities and obligations for companies like AGF have never been greater.”

Judy Goldring, LL.B, LL.D, ICD.D
President and Head of Global Distribution &
Chair of AGF Sustainability Council
AGF Management Limited

Corporate Sustainability

Our Responsibility Today for a Sustainable Tomorrow™

AGF has been bringing stability to the world of investing since 1957. And to ensure our own stability and the continued longevity of our firm, we recognize that responsible and sustainable corporate practices must continue to influence the shape of our organization.

Guided by the thinking, "Our Responsibility Today for a Sustainable Tomorrow," we have developed a corporate responsibility framework that applies forward-thinking practices related to key sustainability factors as we aim to deliver long-term successful outcomes for each of our stakeholders.

We have identified the following key areas of focus that we believe are central to our firm's long-term success:

Sustainable Investing

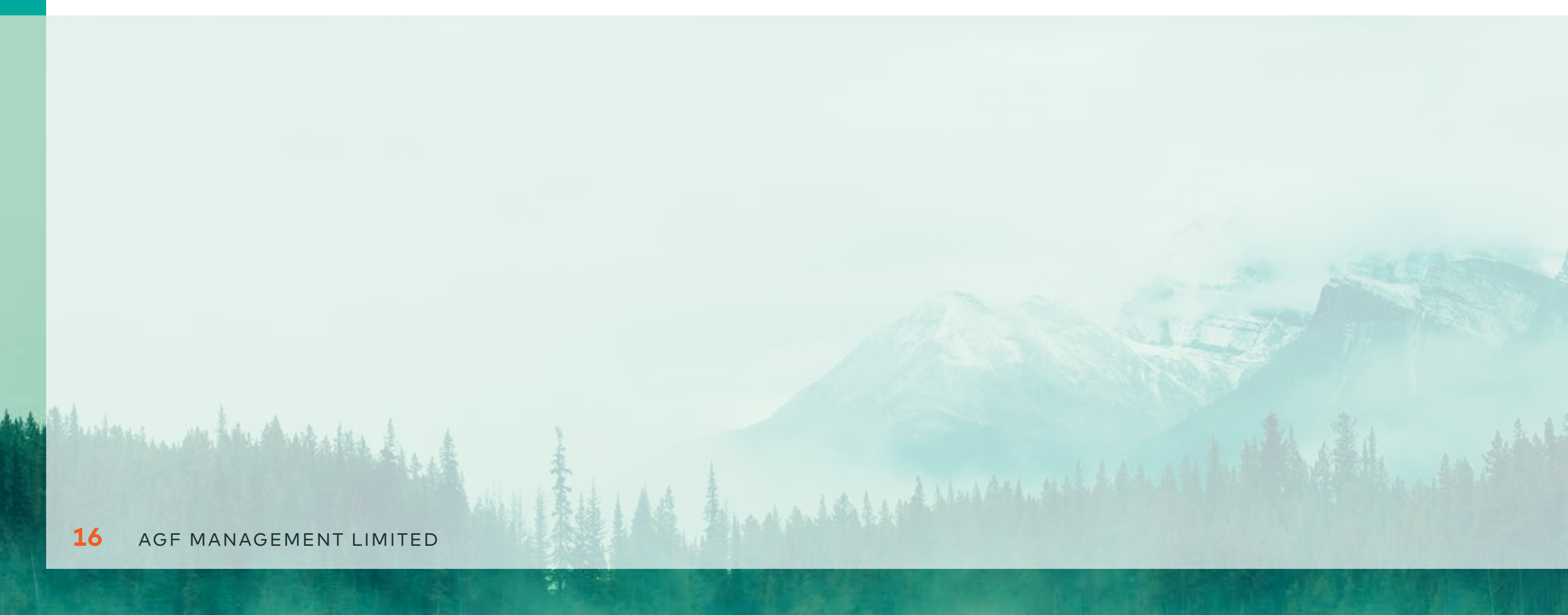
Advancing responsible and sustainable investing practices across our respective companies' investment management teams.

Talent, Culture & DEI

Improving the employee experience by fostering high engagement, advancing diversity initiatives, ensuring equitable and inclusive practices, and attracting and nurturing talent with ongoing support and thoughtful succession planning.

Sustainable Operations & Governance

Managing the risks and opportunities related to AGF companies' operations and governance as well as our community involvement.



Recognizing that client and market expectations continue to evolve, we remain committed to our guiding principles of shared intelligence, taking a measured approach and having active accountability. These principles continue to guide us, shaping our practices and approach while we strive to deliver successful outcomes in support of our stakeholders.

As part of this commitment, a multi-year project is underway to enhance AGF's corporate sustainability practices:

- A comprehensive set of metrics have been identified for AGF to track over the short-, medium-, and long-term timeframes in our key areas of focus.
- AGF is enhancing processes and governance for managing and monitoring the risks and opportunities related to these factors.
- Finally, AGF is working to improve the firm's ESG-related disclosures to provide more decision-useful information to financial stakeholders while meeting increasing regulatory requirements.

Our commitment to responsible and sustainable practices is formalized through a robust governance structure with ultimate oversight from AGF's Executive Management Team and Board of Directors.

Since 2020, a portion of annual incentives for AGF's CEO & CIO and President, Head of Global Distribution has been tied to sustainability and responsible investing. As of 2022, all members of the Executive Management Team have a portion of their annual incentives linked to corporate sustainability.

Further, the **AGF Sustainability Council**, chaired by Judy Goldring, President and Head of Global Distribution, assists the Executive Management Team and the Board of Directors and supports business leaders from across the organization as well as other management committees with the execution of sustainability-related initiatives.

AGF's Sustainability Council was formed in January 2019 to support the awareness, development and implementation of sustainable practices across AGF's business. The Council provides regular updates to the Executive Management Team and Board of Directors on the status of relevant sustainability-related actions and receives regular reports from AGF's various management committees and business leaders accountable for the key areas of focus under AGF's Corporate Sustainability framework.

Memberships & Commitments

AGF Management Limited is a member of the 30% Club and SASB Alliance. AGF Investments Inc. is a member/signatory of UNPRI, CERES, RIA, CDP and Climate Action 100.
AGF International Advisors Company Limited is a signatory to the LGPS Code of Transparency and UK Stewardship Code.

Sustainable Investing

AGF is committed to advancing responsible investing practices across our respective companies' investment management teams.

Built on a philosophy of serving clients' unique investment goals and adhering to each manager's fiduciary duty we encourage our investment teams to analyze the financial and non-financial risks and opportunities in an investment and look to identify ESG factors that are, or could become, material to long-term financial performance.

We believe that responsible corporate behaviour with respect to ESG factors can generally have a positive influence on long-term financial performance, recognizing that the relative importance of ESG factors varies across industries, geography and time so each investment team's approach to implementing responsible investing practices will differ. As a result, ESG considerations may be incorporated in varying degrees by each investment team and will have a varying, and potentially limited, impact on financial performance and final investment decisions.

AGF Investments companies have established processes and provided resources to assist investment personnel in:

- Incorporating ESG issues into investment management processes.
- Educational training of the investment teams on ESG issues.
- Establishing processes for monitoring portfolio manager engagement of investee companies on sustainability matters.
- Drafting and updating responsible investment policies and establishing processes to monitor adherence with such policies.

- AGF International Advisors Company Limited (AGFIA) was once again accepted as a signatory to the UK Stewardship Code, a best-practice benchmark in investment stewardship. AGFIA has been accepted as a signatory each year since 2021 and is fully committed to the 12 principles of the Code to provide greater transparency of our investment stewardship approach and processes to clients and prospective investors in the UK.
- AGF Investments Inc. has been a signatory of the Principles for Responsible Investment (PRI) since 2015.
- AGF is a member of the IFRS Sustainability Alliance, formerly SASB Alliance.

Talent, Culture & DEI

AGF is committed to being an employer of choice, which means looking at responsible practices and initiatives to attract, develop and reward our employees, as well as embracing the strength of diversity. AGF believes that by investing in our people and community today, we are cultivating an inclusive and equitable tomorrow.

Diversity, Equity & Inclusion (DEI)

AGF is making thoughtful and deliberate decisions today, to foster an environment of mutual respect, tolerance, and one where we can challenge stereotypes.

Bringing together differing points of view from people with diverse backgrounds and experiences, is essential in shaping a better tomorrow. This gives all employees purpose, supports a culture that encourages compassion, authenticity, and a strong sense of belonging. It is important that all voices be heard, respected, and valued.

We are proud to have launched a multi-year plan to accelerate Diversity, Equity, and Inclusion initiatives that will continue to strengthen the fabric of our corporate culture, enrich our collective employee and life experiences, while leading to smart corporate decision making.

AGF is committed to:

» Identifying and recommending education and awareness programs that will strengthen and promote a culture of tolerance and inclusion for all employees.

» Identifying and recommending proactive strategies and/or practices that support an environment where employees can bring their authentic selves to work.

» Identifying and recommending policies that show the firm's commitment to diversity, equity and inclusion for all employees.

AGF remains firmly committed to inclusive hiring practices and culture, ensuring everyone has an opportunity to join our team and contribute to its success. AGF is an equal opportunity employer. It is the company's policy to recruit and select applicants for employment solely on the basis of their qualifications and relevant related work experiences, with emphasis on selecting the best qualified person for the job. AGF does not discriminate against applicants based on race, colour, religion, gender, national origin, sexual orientation, age or disability or any other status or condition protected by applicable legislation. Accommodations are available on request in all aspects of our recruitment and selection process as well as to our employees.

AGF is also engaging with external organizations to help advance DEI in our communities. Kevin McCreadie, AGF's CEO and Chief Investment Officer, serves as Co-Chair of the Canadian Chamber of Commerce's Council for Women's Advocacy and AGF is a supporter of the Canadian Chamber of Commerce's National Inclusive Growth Initiative.

DEI Committee

We have a robust employee-led DEI Committee that continues to grow. Our DEI Committee hosted a series of 'Disrupting Bias and Allyship' training sessions to help employees learn more about the types of biases in the workplace and how we can be effective allies toward becoming an even more inclusive work environment.

Over the past year, events hosted by the DEI Committee have included educational emails for Black History Month, including sharing history about notable Black Canadians and cooking classes. The committee also introduced Employee Resource Groups (ERGs) and will build upon growing these networks across the organization next year.

In 2023, AGF's DEI Committee and Human Resources started a new employee event series called 'Lived Experiences'. The first event was called 'A Working Woman's Lived Experience' which included perspectives from many female employees. Each future event in the series will feature a panel discussion with employees from across AGF's various business units, and at different levels of experience and seniority. The conversations will focus on the lived experiences in their personal and professional lives, and careers, and how those experiences shaped them as an individual. We will also discuss the obstacles, challenges and surprises encountered along the way. The objective is to support an increased awareness and understanding of the challenges we may face because of our differences, to help us empathize with each other and promote allyship to pave the way for others who may follow a similar path.

Fair Compensation

AGF believes in the philosophy of Living Wage and is committed to provide all employees a competitive base pay that is above the relevant Living Wage in supporting their needs to participate in the community.

AGF's Human Resources and Compensation Committee, consisting of five independent Directors, is responsible for reviewing, assessing, and overseeing human resources programs, including executive compensation policies. On an annual basis, the Human Resources and Compensation Committee reviews various published reports on compensation and retains independent consultants, as appropriate, to assess competitiveness of the components of the Company's compensation program. The Committee believes AGF's compensation program provides a fair and competitive pay package that reflects an appropriate relationship between an executive's compensation and performance.

At AGF, our greatest asset is **our people.**

Education, Training & Development

AGF is committed to continually enhancing the skills, abilities and knowledge of all its employees through technical, leadership and interpersonal training. Training enables our workforce to prepare for changing conditions crucial to AGF's future.

Courses to develop a number of personal and professional skills that are common to many career paths, as well as other specialized skills that will be in demand as AGF grows, have been identified by Human Resources. We also recognize that many activities that do not involve the classroom can also be valuable to employees and the organization. Taking the opportunity to provide coverage for someone else through job rotation gives employees a more valuable skill base and a wider understanding of how we do business.

Through AGF's **Education Allowance and Professional Association & Membership Allowance** program, employees are reimbursed for fees on education courses related to their role and/or professional development to assist them with their own personal growth and development.

ESG Education

Investment professionals receive training from both internal experts and external experts to continue to build upon our understanding and expertise. For example, many investment team members have completed their Fundamentals of Sustainability Accounting Credential (FSA).

Members of AGF's executive and senior leadership teams have completed accredited courses through organizations such as Competent Boards, CERES and PRI Academy. We continue to provide development opportunities for employees to ensure they are educated about this evolving landscape in this space and best practices.

Employee Engagement

AGF's 2023 Employee Engagement survey found:

87%

are happy with AGF as a place to work

95%

feel well-supported by their manager

92%

feel that their manager gives them the autonomy to perform their work

Health & Safety

The health, safety and well-being of employees is a priority at AGF.

AGF's Health & Safety Committee is accountable for ensuring all employees are protected – whether it's practicing a full-scale building evacuation during annual fire drills, monitoring our floors for unsafe conditions, responding to an employee's medical crisis or ensuring everyone safely leaves the building in an actual emergency situation.

All employees also have access to AGF's Employee and Family Assistance Program which provides a one-stop resource for professional counselling (psychologists or psychiatrists), career counselling and naturopathic services, as well as support for financial, legal, family and nutrition -related matters.

Additionally, all salaried employees receive six wellness days annually. Wellness days are paid time off for reasons related to personal situations which are generally unplanned or planned within a short period of their actual usage.

CIBC Square

In 2022, AGF relocated its headquarters in Toronto to new offices at the landmark CIBC SQUARE building located in the heart of the financial district.

CIBC SQUARE has achieved WELL Health-Safety Rating and WiredScore Platinum accreditation, and the LEED® Platinum Core & Shell certification and WELL Platinum Certification in 2023, which makes it the first triple-platinum building in Toronto.

CIBC SQUARE is also a SmartScore Platinum Building, one of the first Canadian properties to receive this designation.

The certification recognizes CIBC SQUARE as one of the smartest and most engaging environments to work in the world. Noteworthy features of CIBC SQUARE that led to this designation include seamless digital access and hosting capabilities, access to digital maps of the building's amenity spaces via the in-building app and extensive cybersecurity policies.

SmartScore is the globally recognized smart building certification developed by WiredScore to champion cutting-edge technology in real estate. The accreditation sets a global standard for the world's smartest buildings that deliver outstanding outcomes for all users through digital technology evolving expectations.

The firm relocated its Boston office to 99 High Street. The expanded space delivers the same seamless in-office and at-home working experience offered to employees at CIBC SQUARE and AGF's other locations while supporting the continued build-out of AGF's U.S. business.

Where Standards are Exceeded

LEED® CANADA | WIRED™ | WELL™

Sustainable Operations & Governance

With the leadership of AGF's Sustainability Council and oversight of AGF's Executive Management Team and Board of Directors, we have developed a culture within AGF regarding active management of corporate sustainability key risks and opportunities by promoting open discussion and forward-looking integration of management into AGF's processes and strategy.

Key areas of focus for AGF include:

- Governance
- Data Security & Privacy
- Community Relations
- Business Ethics
- Transparent Information & Fair Advice for Customers
- Operational Footprint

We are continually assessing the effectiveness of our overall governance practices and oversight and aim to evolve to ensure that they are in line with industry best practices and expectations. AGF's governance framework is designed to ensure that sustainability considerations are included into business strategy, risk management, and performance measurement.

Corporate Governance

Corporate Governance Practices

AGF is committed to ensuring its corporate governance practices evolve with best practices. Each of its directors is actively engaged in his or her duties as a steward of the corporation, tasked with the protection and promotion of shareholder interests. To help galvanize the alignment of interests, AGF's Board has established a policy that each Board member own at least three times his or her annual retainer in AGF Class B Non-Voting shares and/or Deferred Share Units.

AGF operates in a highly regulated environment and complies with all legislative and regulatory requirements for its businesses. Regulators include securities commissions and regulators of financial institutions in the respective jurisdictions in which AGF operates.

"

AGF believes a robust governance framework sets clear **responsibilities**, **policies** and **procedures** for managing sustainability risks and opportunities.

Best Practices in Corporate Governance in Place at AGF Management Limited

- All three of the Board's committees meet independence guidelines in terms of composition.
- The Board conducts an annual review of its performance, the performance of each of the Board's committees and the performance of each director.
- All directors are required to own at least three times their annual retainer in AGF Class B Non-Voting shares and/or Deferred Share Units. New directors have five years upon appointment to obtain such ownership.
- At each regularly scheduled meeting of the Board and Board committees, time is specifically reserved for independent discussion without management present.
- An orientation and education program is in place for all new directors, as well as a continuing education program for all directors.
- All directors, officers and employees of AGF must acknowledge their adherence annually to AGF's Code of Business Conduct and Ethics.

Ethical Conduct

All directors, officers, employees and contractors of AGF and its subsidiaries are subject to a code of business conduct and ethics (the 'Code') that outlines the standards by which they must conduct themselves in their business dealings. Compliance with the Code is a matter of utmost importance, and a breach of any of its provisions is grounds for warning, revision of responsibilities, suspension or dismissal, with or without notice, depending on the particular circumstances. All directors, officers and employees of the AGF are required to acknowledge their understanding and agreement to comply with the Code annually.

While the Code sets out a common baseline of ethical standards, all directors, officers, employees, and contractors of AGF are also subject to other related enterprise-wide policies and are expected to abide thereby.

Enterprise-wide Policies:

- Anti-Money Laundering and Anti-Terrorist Policy
- Code of Ethics for Personal Trading
- Complaints Principles and Guidelines
- Corporate Information Security Policy
- Corporate Human Resources Policies
- Disclosure Policy
- Document Management Policy
- Insider Reporting, Insider Trading and Black-Out Policy
- Marketing Policy
- Privacy Policy
- Social Media Policy and Guidelines
- Whistleblowing Policy
- Fraud Policy & Procedures
- Employee Privacy Policy

Privacy & Cybersecurity

Privacy

AGF and its subsidiaries are committed to complying with the applicable privacy and data protection (referred to collectively as "Privacy") laws and regulations in those jurisdictions in which it operates. AGF supports the establishment of a robust Privacy function and believes that the effective management of Privacy regulatory risk and compliance with Privacy legislative requirements are essential elements of sound business practice.

AGF Privacy principles are designed to protect the privacy of our clients and ensure that their personal information is handled responsibly and ethically. These principles are important because they help ensure that personal information is collected and used in a way that respects our client's privacy rights. They also help build trust between our clients and organizations that collect their personal information.

As a commitment to our clients, every AGF employee is responsible for ensuring the confidentiality of all personal information they may access. Each employee annually signs off on AGF's Privacy Policy and completes mandatory privacy training to ensure they understand their obligations and expectations as it relates to the activities they perform. In addition, contracts between AGF and third-party service providers ensure appropriate controls and protections and are in place at the service provider level to protect personal information that we share with them.

Cybersecurity

In order to manage and reduce the risk of cybersecurity threats to the organization and our clients, AGF continues to offer monthly cybersecurity training and education to all employees that included sessions on artificial intelligence and the metaverse in 2023. This learning is ongoing for all employees to understand the risks associated with cybersecurity and how to safeguard both company and personal data. AGF's employee intranet also contains 'Cybersecurity Tips and News' to educate employees, increase cybersecurity awareness and help protect AGF. Employees also undergo ongoing mandatory cyber security education training as data protection is of the utmost importance.

Cybersecurity activities are reported to AGF's Board and senior leadership on a quarterly basis, consisting of updates on the current cybersecurity landscape, a progress report on AGF's cybersecurity projects and key performance and risk metrics. AGF's cybersecurity program is a component of our enterprise risk management and ESG frameworks.

In recognition of our shared responsibility to safeguard our and our clients' assets, we provide extensive cybersecurity awareness and education for all employees that cover a range of topics including:

- Ransomware
- Phishing Scams
- Data Privacy
- Deepfake Awareness
- Internet Security
- Data Protection

Third-Party Risk Management

We recognize that AGF's utilization and dependency on third parties subsequently increases our organization's risk profile; especially in light of several notable data breaches of service providers in 2023. AGF's Third-Party Risk Management program focuses on understanding and managing risks associated with third parties including vendors, suppliers, and outsourced services.

The program is centrally managed and governs roles and responsibilities throughout the third-party relationship lifecycle, annual risk/tier materiality assessments for each third party, monitoring guidelines and management reporting for a robust view of third-party risk across the organization.

Our third-party risk management program focuses on our ability to meet contractual obligations, comply with regulatory requirements where applicable, mitigate risks associated with the third-party relationships and create an environment of partnership with trusted third parties.

Community Involvement

As part of AGF's commitment to corporate responsibility, we take an active approach to investing in the communities in which we live and work.

AGF has a long-standing history of community involvement and working with organizations that support and align with our pillars of social responsibility:

Education

We help foster educational development and opportunities to invest in our future.

Diversity & Inclusion

We embrace diverse backgrounds, experiences and perspectives and champion social change.

Environment

We are considerate of our environmental impact and promote sustainability of our planet.

AGF's community giving initiatives come in the form of both financial support and employee engagement volunteering opportunities. We encourage our employees to engage in volunteer opportunities with organizations of their choice and all employees are given a paid volunteer day every year.

Organizations We Support

Canada Company

Canada Company strives to protect the legacy of our soldiers and leverage their unique skillset and experiences to improve our nation. By educating, empowering, and connecting military members with business leaders, Blake Goldring, AGF's Executive Chairman, serves as the Chairman.

Canadian Chamber of Commerce – Council for Women's Advocacy

Kevin McCreadie, AGF's CEO & CIO, is the Co-Chair of the Canadian Chamber of Commerce's Council for Women's Advocacy. Kevin, on behalf of AGF, and the Council strive for meaningful action to address the barriers facing women in the workforce while ensuring the perspectives of women are integrated into national public policy development.

Indspire

Indspire is a national, Indigenous-led organization that invests in the education of Indigenous people. Through Indspire's *Building Brighter Futures* program, AGF launched the AGF Scholarship Fund for Indigenous Students that creates four $5,500 scholarships annually for Indigenous students who are entering a Business program at a Canadian college or university. The donations have been matched by the Government of Canada to double its efforts.

Junior Achievement

Junior Achievement (JA) is the world's largest not-for-profit organization dedicated to educating young people about business. AGF partners with Junior Achievement of Central Ontario, supporting financial literacy programs and bringing AGF employees into the classroom. AGF employees have taught 'Economics for Success' program to hundreds of students over the years and thousands of students through the Career Discovery Series webinars.

The Prosperity Project

AGF is a Corporate Partner of the Prosperity Project, founded with a mission to mitigate the impact of the COVID-19 pandemic on Canadian women who are being disproportionately affected. Judy Golding, AGF's President and Head of Global Distribution, is a Founding Visionary of The Prosperity Project.

Trees for Life

Trees for Life provide Canadian tree-planting organizations with the tools, resources, and networks to allow them to grow their existing tree-planting initiatives and educate members of their communities about the value of trees. AGE employees have helped plant over 1,000 trees.

United Way

AGF was recognized in the 2022 United Way Local Leaders List for its contributions to the United Way. United Way provides urgent support to community agencies across Canada for basic needs such as food, support for isolated seniors, and mental health resources.

Women in Asset Management

Ivey Business School's Women in Asset Management program offers in-class and paid internship experiences for young women, and is designed to help bridge the gender gap by increasing the number of women in Canada's asset management industry.

Women in ETFs

Women in ETFs (WE) is the first women's group for the ETF industry. Founded in January 2014, WE is a non-profit organization that brings together over 4,400 members, including women and men, in chapters in major financial centres across the United States, Canada, Europe, the Middle East, Africa, and Asia Pacific to further the careers of women by leveraging our collective skill and ambition.

100 Women in Finance

100 Women in Finance (100WF) is an organization committed to building a more diverse and gender equitable finance industry by promoting diversity of thought, raising visibility and empowering women to find their personal path to success. With our shared goal to advance the careers of women, AGF is a proud sponsor of 100WF and committed to providing our employees with resources, opportunities and tools that enable them to achieve their fullest potential.

A spotlight on our Community Partners

Trees for Life

Over the past two years, AGF employees have helped plant over 1,500 trees through our collaboration with the Canadian charity, Trees for Life. Employees have rolled up their sleeves at sites across Southern Ontario working together to dig and plant trees to help enhance and preserve the environment.

Some of the many benefits of trees include, purifying the air, increasing biodiversity, removing pollutants, and stabilizing soil to help prevent flooding.

In order to help with the long-term success of the trees planted, the Toronto Region Conservation Authority helps to maintain the trees for five years and periodically checks on them annually. They monitor and measure every tree to ensure its health and longevity.

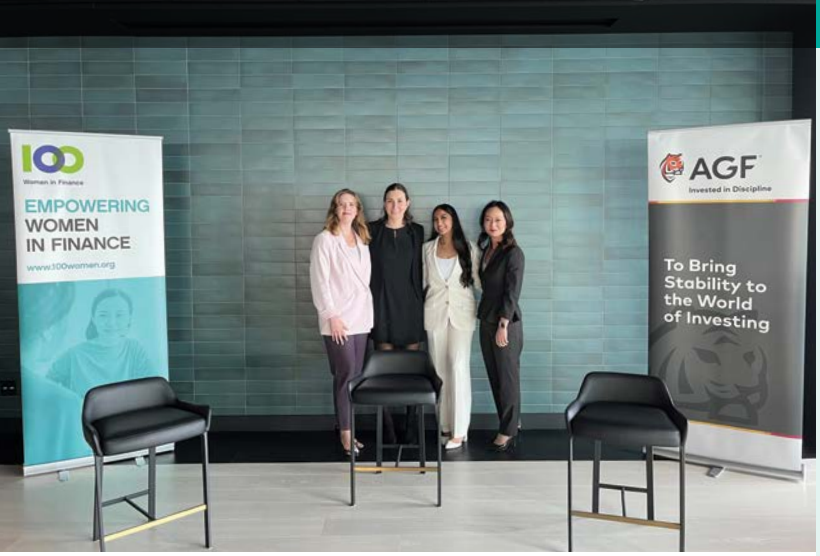
Junior Achievement

Junior Achievement (JA) is the world's largest not-for-profit organization dedicated to educating young people about business and personal finance. Their programs are focused on financial literacy and emphasize the advantages of staying in school and how this choice can positively impact future dreams and career choices.

AGF began partnering with Junior Achievement in 2007 and, over the years, has supported financial literacy programs by bringing our employees into the classroom to teach the 'Dollar with Sense' and 'Economics for Success' programs to Grade 7 and 8 students across the Greater Toronto Area.

This year, our involvement with Junior Achievement reached nearly 1,200 students through a Career Discovery Series and a field trip to our Toronto-based Head Office in CIBC SQUARE.

Having a solid foundation in financial literacy is an important life skill and education is key. When you have the skills and understand the basic concepts of finance, you can be empowered to make informed decisions about managing money and put a plan in place to pursue your dreams.



Making a Difference

AGF's Making a Difference program was launched in 2017 to recognize and celebrate the work that AGF employees do outside the office to make a difference in their communities.

Through this program, employees are given one paid volunteer day annually and are encouraged to participate in volunteer opportunities and events that are organized throughout the year in support of our three pillars of social responsibility, in addition to supporting AGF's long-standing initiatives such as our annual United Way campaign.

In 2023, Making a Difference events ranged from community clean-up days to collecting backpacks and school supplies for children in need. The program also hosted numerous United Way events in our offices that included scavenger hunts and auctions as part AGF's annual campaign in support of United Way.

100 Women In Finance

With our shared goal of advancing the careers of women, AGF is a proud sponsor of 100 Women In Finance (100WF).

100WF is an organization committed to building a more diverse and gender equitable finance industry by promoting diversity of thought, raising visibility and empowering women to find their personal path to success.

In the Spring, AGF welcomed students and professionals at different stages of their careers to our offices in Toronto for a 100WF event to explore the various career paths in the field of finance.

Regina Chi, VP & Portfolio Manager, AGF Investments Inc., shared her insights and experience with students, including how she started her career in finance, offering guidance and advice to the students and guests.

We believe that events like this are integral to help the next generation of women leaders explore the many opportunities that the finance industry has to offer.

ESG Disclosures[1]

	2023[2]	2022	2021	2020	2019
Employees By Region					
Canada	598	617	614	601	610
Rest of World	16	16	17	17	19
Total All Regions	614	633	631	618	629
Employees By Age					
Total Under 30	72	65	64	72	68
Age 30-50	361	394	380	377	399
Over 50	181	174	187	169	162
Permanent Under 30	66	59	57	67	61
Permanent 30-50	361	393	380	375	391
Permanent Over 50	181	174	187	168	161
Temporary Under 30	6	6	7	5	7
Temporary 30-50	0	1	0	2	8
Temporary Over 50	0	0	0	1	1
Full-time Under 30	71	65	62	72	67
Full-time 30-50	360	392	378	375	397
Full-time Over 50	178	170	183	164	157
Part-time Under 30	1	0	2	0	1
Part-time 30-50	1	2	2	2	2
Part-time Over 50	3	4	4	5	5
Employees By Gender					
Beginning in 2022, AGF is disclosing gender of employees as self-identified, please see 'DE&I Self-Identity' section.					
Total Female			302	298	307
Total Male			329	320	322
Total Other			–	–	–
Permanent Female			300	296	299
Permanent Male			324	314	314
Permanent Other			–	–	–
Temporary Female			2	2	8
Temporary Male			5	6	8
Temporary Other			–	–	–
Full-time Female			297	292	299
Full-time Male			326	319	322
Full-time Other			–	–	–
Part-time Female			5	6	8
Part-time Male			3	1	0
Part-time Other			–	–	–

	2023[2]	2022	2021	2020	2019
Employee Turnover					
Voluntary total turnover – permanent employees	48	77	43	42	63
% voluntary turnover of permanent employees	8.0%	12.3%	7.1%	7.0%	10.3%
Involuntary total turnover – permanent employees	41	19	12	25	40
% involuntary turnover of permanent employees	6.8%	3.1%	2.0%	4.2%	6.5%
Employee Training & Education					
% of employees receiving performance reviews	90.7[3]%	–	–	–	–
Total dollars given to employees to fund education & training ($)	396,478	284,766	145,587	233,212	185,382
Our Executive Management Team					
Total Executive Team	6	6	5	5	5
Executive Team Female	1	2[4]	1	1	1
Executive Team Male	5	4	4	4	5

DEI Self-Identity

The majority of AGF employees are domiciled in Canada, with most in the province of Ontario. In accordance to the Ontario Human Rights Code (the Code), data collection that identifies people on the basis of race, disability, sexual orientation and other Code groups must be on Code-grounds for a Code-consistent purpose and in accordance with Canada's human rights legislative framework. The least intrusive means of data collection that assures anonymity is considered best practice, such as through a self-identification survey. As such, beginning in 2022 AGF began reporting the breakdown of employees by race and gender as self-identified by employees through a voluntary survey.

[1] All data sourced is as of November 30, 2023.
[2] Excludes employees on long term disability.
[3] In 2023 AGF introduced a new performance review framework that included active salaried employees.
[4] Includes Interim Role
[5] Gender Self-Identity: Response options included; Male, Female, Non-Binary, Transgender, 2-Spirit, Other, Self-Describe and Prefer Not To Answer, Did not disclose
[6] Race/Ethnicity Self-Identity: Response options included; White, Asian, Latin/Hispanic, Middle Eastern, Indigenous, Black, Other, Two Or More Races, Prefer Not To Answer, Did not disclose
[7] A director was unable to attend certain meetings due to personal circumstances.

Gender Self-Identity[5]	2023[2]	2022
Full-time female	38.3%	35.9%
Full-time male	38.3%	33.9%
Full-time prefer not to answer	3.4%	3.0%
Did not disclose	20.0%	27.2%
Management Team (VP+) Female	21.1%	20.5%
Management Team (VP+) Male	53.9%	52.1%
Management Team (VP+) Prefer not to answer	1.3%	1.4%
Management Team (VP+) Did not disclose	23.7%	26.0%

Race Self-Identity[6]	2023[2]	2022
Full-time Black	5.1%	4.3%
Full-time Asian	27.9%	24.6%
Full-time Indigenous	0.2%	0.2%
Full-time Latin American & Hispanic	0.8%	0.3%
Full-time Middle Eastern	1.2%	1.2%
Full-time White	33.8%	32%
Full-time Two or more races	3.9%	3.5%
Full-time Other	1.6%	1.6%
Full-time Prefer not to answer	5.6%	5.3%
Did not disclose	19.9%	27.2%
Management Team (VP+) Asian	11.9%	11.0%
Management Team (VP+) Middle Eastern	1.3%	1.4%
Management Team (VP+) White	59.2%	57.5%
Management Team (VP+) Two or more races	2.6%	2.7%
Management Team (VP+) Prefer not to answer	1.3%	1.4%
Management Team (VP+) Did not disclose	23.7%	26.0%

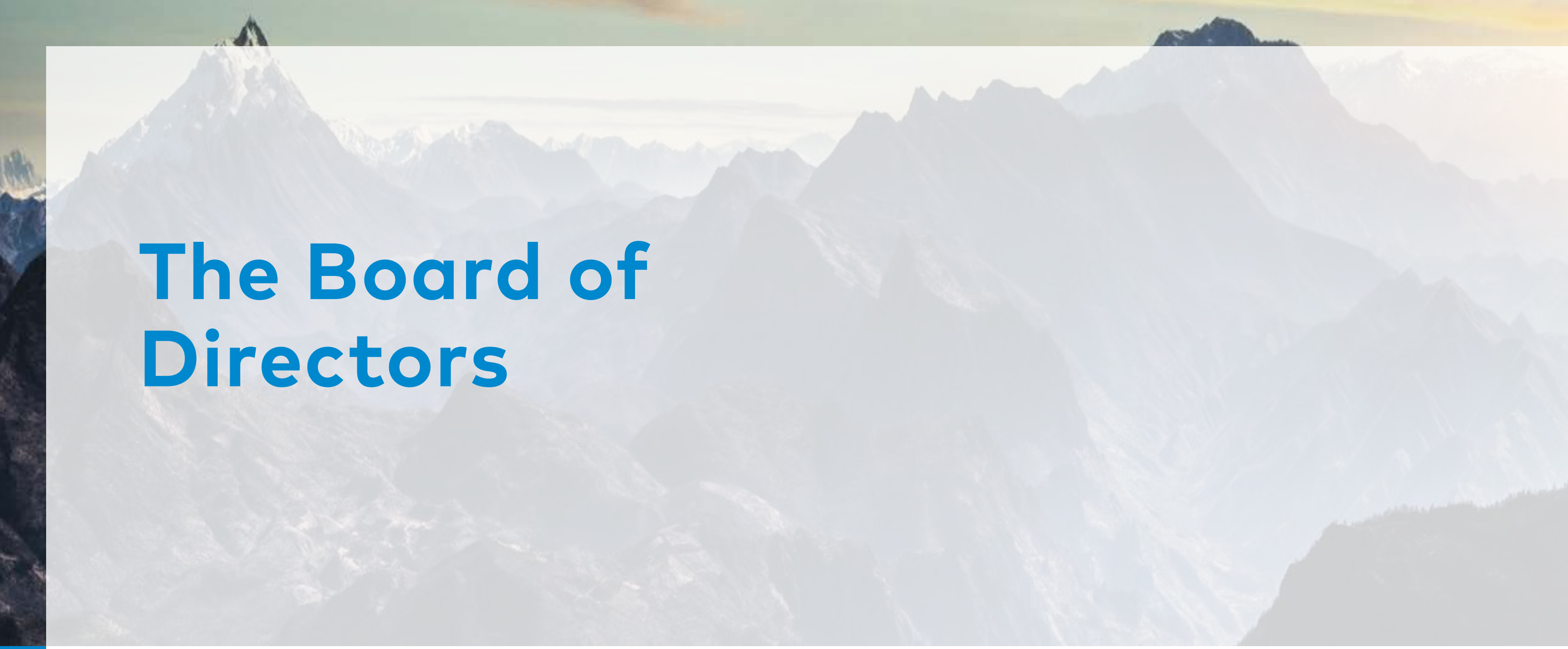
Race Self-Identity[6]	2023
Directors Black	12.5%
Directors White	75%
Directors Two or more races	12.5%

Our Board

Board of Directors	2023	2022	2021	2020	2019
Total Board Directors	8	11	10	10	10
Executive Board Members	3	3	3	3	4
Non-Executive Board Members	5	8	7	7	6
Directors Female	3	4	4	4	4
Directors Male	5	7	6	6	6
Directors Other	-	-	0	0	0
Directors Over 70	1	3	3	3	3
Directors Between 60-70	3	3	2	2	1
Directors Under 60	4	5	5	5	6
Average Number of Years Board Tenure	9.25	12.86	13.4	12.4	11.4
Independent Board Members	5	7	6	6	6
% Board Independence	63%	63%	60%	60%	60%
% Audit Committee Independence	100%	100%	100%	100%	100%
% Nominating & Corporate Governance Committee Independence	100%	100%	100%	100%	100%
% Human Resources and Compensation Committee Independence	100%	100%	100%	100%	100%
Average Board Attendance Rate	94%[7]	99%	98%	99%	100%

Ethics & Compliance

2023	2022	2021	2020	2019
Percentage and number of registered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings				
AGF and its subsidiaries did not have any registered employees with a record of investment-related investigations, complaints, civil litigations or other regulatory proceedings in 2023.	AGF and its subsidiaries did not have any registered employees with a record of investment-related investigations, complaints, civil litigations or other regulatory proceedings in 2022.	AGF and its subsidiaries did not have any registered employees with a record of investment-related investigations, complaints, civil litigations or other regulatory proceedings in 2021.	AGF and its subsidiaries did not have any registered employees with a record of investment-related investigations, complaints, civil litigations or other regulatory proceedings in 2020.	AGF and its subsidiaries did not have any registered employees with a record of investment-related investigations, complaints, civil litigations or other regulatory proceedings in 2019.
Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers				
AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information in 2023.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information in 2022.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information in 2021.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information in 2020.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information in 2019.
Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling in core documents. Core documents are those required under securities legislation in connection with distributions and continuous disclosure and include: prospectuses, MRFPs, fund financial statements, AIF, Fund Facts.				
AGF and its subsidiaries did not have any significant incidents of non-compliance in 2023.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2022.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2021.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2020.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2019.
Incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes				
AGF and its subsidiaries did not have any significant incidents of non-compliance in 2023.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2022.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2021.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2020.	AGF and its subsidiaries did not have any significant incidents of non-compliance in 2019.
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations				
AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations in 2023.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations in 2022.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations in 2021.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations in 2020.	AGF and its subsidiaries did not have any monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations in 2019.
Substantiated complaints regarding breaches of customer privacy and losses of customer data				
AGF and its subsidiaries did not have any substantiated complaints in 2023.	AGF and its subsidiaries did not have any substantiated complaints in 2022.	AGF and its subsidiaries did not have any substantiated complaints in 2021.	AGF and its subsidiaries did not have any substantiated complaints in 2020.	AGF and its subsidiaries did not have any substantiated complaints in 2019.



The Board of Directors

Mandate of the Board

AGF's Board is responsible for the stewardship of the Corporation, including overseeing the conduct of the business and affairs of the Corporation. The Board has a written charter that is reviewed annually. All material relating to the strategic plan, which takes into account the risks and opportunities of the business, is reviewed at least annually by the Board and discussed with management. Any transaction having a significant impact on the strategic plan and other significant decisions that affect the AGF Group of Companies is approved by the Board. It assesses the effectiveness of the Board committees based on reports from the committees. In addition, each director annually completes a Board and Board Committee Effectiveness Evaluation questionnaire and a Self-Assessment questionnaire, the results of which are taken into consideration for the annual election of directors and appointment of Board committee members. The Board appoints the Chief Executive Officer and other executive officers.

The Board meets with senior executives on a regular basis to receive and consider reports on the affairs of the Corporation. The Board expects these reports to be comprehensive, accurate and timely. All material communications to shareholders are approved by the Board. Additionally, the Board reviews and approves annual and interim reports to shareholders, including financial statements and management's discussion and analysis.

Independence from Management

AGF Management Limited's Board had eight directors, as of November 30, 2023, the majority of whom were independent from management. The following are the independent directors: Jane Buchan, Ian Clarke, Charles Guay, Cybele Negris, and G. Wayne Squibb, who is the lead director. The lead director, or in their absence, an acting lead director, chairs the meetings of the independent directors to ensure the independent directors have regular opportunities to meet and discuss issues without management present. The following directors are not independent due to their current or former roles in management at AGF: Blake C. Goldring, Executive Chairman of AGF; Judy G. Goldring, President & Head of Global Distribution of AGF; and Kevin McCreadie, Chief Executive Officer and Chief Investment Officer of AGF. Blake C. Goldring indirectly owns all of the voting shares of Goldring Capital Corporation, which owns 100% of the voting shares of the Corporation. Blake C. Goldring and Judy G. Goldring are indirect shareholders of Goldring Capital Corporation and are parties to a unanimous shareholders' agreement.

Blake C. Goldring

Jane Buchan

Ian L.T. Clarke

Judy G. Goldring

Charles Guay

Kevin McCreadie

Cybele Negris

G. Wayne Squibb

The Board of Directors

Blake C. Goldring, C.M., OOnt, M.S.M., CD, CFA
Executive Chairman, AGF Management Limited

Blake C. Goldring is the Executive Chairman of AGF Management Limited (AGF). He first joined the firm in 1987 and held a series of senior positions before being appointed President in 1997, CEO in 2000, and CEO and Chairman in 2006. In December, 2018, Goldring was succeeded as CEO by Kevin McCreadie and assumed the role of Executive Chairman. Under his leadership, AGF has diversified its business, evolving into an independent and globally diverse asset management firm whose companies deliver excellence in investing in the public and private markets through three distinct business lines: AGF Investments, AGF Private Capital and AGF Private Wealth.

As Executive Chairman of AGF, Goldring provides guidance and counsel to the CEO in setting the mission, vision and strategic direction for the firm. He also provides counsel to AGF's Executive Management Team and plays a key role supporting the firm's strategic relationships. At the same time, he provides leadership to AGF's Board of Directors in carrying out its collective responsibilities to supervise the management of the business and affairs of the company.

Goldring sits on a number of private company and not-for-profit boards, including the C.D. Howe Institute, the Lawrence Centre for Public Policy and Management, and Libraries and Archives Canada Foundation. He is also the founder and Chair of Canada Company, a non-partisan charity devoted to supporting Canadian Armed Forces members, veterans and their families.

Goldring has received numerous honours in recognition of his personal and professional achievements, including being named a Member of the Order of Ontario on January 1st, 2024, a Member of the Order of Canada in 2018 and receiving honorary degrees from Victoria University at the University of Toronto and the Royal Military College.

Goldring holds an Honours BA in Economics from the University of Toronto and an MBA from INSEAD in France. He is also a member of the Toronto Society of Financial Analysts, a CFA® charterholder and a Fellow of the Institute of Canadian Bankers.

Jane Buchan PhD, CAIA (2017)
Chief Executive Officer, Martlet Asset Management LLC

Jane Buchan is the Chief Executive Officer of Martlet Asset Management. Until August 1, 2018, she was CEO of PAAMCO. She served as Director and Chairwoman of the Board for the Chartered Alternative Investment Analyst Association (CAIA) until 2018. She also serves as a member of the Board of Directors for Globe Life Inc. (NYSE: GL, and IMMIX (NASDAQ:IMMX) as well as one private company, is a founding Angel for 100 Women in Finance, is a trustee for the Standards Board of Alternative Investments and serves on several endowment and foundation investment committees.

Ian L.T. Clarke CA, FCA, ICD.D (2022)
Corporate Director

Ian Clarke joined the GTAA in March 2017 as the Chief Financial Officer and previously was a GTAA Board Member for five years. In August 2020, Ian was given additional responsibilities for the Commercial and Business Partnerships and Strategy and Business Analytics. He retired from the GTAA on December 31, 2022.

Prior to this, Ian was Chief Financial Officer, Business Development at Maple Leaf Sports and Entertainment Ltd. ("MLSE") for 26 years. During his tenure at MLSE Ian was responsible for finance, administration, regulatory filings, collective bargaining negotiations, bond and loan restructuring. Led the financial due diligence and tax structuring of the Raptor and Air Canada Centre acquisition by Maple Leaf Gardens Ltd. Led and negotiated the acquisition of the Toronto FC expansion and the development of BMO Field, and the Maple Leaf Square project development.

Ian has been a Board member of the Canadian Olympic Committee and First Capital REIT since 2021, and has been a Board member of Altria Group Inc. since 2022. Ian was previously a Board Member for the Toronto Foundation for nine years and a Board Member for ten years at St. Michael's Hospital. Ian is a Chartered Accountant and holds an Institute of Corporate Directors, Director designation. Ian led 10 volunteer missions to New Orleans, Jamaica and Kenya, building 3 schools, 14 homes and raised over a $1 million.

Judy G. Goldring LL.B, LL.D, ICD.D (2007)
President and Head of Global Distribution, AGF Management Limited

Judy Goldring is President and Head of Global Distribution at AGF Management Limited, overseeing the execution of strategic plans in support of business priorities, counsels the CEO on business planning and providing direction for corporate initiatives. She also brings unified accountability to and fosters greater synergies across AGF's respective sales distribution channels globally. In addition, she oversees the firm's Human Resources function and is responsible for AGF's Private Client businesses.

Judy is also a member of the Executive Management Team where she assists in the development and execution of AGF's strategy. In addition, as a member of the Board of Directors for AGF Management Limited and AGF Mutual Funds, she provides strategic leadership and vision that promotes AGF's long-term growth. Since joining AGF in 1998, Judy has held several roles with increasing responsibility. Prior to being named President, she served as Executive Vice-President and Chief Operating Officer. In this role, she demonstrated leadership in promoting and supporting the firm's operational effectiveness.

She received a Bachelor of Arts in Economics from the University of Toronto and earned her Bachelor of Laws (LL.B) from Queen's University. She is a member of the Law Society of Upper Canada and has been a member of the Canadian Bar Association since 1993. She received an Honorary Doctorate of Laws (LL.D) from the University of Toronto in 2019 and from Ontario Tech University in 2023. She is a successful graduate of the Competent Boards ESG Certificate Program in 2022.

In addition to her involvement in a number of charities, Judy is the Chair of the Investment Funds Institute of Canada. While also being a lead fundraiser in the Juvenile Diabetes Research Foundation's $100million Campaign to Accelerate, Judy is presently the Co-Chair of the "Defy Gravity" Campaign for Victoria University at the University of Toronto.

Charles Guay (2017)

President & Chief Operating Officer, SuccessFinder

Charles Guay is a recognized executive business leader and builder. Since 2018, Charles is President & COO of SuccessFinder, a leading HR Tech company, providing organizations a powerful talent predictive analytics platform helping them making more confident decisions and maximizing people's potential at work. Prior to that, he has had his own strategic consulting firm and has built an impressive track record as an executive in the financial services industry for more than 20 years.

Charles is the former President & CEO of Standard Life Canada and then, EVP Institutional markets and President & CEO Quebec for Manulife. Before joining Standard Life, he spent most of his career at National Bank of Canada leading their mutual fund division for 11 years as President & CEO. He started his career at RBC Dominion Securities as an investment advisor.

He serves on several boards of directors, currently including Pomerleau Inc. and the Notre-Dame College Foundation. He is a recipient of several excellence awards, such as the "Top 40 under 40", the Arista Quebec Young Executive of the Year award and the Hermès Career Achievement award of Laval University, from which he graduated in 1994 in business & finance.

Kevin McCreadie MBA, CFA (2018)

Chief Executive Officer and Chief Investment Officer, AGF Management Limited

Kevin McCreadie is Chief Executive Officer (CEO) and Chief Investment Officer (CIO) of AGF Management Limited.

In the role of CEO, Mr. McCreadie is responsible for the overall success of AGF, overseeing the firm's mission, vision and strategic direction. He also leads AGF's Executive Management Team and serves as its liaison with AGF's Board of Directors.

As CIO, Mr. McCreadie provides direction and leadership to AGF's investment management teams.

Mr. McCreadie brings more than 35 years of investment management experience to AGF, with extensive expertise in retail and institutional asset management, direct portfolio management and over a decade of combined experience as CIO for two major U.S. financial services firms.

He earned an MBA in Finance from the Wharton Graduate School of Business and holds the Chartered Financial Analyst (CFA®) designation.

Cybele Negris ICD.D (2022)

CEO and Co-Founder of Webnames.ca

Cybele Negris is a tech CEO, serial entrepreneur, experienced corporate director, sought-after speaker, mentor, columnist and a Hall of Fame inductee of Canada's Top 100 Most Powerful Women.

She is CEO and Co-Founder of Webnames.ca, Canada's original .CA Registrar and Webnames Corporate, a leader in domain name portfolio management and security for corporations and government.

Cybele currently serves on the boards of several leading Canadian businesses, not-for-profits and institutions – including the Royal Canadian Mint – and brings insights gained from her extensive business and governance experience.

She was named to the Women's Executive Network (WXN) Canada's Top 100 Most Powerful Women list four times and the PROFIT W100 list of Canada's Top Female Entrepreneurs for nine consecutive years. She has also been recognized as one of Business In Vancouver's Influential Women in Business and Top 40 Under 40.

G. Wayne Squibb (2009)

President and CEO, Realstar Group and Lead Director, AGF

G. Wayne Squibb is the co-founder of Realstar Group and has been CEO of that entity since 1983. One of the leading real estate investment and management organizations in Canada, Realstar Group is focused on strategic investing in the multi-unit residential rental, hospitality, and sports/entertainment sectors in Canada and the United Kingdom.

The company holds the Canadian master franchise rights to the Days Inn, Motel 6 and Studio 6 hotel brands and previously owned and operated Delta Hotels and Resorts. Mr. Squibb has for many years been an active community minded citizen, serving on not-for-profit and corporate boards.

Committees of the Board

The Board has established three committees: the Nominating and Corporate Governance Committee, the Audit Committee and the Human Resources and Compensation Committee. The key responsibilities under the mandate of each committee are described below. Each Chair, who is an independent director, is responsible for directing the meetings of the committee and for ensuring that the roles and responsibilities of the committee have been met. The Chair of the committee is also responsible for reporting to the Board on those matters that the committee has dealt with since the last regular meeting of the Board. Each committee regularly examines its effectiveness in fulfilling its roles and responsibilities and reports its findings to the Board. The committees may convene meetings without management present whenever the committees feel it is necessary. Each Chair also acts as a liaison between management and the Board. As of November 30, 2023, the Committees of the Board comprised of:

Committee	Members	Key Responsibilities
Nominating and Corporate Governance Committee	Charles Guay (chair) Jane Buchan Cybele Negris G. Wayne Squibb	» Review, at least annually, committee charter as well as the charters of the Board and Board committees and recommend to the Board the adoption of or amendment to such charters. » Consider the size and composition of the Board to facilitate effective decision-making and make recommendations to the Board on changes to board composition. » Identify, review and make recommendations to the Board regarding new director nominees. » Evaluate the contribution of each individual director.
Audit Committee	Ian Clarke (chair) G. Wayne Squibb Jane Buchan	» Oversee the integrity of financial reporting. » Oversee internal controls and disclosure controls. » Oversee the performance of the internal audit function, including the resolution of disagreements between management and the internal auditor regarding internal controls. » Oversee adequacy of compliance policies and review reports from regulators. » Be directly responsible for the selection, compensation, retention and oversight of the work of the external auditors, including the resolution of disagreements between management and the external auditors. The external auditors report directly to the committee.
Human Resources and Compensation Committee	Jane Buchan (chair) Ian Clarke Charles Guay Cybele Negris G. Wayne Squibb	» Review, assess and oversee human resources programs, including the executive compensation policies of the AGF group of companies and to monitor the overall effectiveness of such programs in achieving the Corporation's strategic objectives. » Annually review compensation and performance objectives of the CEO and other senior executive officers, CEO position description, and compensation and incentive plans » Review executive share ownership guidelines, public disclosure on executive compensation, succession planning, and oversee the Corporation's diversity, equity and inclusion practices. » Review Director compensation and board share ownership requirements

Board of Directors

Board of Directors

Blake C. Goldring, C.M., OONT, M.S.M., CD, CFA[1]
Jane Buchan, PHD, CAIA[6]
Ian Clarke, CA, FCA, ICD.D[3]
Judy G. Goldring, LL.B, LL.D, ICD.D
Charles Guay[5]
Kevin McCreadie, MBA, CFA
Cybele Negris, ICD.D
G. Wayne Squibb[7]

Mutual Fund Corporations and Trusts

John B. Newman[3,4]
Louise Anne Morwick, CFA[2]
Paul Hogan
Judy G. Goldring, LL.B, LL.D, ICD.D
Blake C. Goldring, C.M., OONT, M.S.M., CD, CFA
Jamie Bowland

AGF International Advisors Company Limited

Blake C. Goldring, C.M., OONT, M.S.M., CD, CFA
Michael C. Brady[3]
Brian Brennan
David M. Kennedy[2]
Richard McGrath

Executive Officers

Blake C. Goldring, C.M., OONT, M.S.M., CD, CFA
Executive Chairman

Kevin McCreadie, MBA, CFA
Chief Executive Officer and Chief Investment Officer

Judy G. Goldring, LL.B, LL.D, ICD.D
President and Head of Global Distribution

Chris Jackson
Chief Operating Officer

Ken Tsang, CFA, CPA, MBA
Chief Financial Officer

Ash Lawrence, MBA
Head of Private Capital

[1] Executive Chairman of the Board of AGF Management Limited
[2] Chair of the Board
[3] Chair of the Audit Committee
[4] Chair of the Audit Advisory Committee
[5] Chair of the Nominating and Corporate Governance Committee of AGF Management Limited
[6] Chair of the Human Resources and Compensation Committee of AGF Management Limited
[7] Lead Director

Caution Regarding Forward-Looking Statements

This Annual Report, which includes Management's Discussion and Analysis (MD&A), includes forward-looking statements about the Company, including its business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as 'expects,' 'estimates,' 'anticipates,' 'intends,' 'plans,' 'believes' or negative versions thereof and similar expressions, or future or conditional verbs such as 'may,' 'will,' 'should,' 'would' and 'could.' In addition, any statement that may be made concerning future financial performance (including income, revenues, earnings or growth rates), ongoing business strategies or prospects, fund performance, and possible future action on our part, is also a forward-looking statement. Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations, business prospects, business performance and opportunities. While we consider these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about our operations, economic factors and the financial services industry generally. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by us due to, but not limited to, important risk factors such as level of assets under our management, volume of sales and redemptions of our investment products, performance of our investment funds and of our investment managers and advisors, client-driven asset allocation decisions, pipeline, competitive fee levels for investment management products and administration, and competitive dealer compensation levels and cost efficiency in our investment management operations, as well as general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, taxation, changes in government regulations, unexpected judicial or regulatory proceedings, technological changes, cybersecurity, the possible effects of war or terrorist activities, outbreaks of disease or illness that affect local, national or international economies (such as COVID-19), natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply or other catastrophic events, and our ability to complete strategic transactions and integrate acquisitions, and attract and retain key personnel. We caution that the foregoing list is not exhaustive. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. Other than specifically required by applicable laws, we are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements, whether as a result of new information, future events or otherwise. For a more complete discussion of the risk factors that may impact actual results, please refer to the 'Risk Factors and Management of Risk' section of the 2023 Annual MD&A.

Financial Highlights

(in millions of dollars, except share data) **Three months ended**	**Nov. 30, 2023**	**Aug. 31, 2023**	**May 31, 2023**	**Feb. 28, 2023**	**Nov. 30, 2022**	**Aug. 31, 2022**	**May 31, 2022**	**Feb. 28, 2022**
AUM & fee-earning assets[1]	**$ 42,180**	$ 42,259	$ 41,204	$ 41,928	$ 41,819	$ 39,555	$ 40,277	$ 41,955
Mutual fund net sales (redemptions)	**(224)**	(151)	77	221	251	51	132	330
Total net revenue[2]	**78.3**	84.0	95.8	80.1	81.7	79.6	82.7	89.3
SG&A[3]	**52.9**	50.2	53.0	53.0	51.5	46.4	47.3	49.3
Adjusted SG&A[2,3]	**50.7**	50.3	51.9	52.8	49.0	46.2	47.1	47.9
EBITDA before commissions[2,4]	**25.4**	33.8	42.8	27.1	30.2	33.2	35.4	40.0
Adjusted EBITDA before commissions[2,4]	**27.6**	33.7	43.9	27.3	32.7	33.4	35.6	41.4
Deferred selling commissions[4]	**–**	–	–	–	–	–	17.8	19.3
EBITDA[2]	**25.4**	33.8	42.8	27.1	30.2	33.2	17.6	20.7
Adjusted EBITDA[2]	**27.6**	33.7	43.9	27.3	32.7	33.4	17.8	22.1
Net income	**16.8**	23.0	30.3	17.6	21.6	22.1	10.1	12.9
Adjusted net income	**18.5**	22.9	31.2	17.8	23.5	22.3	10.3	14.0
Earnings per share								
Basic	**$ 0.26**	$ 0.35	$ 0.46	$ 0.27	$ 0.32	$ 0.33	$ 0.15	$ 0.18
Diluted	**0.25**	0.34	0.45	0.26	0.32	0.32	0.14	0.18
Adjusted diluted	**0.28**	0.34	0.46	0.27	0.35	0.32	0.15	0.19
Free cash flow[2]	**18.3**	23.0	19.8	19.3	24.1	20.6	12.3	13.3
Dividends per share	**0.11**	0.11	0.11	0.10	0.10	0.10	0.10	0.09
Long-term debt	**5.8**	5.8	19.7	29.6	21.6	–	–	–
Average basic shares	**64,572,595**	65,018,132	65,365,263	64,869,861	66,854,462	67,758,818	68,270,570	69,778,674
Average basic shares	**66,598,358**	67,013,139	67,270,375	66,861,361	67,464,947	69,268,495	70,020,635	71,714,425

1 AUM represents assets under management. Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.
2 Total net revenue, EBITDA before commissions, adjusted EBITDA before commissions, EBITDA, adjusted EBITDA, and free cash flow are not standardized earnings measures prescribed by IFRS. Descriptions of these non-IFRS measures, as well as others, and reconciliations to IFRS, where necessary, are provided in the MD&A. See the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.
3 Selling, general, and administrative expenses. Adjusted SG&A exclude severance, corporate development and acquisition related expenses.
4 Effective June 1, 2022, deferred selling commissions options have been eliminated by the Canadian Securities Administrators.

Selected Quarterly and Annual Information

	Three months ended			Years ended	
(in millions of dollars, except share data)	Nov. 30, 2023	Aug. 31, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
AUM end of the period					
AGF Investments					
Mutual Funds	**$ 24,459**	$ 24,377	$ 23,898	**$ 24,459**	$ 23,898
ETFs and SMA	**1,465**	1,332	1,236	**1,465**	1,236
Segregated accounts and sub-advisory	**6,774**	7,058	7,204	**6,774**	7,204
Private Wealth	**7,341**	7,360	7,349	**7,341**	7,349
Private Capital	**46**	42	55	**46**	55
Total AUM	**$ 40,085**	**$ 40,169**	**$ 39,742**	**$ 40,085**	**$ 39,742**
Private Capital fee-earning assets[1]	**2,095**	2,090	2,077	**2,095**	2,077
Total AUM and fee-earning assets[1] end of period	**$ 42,180**	**$ 42,259**	**$ 41,819**	**$ 42,180**	**$ 41,819**
Mutual Fund net sales (redemptions)	**$ (224)**	$ (151)	$ 251	**$ (77)**	$ 765
Retail mutual fund net sales (redemptions)[2]	**(194)**	(151)	76	**(41)**	589
Net management, advisory and administration fees[3]	**72.0**	73.8	70.5	**294.4**	294.5
Adjusted selling, general and administrative[3]	**50.7**	50.3	49.0	**205.6**	190.2
Adjusted EBITDA before commissions[3,4]	**27.6**	33.7	32.7	**132.5**	143.0
Deferred selling commissions[4]	**–**	–	–	**–**	37.1
Adjusted net income	**18.5**	22.9	23.5	**90.3**	70.0
Adjusted diluted earnings per share	**0.28**	0.34	0.35	**1.34**	1.01
Free cash flow[3]	**18.3**	23.0	24.1	**80.4**	70.3
Supplementary Financial Information					
Adjusted EBITDA before commissions[3,4]					
Adjusted EBITDA before Private Capital	**$ 23.7**	$ 26.4	$ 24.2	**$ 99.2**	$ 114.9
From Private Capital Managers[5]	**1.4**	2.5	1.4	**6.7**	3.1
From Private Capital Long-term Investments[6]	**2.5**	4.8	7.1	**26.6**	25.0
Adjusted EBITDA before commissions	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 143.0**
Adjusted EBITDA[3]					
Adjusted EBITDA before Private Capital	**23.7**	$ 26.4	$ 24.2	**$ 99.2**	$ 77.8
From Private Capital Managers[5]	**1.4**	2.5	1.4	**6.7**	3.1
From Private Capital Long-term Investments[6]	**2.5**	4.8	7.1	**26.6**	25.0
Adjusted EBITDA	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 105.9**
Adjusted diluted earnings per share					
Adjusted diluted earnings per share before Private Capital	**$ 0.23**	$ 0.26	$ 0.25	**$ 0.96**	$ 0.70
From Private Capital Managers[5]	**0.02**	0.03	0.02	**0.08**	0.03
From Private Capital Long-term Investments[6]	**0.03**	0.05	0.08	**0.30**	0.28
Adjusted diluted earnings per share	**$ 0.28**	**$ 0.34**	**$ 0.35**	**$ 1.34**	**$ 1.01**

1 Fee-earnings assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.

2 Net sales (redemptions) in retail mutual funds are calculated as reported mutual fund net sales (redemptions) less non-recurring institutional net sales (redemptions) in excess of $5.0 million invested in our mutual funds.

3 For the definition of net management, advisory and administration fees, EBITDA before commissions, adjusted EBITDA before commission, adjusted EBITDA, and free cash flow, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

4 Effective June 1, 2022, deferred selling commissions options have been eliminated by the Canadian Securities Administrators.

5 Private Capital Manager earnings represents share of profit of joint ventures, which are recorded under equity accounting, and income from other fee-earning arrangements on the consolidated statement of income.

6 Private Capital Long-term Investments represents fair value adjustments and distributions related to long-term investments included in fair value adjustments and other income on the consolidated statement of income.

Strategic and Financial Highlights

AUM and Sales

AGF reported $42.2 billion in assets under management and fee-earning assets as at November 30, 2023, compared to $42.3 billion as at August 31, 2023 and $41.8 billion as at November 30, 2022. Excluding Private Capital, AUM was $40.0 billion as at November 30, 2023, compared to $40.1 billion as at August 31, 2023 and $39.7 billion as at November 30, 2022.

The world's geopolitical climate remains a source of volatility for global markets as conflicts in the Middle East and Ukraine continue. Elevated interest rates and inflation are also contributing to higher volatility and could ultimately impact the trajectory of investment returns over the next 12 months. Sustained and material volatility in the financial markets has the potential to create market risk to the Company's capital position and profitability.

During the three months ended November 30, 2023, AGF reported mutual fund net redemptions of $224.0 million compared to net redemptions of $151.0 million for the three months ended August 31, 2023 and net sales of $251.0 million in the comparative prior year period. Retail mutual fund net redemptions[1] were $194.0 million for the quarter compared to net redemptions of $151.0 million for the three months ended August 31, 2023 and net sales of $76.0 million in the comparative prior year period. For the year ended November 30, 2023, AGF reported mutual fund net redemptions of $77.0 million compared to net sales of $765.0 million in 2022. Retail mutual fund net redemptions were $41.0 million for the year compared to net sales of $589.0 million in 2022.

Investment Performance

AGF aims to deliver consistent and repeatable investment performance with a target of 50% over one year and 40% over three years when looking at AGF's mutual fund gross returns (before fees) relative to peers within the same category, with 1st percentile being best possible performance. Investment performance in both the one-year and three-year range continued to improve. As at November 30, 2023, AGF's average percentile over the past one year was 72% (2022 – 41%) and the average percentile over the past three years improved to 47% (2022 – 30%). AGF's one-year performance was impacted in part due to the narrow mega-cap growth leadership in the equity markets in the first half of 2023, in which AGF was relatively underweight.

[1] Net sales (redemptions) in retail mutual funds are calculated as reported mutual fund net sales (redemptions) less non-recurring institutional net sales (redemptions) in excess of $5.0 million invested in our mutual funds.

Business Highlights

- AGF was recognized as one of Greater Toronto's Top Employers 2024. This honour stands as a testament to the firm's strong culture and the work being done to invest in its people.
- AGF Private Capital Inc. – AGF's private markets business – signed definitive agreements to acquire a majority interest in Kensington Capital Partners Limited, one of Canada's leading alternative investment firms, as part of AGF's strategic imperative to grow its private markets business. The transaction is expected to close in fiscal Q2-2024 and is subject to the receipt of certain regulatory approvals and closing conditions.
- W. Robert (Bob) Farquharson retired from the AGF Board of Directors and was named Vice-Chairman Emeritus in recognition of his long and successful career at AGF. He first joined AGF in 1963 as an analyst and over a period of 60 years, managed a number of AGF funds and served the company in senior executive and director roles.
- AGF announced the appointment of industry veteran Ken Tsang to the position of Chief Financial Officer. He is a respected and seasoned leader with nearly 30 years of experience as a strategic finance and corporate development leader in Financial Services.
- Taking a vehicle agnostic approach, AGF Investments expanded its lineup with the launch of AGF Enhanced U.S. Equity Income Fund and AGF Emerging Markets ex China Fund, which are both available as a mutual fund with an ETF series option.
- The firm celebrated 55 years of AGF Management Limited's stock being listed on the TSX with a Market Open event at the TMX. This longevity is a testament to AGF's history of innovation, a disciplined investment approach and an unwavering commitment to our clients.
- AGF International Advisors Company Limited, a subsidiary of AGF, was once again accepted as a signatory to the UK Stewardship Code, a best-practice benchmark in investment stewardship.
- AGF European Equity Class (Series F) won a 2023 LSEG Lipper Fund Award in the European Equity category of 20 funds.
- AGF Investments was recognized with FundGrade A+® Awards for AGF American Growth Class, AGF Fixed Income Plus Fund, AGF Global Convertible Bond Fund and AGF Global Select Fund.

Financial Highlights – Year Ended November 30, 2023

For the year ended November 30, 2023, AGF reported total adjusted EBITDA of $132.5 million, compared to $105.9 million for the prior year period. For the year ended November 30, 2023, AGF reported adjusted EBITDA margin of 28.1%, compared to 22.6% for the prior year period. The change is outlined below.

Net management, advisory and administration fees were $294.4 million for the year ended November 30, 2023, compared to $294.5 million for the prior year period. Net management, advisory and administration fees are directly related to our AUM levels, the proportion of AUM invested in various strategies (i.e., equity fund vs. fixed income fund) and commission fee structures (i.e., fee-based, front-end, or deferred sales commission basis). Annualized net management, advisory and administration fees as a percentage of average AUM was 0.74% for the year ended November 30, 2023, compared to 0.76% for the prior year period. The net management, advisory and administration fee remained flat year over year as a result of lower net revenue rate due to change in asset mix, partially offset by higher AUM for the year ended November 30, 2023.

Adjusted SG&A was $205.6 million for the year ended November 30, 2023, compared to $190.2 million for the prior year period. The year-over-year increase in SG&A was impacted by higher incentive compensation as a result of our track record of investment outperformance and the successful execution of our sales strategy, which is to increase our presence in the investment dealer channel. In addition, the increase incorporates strategic investments made into the business to support our growth plan, including Private Capital, as well as increases driven by the market environment.

For the year ended November 30, 2023, AGF reported total adjusted EBITDA before commissions of $132.5 million, compared to $143.0 million for the prior year period. For the year ended November 30, 2023, AGF reported adjusted EBITDA before commissions margin of 28.1% compared to 30.5% for the prior year period.

For the year ended November 30, 2023, EBITDA from Private Capital was $33.3 million, compared to $28.1 million for the prior year period. Of the EBITDA from Private Capital, $6.7 million (2022 – $3.1 million) was generated from AGF's interest in Private Capital Managers and $26.6 million (2022 – $25.0 million) was generated from AGF's investment in Private Capital long-term investments. The year-over-year increase in EBITDA from Private Capital Managers is driven by higher carried interest and performance fees recorded for the year ended November 30, 2023.

For the year ended November 30, 2023, adjusted diluted earnings per share was $1.34, compared to $1.01 for the prior year period. The Private Capital business contributed $0.38 for the year ended November 30, 2023, compared to $0.31 for the prior year period.

Financial Highlights – Quarter Ended November 30, 2023

For the three months ended November 30, 2023, AGF reported total adjusted EBITDA of $27.6 million, compared to $33.7 million for the three months ended August 31, 2023, and $32.7 million in the comparative prior year period. For the three months ended November 30, 2023, AGF reported adjusted EBITDA margin of 25.0%, compared to 28.7% for the three months ended August 31, 2023, and 28.6% in the comparative prior year period. The change is outlined below.

Net management, advisory and administration fees were $72.0 million for the three months ended November 30, 2023, compared to $73.8 million for the three months ended August 31, 2023, and $70.5 million for the comparative prior year period. Annualized net management, advisory and administration fees as a percentage of average AUM was 0.74% for the three months ended November 30, 2023, compared to 0.74% for the three months ended August 31, 2023, and 0.75% for the same period in 2022. The decrease in net management, advisory and administration fees from the prior quarter is primarily driven by lower AUM as a result of the market volatility experienced in the quarter. Compared to the prior year quarter, net management, advisory and administration fees are higher reflecting higher AUM.

Adjusted SG&A was $50.7 million for the three months ended November 30, 2023, compared to $50.3 million for the three months ended August 31, 2023, and $49.0 million for the prior year period. The increase from the prior quarter is driven by higher sales and marketing expenses reflecting seasonality while the increase from the prior year quarter reflects higher performance-based compensation and investment made into the business including increases driven by the market environment.

For the three months ended November 30, 2023, EBITDA from Private Capital was $3.9 million, compared to $7.3 million for the three months ended August 31, 2023, and $8.5 million for the comparative prior year period. Of the $3.9 million, $1.4 million was generated from AGF's interest in Private Capital Managers and $2.5 million was generated from AGF's investment in Private Capital long-term investments, compared to $2.5 million and $4.8 million for the three months ended August 31, 2023, and $1.4 million and $7.1 million in the comparative prior year period. Private Capital long-term investments can be variable quarter to quarter and can be impacted by fair value adjustments, timing of monetizations and cash distributions as well as changes in foreign currency translation as a portion of the investments are held in USD.

For the three months ended November 30, 2023, adjusted diluted earnings per share was $0.28, compared to $0.34 for the three months ended August 31, 2023, and $0.35 in the comparative prior year period. The Private Capital business contributed $0.05 for the three months ended November 30, 2023, compared to $0.08 for the three months ended August 31, 2023, and $0.10 in the comparative prior year period.

Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) is as of January 23, 2024 and presents an analysis of the financial condition of AGF Management Limited (AGF or the Company) and its subsidiaries for the three months and year ended November 30, 2023, compared to the three months and year ended November 30, 2022. The MD&A should be read in conjunction with the Consolidated Financial Statements for the year ended November 30, 2023. The financial statements for the year ended November 30, 2023, including required comparative information, have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), unless otherwise noted. References to IFRS are equivalent to IFRS Accounting Standards in the Consolidated Financial Statements.

We also utilize non-IFRS financial measures to assess our overall performance and facilitate a comparison of quarterly and full-year results from period to period. These non-IFRS measures may not be comparable with similar measures presented by other companies. Details of non-IFRS measures used are outlined in the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section, which provides calculations of the non-IFRS measures.

All dollar amounts are in Canadian dollars unless otherwise indicated. Throughout this discussion, percentage changes are calculated based on numbers rounded to the decimals that appear in this MD&A. Results, except per share information, are presented in millions of dollars. Certain totals, subtotals and percentages may not reconcile due to rounding. For purposes of this discussion, the operations of AGF and our subsidiary companies are referred to as 'we,' 'us,' 'our,' 'the firm' or 'the Company.'

Our Business and Strategy

Founded in 1957, AGF Management Limited (AGF) is an independent and globally diverse asset management firm. Our companies deliver excellence in investing in the public and private markets through three distinct business lines: AGF Investments, AGF Private Capital and AGF Private Wealth.

AGF brings a disciplined approach, focused on incorporating sound, responsible and sustainable corporate practices. The firm's collective investment expertise, driven by its fundamental, quantitative and private investing capabilities, extends globally to a wide range of clients, from financial advisors and their clients to high-net-worth and institutional investors including pension plans, corporate plans, sovereign wealth funds, endowments and foundations.

Headquartered in Toronto, Canada, AGF has investment operations and client servicing teams on the ground in North America and Europe. AGF serves more than 800,000 investors. AGF trades on the Toronto Stock Exchange under the symbol AGF.B.

AGF Investments

AGF Investments is comprised of various subsidiaries of AGF Management Limited who manage and advise on a variety of investment solutions for clients globally. The investment teams draw upon and integrate fundamental and quantitative investing capabilities and research across the companies. AGF Investments' disciplined approach, global mindset, and eye to risk management have allowed us to continue to evolve and thrive as a diversified asset manager. AGF Investments' teams embrace a culture of collaboration with the belief that an interconnected team leads to a better understanding of an interconnected world as we strive to deliver on investment objectives and provide an exceptional client experience.

AGF Investments' offerings include a broad range of equity, fixed income, alternative and multi-asset strategies covering a spectrum of objectives from wealth accumulation and risk management to income-generating solutions.

AGF Investments services a diverse client base from financial advisors and individual investors to institutional investors across the globe through segregated accounts, mutual funds, exchange-traded funds (ETFs) and separately managed accounts.

AGF Private Wealth

AGF Private Wealth (Private Wealth) is AGF Management Limited's private wealth platform – which includes Cypress Capital Management Ltd., Doherty & Associates Ltd. and Highstreet Asset Management Inc. – that provides investment solutions for high-net-worth individuals, endowments and foundations in key markets across Canada.

Cypress Capital Management Ltd.

Acquired by AGF in June 2004, Cypress Capital Management provides quality investment services at a reasonable cost, where the best interest of the client is paramount. They are committed to being honest and transparent regarding return expectations, risks, fees and their capabilities as investment managers.

Doherty & Associates Ltd.

Acquired by AGF in January 2004, Doherty & Associates was founded on the principle that their clients come first in all they do. Their philosophy of 'Great Companies at Great Prices' coupled with a disciplined investment process guides them to grow wealth responsibly over time.

Highstreet Asset Management Inc.

Acquired by AGF in 2006, Highstreet Asset Management is committed to their core principles of doing two things exceptionally well – serving their clients and managing money. They believe that investment success can be achieved through blending quantitative and fundamental analysis to capture alpha drivers.

AGF Private Capital

AGF Private Capital, AGF Management Limited's private markets business, is central to the firm's mission to bring stability to the world of investing. As a well-established participant in this ever-evolving industry, AGF Private Capital's strategic vision is to build a diversified best-in-class private markets business that will meet the needs of retail brokers, family offices and institutions. AGF Private Capital is focused on expanding its existing relationships and continues to explore other unique opportunities to grow its platform and product offerings.

Private market investments can be key components in a well-constructed portfolio for all investor types, contributing to lower volatility and opportunities for better long-term risk-adjusted returns. AGF Private Capital combines diversified private markets capabilities alongside participation as a core investor in bespoke and distinct opportunities that deliver added value for the firm's shareholders and clients. AGF Private Capital delivers value across multiple streams: management fee-related earnings, carried interest, other fee arrangements, and invested capital.

Corporate Sustainability

AGF has been bringing stability to the world of investing since 1957. And to ensure our own stability and the continued longevity of our firm, we recognize that responsible and sustainable practices must continue to influence the shape of our organization.

Guided by the thinking, "Our Responsibility Today for a Sustainable Tomorrow," we have developed a corporate responsibility framework that applies forward-thinking practices related to key sustainability factors to deliver long-term successful outcomes for each of our stakeholders.

We have identified the following key areas of focus that we believe are central to our firm's long-term success:

Sustainable Investing: The continued advancement of responsible and sustainable investing practices across our respective companies' investment management teams.

Talent, Culture & DEI: Improving the employee experience by fostering high engagement, advancing diversity initiatives, ensuring equitable and inclusive practices, and attracting and nurturing talent with ongoing support and thoughtful succession planning.

Sustainable Operations & Governance: Managing the risks and opportunities related to AGF companies' operations and governance as well as our community involvement.

Recognizing that client and market expectations continue to evolve, we remain committed to our guiding principles of shared intelligence, taking a measured approach and having active accountability. These principles continue to guide us, shaping our practices and approach while we strive to deliver successful outcomes in support of our stakeholders.

As part of this commitment, a multi-year project is underway to enhance AGF's corporate sustainability practices:

- A comprehensive set of metrics have been identified for AGF to track over the short-, medium- and long-term timeframes.
- AGF is enhancing processes and governance for managing and monitoring the risks and opportunities related to these factors.
- Finally, AGF is working to improve the firm's ESG-related disclosures to provide more decision-useful information to financial stakeholders while meeting increasing regulatory requirements.

To learn more about Corporate Sustainability at AGF please refer to our Annual Report or visit AGF.com.

Assets Under Management and Fee-earning Assets[1]

	Three months ended					Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	May 31, 2023	Feb. 28, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
Mutual fund AUM beginning of the period[1]	**$ 24,377**	$ 23,631	$ 24,029	$ 23,898	$ 22,496	**$ 23,898**	$ 24,006
Gross sales	**687**	633	819	982	914	**3,121**	3,315
Redemptions	**(911)**	(784)	(742)	(761)	(663)	**(3,198)**	(2,550)
Net sales (redemptions)	**(224)**	(151)	77	221	251	**(77)**	765
Market appreciation (depreciation) of fund portfolios	**$ 306**	$ 897	$ (475)	$ (90)	$ 1,151	**$ 638**	$ (873)
Mutual fund AUM end of the period[1]	**$ 24,459**	$ 24,377	$ 23,631	$ 24,029	$ 23,898	**$ 24,459**	$ 23,898
Average daily mutual fund AUM[1]	**$ 23,840**	$ 24,168	$ 24,017	$ 23,782	$ 22,504	**$ 23,952**	$ 22,992
ETFs and SMA AUM, end of the period	**1,465**	1,332	1,400	1,394	1,236	**1,465**	1,236
Segregated accounts and sub-advisory AUM, end of the period	**$ 6,774**	$ 7,058	$ 6,876	$ 7,045	$ 7,204	**$ 6,774**	$ 7,204
Total AGF Investments AUM	**$ 32,698**	**$ 32,767**	**$ 31,907**	**$ 32,468**	**$ 32,338**	**$ 32,698**	**$ 32,338**
Private Wealth AUM	**$ 7,341**	$ 7,360	$ 7,162	$ 7,324	$ 7,349	**$ 7,341**	$ 7,349
Subtotal excluding Private Capital AUM end of the period	**$ 40,039**	**$ 40,127**	**$ 39,069**	**$ 39,792**	**$ 39,687**	**$ 40,039**	**$ 39,687**
Private Capital AUM	**$ 46**	$ 42	$ 48	$ 54	$ 55	**$ 46**	$ 55
Total AUM	**$ 40,085**	**$ 40,169**	**$ 39,117**	**$ 39,846**	**$ 39,742**	**$ 40,085**	**$ 39,742**
Private Capital fee-earning assets[2]	**$ 2,095**	$ 2,090	$ 2,087	$ 2,082	$ 2,077	**$ 2,095**	$ 2,077
Total AUM and fee-earning assets[2] end of the period	**$ 42,180**	**$ 42,259**	**$ 41,204**	**$ 41,928**	**$ 41,819**	**$ 42,180**	**$ 41,819**

[1] Mutual fund AUM includes retail AUM, pooled funds AUM and institutional client AUM invested in customized series offered within mutual funds.
[2] Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.

Private Capital AUM and Fee-earning Assets

	Three months ended					Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	May 31, 2023	Feb. 28, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
Private Capital AUM	**$ 46**	$ 42	$ 48	$ 54	$ 55	**$ 46**	$ 55
Private Capital fee-earning assets[1]	**2,095**	2,090	2,087	2,082	2,077	**2,095**	2,077
Total Private Capital AUM and fee-earning assets[1]	**$ 2,141**	**$ 2,132**	**$ 2,135**	**$ 2,136**	**$ 2,132**	**$ 2,141**	**$ 2,132**

[1] Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.

Change in Assets Under Management

Total AUM, before Private Capital AUM and fee-earning assets, was $40.0 billion at November 30, 2023, compared to $39.7 billion at November 30, 2022.

The world's geopolitical climate remains a source of volatility for global markets as conflicts in the Middle East and Ukraine continue. Elevated interest rates and inflation are also contributing to higher volatility and could ultimately impact the trajectory of investment returns over the next 12 months. Sustained and material volatility in the financial markets has the potential to create market risk to the Company's capital position and profitability.

Reported mutual funds net redemptions were $77.0 million for the year ended November 30, 2023, compared to net sales of $765.0 million for the year ended November 30, 2022. Retail mutual fund net redemptions, which exclude net flows from institutional clients invested in mutual funds[1], were $41.0 million for the year compared to net sales of $589.0 million in the prior year.

Reported mutual funds net redemptions were $224.0 million for the three months ended November 30, 2023, compared to net sales of $251.0 million for the three months ended November 30, 2022. Excluding net flows from institutional clients invested in mutual funds[1], retail mutual fund net redemptions were $194.0 million for the quarter compared to net sales of $76.0 million in the prior year.

Consolidated Operating Results

	Three months ended			Years ended	
(in millions of dollars, except per share data)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Revenues					
Management, advisory and administration fees	**$ 104.2**	$ 107.4	$ 103.0	**$ 428.2**	$ 430.3
Trailing commissions and investment advisory fees	**(32.2)**	(33.6)	(32.5)	**(133.8)**	(135.8)
Net management, advisory and administration fees[2]	**72.0**	73.8	70.5	**294.4**	294.5
Deferred sales charges	**1.9**	1.8	1.8	**7.5**	7.2
Revenue from Private Capital[2]	**3.9**	7.3	8.5	**33.3**	28.1
Other revenue[2]	**0.5**	1.1	0.9	**2.9**	3.4
Total net revenue[2]	**$ 78.3**	$ 84.0	$ 81.7	**$ 338.1**	$ 333.2
Selling, general and administrative[3]	**52.9**	50.2	51.5	**209.0**	194.6
EBITDA before commissions[2]	**$ 25.4**	**$ 33.8**	**$ 30.2**	**$ 129.1**	**$ 138.6**
Deferred selling commissions[4]	**–**	–	–	**–**	37.1
EBITDA[2]	**$ 25.4**	**$ 33.8**	**$ 30.2**	**$ 129.1**	**$ 101.5**
Amortization, derecognition and depreciation	**2.3**	2.3	2.2	**9.1**	11.6
Interest expense	**1.0**	1.3	0.7	**5.0**	2.7
Net income before income taxes	**$ 22.1**	$ 30.2	$ 27.3	**$ 115.0**	$ 87.2
Income tax expense	**5.3**	7.2	5.7	**27.3**	20.6
Net income for the period	**$ 16.8**	**$ 23.0**	**$ 21.6**	**$ 87.7**	**$ 66.6**
Basic earnings per share	**$ 0.26**	$ 0.35	$ 0.32	**$ 1.35**	$ 0.97
Diluted earnings per share	**$ 0.25**	$ 0.34	$ 0.32	**$ 1.30**	$ 0.96

[1] Net sales (redemptions) in retail mutual funds are calculated as reported mutual fund net sales (redemptions) less non-recurring institutional net sales (redemptions) in excess of $5.0 million invested in our mutual funds.

[2] For the definition of net management, advisory and administration fees, revenue from Private Capital, other revenue, total net revenue, EBITDA before commissions, and EBITDA, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

[3] Includes severance expense of $0.1 million for the three months ended November 30, 2023 (2022 – $2.5 million), severance recoveries of $0.1 million for the three months ended August 31, 2023, and severance expense of $1.3 million for the year ended November 30, 2023 (2022 – $4.4 million).

[4] Effective June 1, 2022, deferred selling commissions options have been eliminated by the Canadian Securities Administrators.

Consolidated Adjusted Operating Results

Adjusted operating results presented below reflect results excluding the impact of severance, corporate development and acquisition related expenses. For the reconciliation of adjusted balances, see the 'Key Performance indicators, Additional IFRS and Non-IFRS Measures' section.

	Three months ended			Years ended	
(in millions of dollars, except per share data)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Revenues					
Management, advisory and administration fees	**$ 104.2**	$ 107.4	$ 103.0	**$ 428.2**	$ 430.3
Trailing commissions and investment advisory fees	**(32.2)**	(33.6)	(32.5)	**(133.8)**	(135.8)
Net management, advisory and administration fees[1]	**72.0**	73.8	70.5	**294.4**	294.5
Deferred sales charges	**1.9**	1.8	1.8	**7.5**	7.2
Revenue from Private Capital[1]	**3.9**	7.3	8.5	**33.3**	28.1
Other revenue[1]	**0.5**	1.1	0.9	**2.9**	3.4
Total net revenue[1]	**$ 78.3**	$ 84.0	$ 81.7	**$ 338.1**	$ 333.2
Adjusted selling, general and administrative[1]	**50.7**	50.3	49.0	**205.6**	190.2
Adjusted EBITDA before commissions[1]	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 143.0**
Deferred selling commissions[2]	**–**	–	–	**–**	37.1
Adjusted EBITDA[1]	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 105.9**
Amortization, derecognition and depreciation	**2.3**	2.3	2.2	**9.1**	11.6
Interest expense	**1.0**	1.3	0.7	**5.0**	2.7
Adjusted net income before income taxes	**$ 24.3**	$ 30.1	$ 29.8	**$ 118.4**	$ 91.6
Adjusted income tax expense	**5.8**	7.2	6.3	**28.1**	21.6
Adjusted net income for the period	**$ 18.5**	**$ 22.9**	**$ 23.5**	**$ 90.3**	**$ 70.0**
Adjusted diluted earnings per share	**$ 0.28**	$ 0.34	$ 0.35	**$ 1.34**	$ 1.01
Adjusted diluted earnings per share	**$ 0.28**	**$ 0.34**	**$ 0.35**	**$ 1.34**	**$ 1.01**

[1] For the definition of net management, advisory and administration fees, revenue from Private Capital, other revenue, total net revenue, adjusted selling, general and administrative, adjusted EBITDA before commissions, and adjusted EBITDA, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

[2] Effective June 1, 2022, deferred selling commissions options have been eliminated by the Canadian Securities Administrators.

Commentary on Consolidated Results of Operations

Income

Net Management, Advisory and Administration Fees

Net management, advisory and administration fees is comprised of management, advisory and administration fees net of trailing commissions and investment advisory fees and is directly related to our AUM levels. Net management, advisory and administration fees depends on the proportion of AUM invested in various strategies (i.e., equity fund vs. fixed income fund) and commission fee structures (i.e., fee-based, front-end, or deferred sales commission basis) and are recognized on an accrual basis.

For the three months and year ended November 30, 2023, net management, advisory and administration fees were $72.0 million and $294.4 million, an increase of $1.5 million or 2.1% and decrease of $0.1 million or 0.0%, compared to $70.5 million and $294.5 million in the same periods in 2022. The movements as compared to the prior year comparative quarter and year over year are primarily due to movements in average AUM reported as well as change in net revenue rate as a result of asset mix. Annualized net management, advisory and administration fees as a percentage of average AUM was 0.74% and 0.74% for the three months and year ended November 30, 2023, compared to 0.75% and 0.76% for the same periods in 2022.

	Three months ended			Years ended	
(in millions of dollars, except revenue rate)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Net management, advisory and administration fees	**72.0**	73.8	70.5	**294.4**	294.5
Average AUM[1]	**39,226**	39,823	37,595	**39,536**	38,561
Net revenue rate, excluding Private Capital	**0.74%**	**0.74%**	**0.75%**	**0.74%**	**0.76%**

[1] For the definition of average AUM, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

Deferred Sales Charges (DSC)

AGF receives deferred sales charges upon redemption of securities sold on the contingent DSC or low-load commission basis for which we finance the selling commissions paid to the dealer (prior to June 1, 2022). The DSC ranges from 1.5% to 5.5%, depending on the commission option of the original subscription price of the funds purchased if the funds are redeemed within the first two years and declines to zero after three or seven years. DSC revenue fluctuates based on the level of redemptions, the age of the assets being redeemed and the proportion of redemptions composed of back-end assets. DSC revenue was $1.9 million and $7.5 million for the three months and year ended November 30, 2023, compared to $1.8 million and $7.2 million for the same periods in 2022. As a result of the DSC elimination effective June 1, 2022, DSC revenue will decline over time as assets move off the DSC schedule to front-end.

Revenue from Private Capital

AGF Private Capital delivers value to the firm across multiple streams: management fee-related earnings, carried interest/performance fees, other fee arrangements, and invested capital.

	Three months ended			Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
Manager earnings[1]	**$ (0.1)**	$ (0.1)	$ (0.6)	**$ (0.4)**	$ (1.1)
Carried interest earnings and performance fees[1]	**0.7**	1.8	1.2	**3.9**	1.2
Income from fee-earning arrangements	**0.8**	0.8	0.8	**3.2**	3.0
Total from Private Capital Managers	**$ 1.4**	**$ 2.5**	**$ 1.4**	**$ 6.7**	**$ 3.1**
Revenue from Private Capital long-term investments	**$ 2.5**	$ 4.8	$ 7.1	**$ 26.6**	$ 25.0
Revenue from Private Capital	**$ 3.9**	**$ 7.3**	**$ 8.5**	**$ 33.3**	**$ 28.1**

[1] Represents share of profit (loss) of joint ventures related to Private Capital Managers.

Private Capital Managers

AGF earns management fees from the underlying investments managed through the manager, which are recorded under the equity method. Managers of funds in their early stages may generate losses until the fund reaches sufficient scale. AGF records its proportionate share of these losses to the extent AGF has an investment in the manager recorded on the balance sheet. As successive funds are launched and assets grow, AGF's earnings from the manager will increase. AGF also earns its proportionate share of carried interest/performance fees through the achievement of attractive and sustainable investment returns. These earnings, or losses incurred, are recognized through 'Share of profit (loss) of joint ventures' on the Consolidated Statement of Income. For additional information, see Note 5 of the Consolidated Financial Statements.

In addition, AGF earns ongoing fees through fee arrangements with Instar Group Inc. (Instar) and First Ascent Ventures (First Ascent). The Company has a fee arrangement with Instar whereby AGF earns annual fees of 14 bps on the assets under management of the InstarAGF Essential Infrastructure Fund I and II (together, the InstarAGF Funds). AGF also has a strategic private equity partnership with First Ascent focused on investing in emerging technology companies. Based on the terms of the agreement, AGF earns an annual fee of $0.2 million during the commitment period and 11.5 bps on the net invested capital after the commitment period. These earnings are recognized through 'Income from fee-earning arrangements' on the Consolidated Statement of Income. For additional information, see Note 6 of the Consolidated Financial Statements.

For the three months and year ended November 30, 2023, AGF recorded revenue from Private Capital Managers of $1.4 million and $6.7 million (2022 – $1.4 million and $3.1 million).

Invested Capital Value

AGF also participates as an investor in the units of the underlying funds it manages. Under IFRS, investments held in the underlying funds are measured at fair value. The fair value of the fund considers carried interest payable to the manager, based on the returns achieved to date. AGF may also receive cash distributions from the underlying funds. These earnings are recognized through 'Fair value adjustments and distribution income' on the Consolidated Statement of Income and can fluctuate with the amount of capital invested, monetizations, and changes in fair value. For additional information, see Note 4(c) of the Consolidated Financial Statements.

For the three months and year ended November 30, 2023, AGF recorded revenue from Private Capital long-term investments of $2.5 million and $26.6 million (2022 – $7.1 million and $25.0 million). As at November 30, 2023, the carrying value of AGF's long-term investment in Private Capital business was $255.0 million (November 30, 2022 – $199.1 million).

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Committed capital, end of period	**$ 235.9**	$ 236.1	$ 224.2	**$ 235.9**	$ 224.2
Funded capital, since inception	**213.8**	211.3	181.3	**213.8**	181.3
Remaining committed capital[1]	**$ 22.1**	**$ 24.8**	**$ 42.9**	**$ 22.1**	**$ 42.9**
Fair value of investments	**$ 255.0**	**$ 252.0**	**$ 199.1**	**$ 255.0**	**$ 199.1**

[1] Excludes anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

Other Revenue

Other revenue includes mark to market adjustments related to AGF mutual funds that are held as seed capital investments, the share of profit or loss from AGF's ownership in AGFWave, and other income.

During the three months and year ended November 30, 2023, the Company recorded $0.5 million and $2.9 million in other revenue (2022 – $0.9 million and $3.4 million). The Company recorded $0.1 million loss and $0.3 million revenue in fair value adjustments related to investments in AGF mutual funds for the three months and year ended November 30, 2023 (2022 – loss of $0.2 million and $2.2 million). Remaining other revenue was $0.2 million and $1.0 million for the three months and year ended November 30, 2023 (2022 –$0.8 million and $4.9 million), which includes a loss of nil and $0.1 million (2022 – nil and $0.4 million) from interest in AGFWave.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Fair value adjustment related to investment in AGF mutual funds	**$ (0.1)**	$ 0.3	$ (0.2)	**$ 0.3**	$ (2.2)
Interest income	**0.4**	0.4	0.3	**1.5**	0.7
Other[1]	**0.2**	0.4	0.8	**1.1**	4.9
	$ 0.5	**$ 1.1**	**$ 0.9**	**$ 2.9**	**$ 3.4**

[1] For the three months and year ended November 30, 2022, the Company recorded other income of nil and $4.0 million related to an interest refund received from the Canada Revenue Agency (CRA).

Expenses

Selling, General and Administrative Expenses (SG&A)

For the three months and year ended November 30, 2023, SG&A was $52.9 million and $209.0 million, an increase of $1.4 million and $14.4 million or 2.7% and 7.4% compared to $51.5 million and $194.6 million for the same periods in 2022. Excluding severance, corporate development and acquisition related expenses, adjusted SG&A was $50.7 million and $205.6 million for the three months and year ended November 30, 2023, an increase of $1.7 million and $15.4 million or 3.5% and 8.1% compared to the same periods in 2022.

(in millions of dollars)	Three months ended Nov. 30, 2023	Year ended Nov. 30, 2023
Increase in performance-based compensation expenses	$ 1.5	$ 8.7
Increase (decrease) in non performance-based compensation expenses	0.1	2.9
Increase (decrease) in stock-based compensation expenses	(0.6)	1.6
Increase in non-compensation related expenses	0.7	2.2
Total change in adjusted SG&A	**$ 1.7**	**$ 15.4**
Increase in corporate development and acquisition related expenses	2.1	2.1
Decrease in severance expenses	(2.4)	(3.1)
Total change in SG&A	**$ 1.4**	**$ 14.4**

The following explains expense changes in the three months and year ended November 30, 2023, compared to the same periods in the prior year:

- Performance-based compensation expenses increased by $1.5 million and $8.7 million, driven by higher incentive compensation as a result of our long-term track record of investment outperformance and the successful execution of our sales strategy, which is to increase our presence in the investment dealer channel.
- Non performance-based compensation expenses increased by $0.1 million and $2.9 million. The increase reflects strategic investments made into the business to support our growth plan, including Private Capital, as well as increases driven by the market environment.
- Stock-based compensation expenses decreased by $0.6 million and increased by $1.6 million. Increases or decreases in the AGF.B share price will create fluctuations in the fair value of unhedged cash-settled Restricted Share Units (RSUs) and Deferred Share Units (DSUs). The Company manages its exposure to changes in the fair value of its vested DSU through a Total Return Swap agreement (TRS). For additional information, see Note 17 of the Consolidated Financial Statements. As at November 30, 2023, 14.1% of the Company's cash-settled RSUs and vested DSUs were unhedged.
- Non-compensation related expenses increased by $0.7 million and $2.2 million, driven by an increase in sales and marketing activities, and the impact of inflation.
- The Company recorded $2.1 million of corporate development and acquisition related expenses in the quarter, compared to nil in prior year comparatives. Corporate development and acquisition related expenses reflect costs incurred as the Company executes on its strategic objective to deploy capital and expand the Private Capital business.

Deferred Selling Commissions

Effective June 1, 2022, deferred selling commissions options have been eliminated by the Canadian Securities Administrators. Deferred selling commissions are expensed on an accrual basis. For the year ended November 30, 2023, the total deferred selling commissions expense was $nil million and $nil million (2022 – $nil million and $37.1 million).

Amortization and Interest Expense

The category represents other intangible assets, right-of-use assets, property, equipment, and computer software and interest expense.

- Depreciation increased by $0.1 million and decreased by $2.5 million for the three months and year ended November 30, 2023, compared to the same periods in 2022. The year-over-year decrease is driven by reduced depreciation on property, equipment and computer software and right-of-use assets.
- Interest expense increased by $0.3 million and $2.3 million for the three months and year ended November 30, 2023, compared to the same periods in 2022, driven by higher interest rates incurred on long-term debt.

Income Tax Expense

Income tax expense for the three months and year ended November 30, 2023 was $5.3 million and $27.3 million, compared to $5.7 million and $20.6 million in the corresponding periods in 2022.

The effective tax rate for the year ended November 30, 2023 was 23.8% (2022 – 23.6%). The main items impacting the effective tax rate in the period relate to gains from investments subject to different tax rates, temporary differences for which no deferred tax assets were recognized, non-deductible expenses, and tax recoveries related to prior periods.

In 2022, the Company received letters from the CRA providing relief for a portion of the previously assessed interest in relation to the 2008 to 2015 taxation years on the resolved transfer pricing issue as disclosed in the Annual Consolidated Financial Statements from 2013 to 2020. During the year ended November 30, 2022, the Company received refunds from the CRA totaling approximately $4.0 million in relation to such interest. The interest relief, which is non-taxable, is recorded in 'Fair value adjustments and other income' on the consolidated statement of income.

The Company believes that it has adequately provided for income taxes based on all of the information that is currently available. The calculation of income taxes in many cases, however, requires significant judgement in interpreting tax rules and regulations. The Company's tax filings are subject to audits, which could materially change the amount of the current and deferred income tax assets and liabilities, and could, in certain circumstances, result in the assessment of interest and penalties.

The result of the audit and appeals process may vary and may be materially different compared to the estimates and assumptions used by management in determining the Company's consolidated income tax provision and in determining the amounts of its income tax assets and liabilities.

Net Income

The impact of the above income and expense items resulted in net income of $16.8 million and $87.7 million for the three months and year ended November 30, 2023, compared to the $21.6 million and $66.6 million in the corresponding periods in 2022. Excluding severance, corporate development and acquisition related expenses, adjusted net income is $18.5 million and $90.3 million for the three months and year ended November 30, 2023, compared to $23.5 million and $70.0 million in the corresponding periods in 2022.

Earnings per Share

Diluted earnings per share was $0.25 and $1.30 for the three months and year ended November 30, 2023, compared to $0.32 and $0.96 in the corresponding periods in 2022. Excluding severance, corporate development and acquisition related expenses, adjusted diluted earnings per share was $0.28 and $1.34 for the three months and year ended November 30, 2023, compared to earnings of $0.35 and $1.01 per share in the corresponding periods in 2022.

Liquidity and Capital Resources

As at November 30, 2023, the Company had total cash and cash equivalents of $50.5 million (2022 – $58.6 million). Free cash flow, as defined in the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section of this MD&A, generated was $18.3 million and $80.4 million for the three months and year ended November 30, 2023, compared to $24.1 million and $70.3 million in the comparative prior year periods. During the year ended November 30, 2023, we used $8.2 million (2022 – $27.9 million) in cash as follows:

(in millions of dollars)

Years ended November 30	**2023**	**2022**
Net cash provided by operating activities	**$ 87.2**	$ 64.6
Repurchase of shares under normal course issuer bid	**(13.4)**	(46.0)
Issue of Class B non-voting shares	**6.5**	3.4
Dividends paid	**(27.3)**	(26.2)
Repayment of long-term debt	**(16.0)**	22.0
Interest paid	**(2.1)**	(0.5)
Lease payments	**(5.6)**	(4.8)
Net return of capital (purchase) of long-term investments	**(32.5)**	(23.2)
Purchase of property, equipment and computer software, net of disposals	**(3.4)**	(16.3)
Net purchase of short-term investments, including seed capital	**(1.1)**	0.5
Other	**(0.5)**	(1.4)
Change in cash and cash equivalents	**$ (8.2)**	**$ (27.9)**

Total long-term debt outstanding as at November 30, 2023 was $6.0 million (2022 – $22.0 million). As at November 30, 2023, $144.0 million was available to be drawn from the revolving credit facility and swingline facility commitment to meet future operational investment needs.

As at November 30, 2023, the Company has right-of-use assets of $71.8 million and total lease liabilities of $84.1 million recorded on the Consolidated Statement of Financial Position. As at November 30, 2023, the Company has funded $213.8 million (2022 – $181.3 million) in funds and investments associated with the Private Capital business and has $22.1 million (2022 – $42.9 million) remaining to be funded. In addition, the Company has an anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

The cash balances and cash flow from operations, together with the available loan facility, will be sufficient in the near term to implement our business plan, fund our Private Capital business commitments, satisfy regulatory and tax requirements, service debt repayment obligations and pay quarterly dividends. We continue to closely monitor our capital plan and the related impacts of the current market volatility and will reassess and adjust our use of capital as required. Refer to the section 'Market Risk' of this MD&A for more information.

Contractual Obligations

The table below is a summary of our contractual obligations at November 30, 2023. See also Notes 7, 11 and 29 of the Consolidated Financial Statements.

(in millions of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Long-term debt	$ 6.0	$ 6.0	$ –	$ –	$ –	$ –	$ –
Leases[1]	75.0	6.0	6.0	5.8	5.7	5.7	45.8
Service commitment	104.6	26.6	24.1	14.0	11.2	3.4	25.3
Total contractual obligations	$ 185.6	$ 38.6	$ 30.1	$ 19.8	$ 16.9	$ 9.1	$ 71.1

[1] Leases include remaining contractual payments related to the office premises and equipment used in the normal course of business.

In addition to the contractual obligations detailed above, the following obligations exist that vary depending upon business volume and other factors:

- We pay trailing commissions to financial advisors based on AUM of their respective clients. This obligation varies based on fund performance, sales and redemptions. In 2023, we paid $133.5 million (2022 – $135.5 million) in trailing commissions.
- The Company has funded $213.8 million (November 30, 2022 – $181.3 million) in funds and investments associated with the Private Capital business and has $22.1 million (November 30, 2022 – $42.9 million) remaining committed capital to be invested.

Intercompany and Related Party Transactions

Under IFRS, entities are deemed to be related parties if one entity provides key management personnel services to another entity. As such, AGF Investments Inc. is deemed for IFRS purposes to be a related party to AGF Funds since it is the manager and administrator of AGF Funds.

The Company receives management, advisory and administration fees from AGF Funds in accordance with the respective agreements between AGF Funds and the Company. In return, the Company is responsible for management, investment advisory, and administration services and all costs connected with the distribution of securities of AGF Funds. A majority of the management, advisory and administration fees the Company earned in the years ended November 30, 2023 and 2022 were from AGF Funds. As at November 30, 2023, the Company had $12.4 million (2022 – $16.7 million) receivable from AGF Funds. The Company also acts as trustee for AGF Funds that are mutual fund trusts.

The aggregate fund expenses paid and management and advisory fees waived by the Company during the year ended November 30, 2023 on behalf of AGF Funds was approximately $10.3 million, compared to $8.6 million for the prior year.

Capital Management Activities

We actively manage our capital to maintain a strong and efficient capital base to maximize risk-adjusted returns to shareholders, to invest in future growth opportunities, while ensuring there is available capital to fund our capital commitments related to the Private Capital business.

As part of our ongoing strategic and capital planning, the Company regularly reviews our holdings in short- and long-term investments, including its investments in associates and joint ventures, to determine the best strategic use of these assets in order to achieve our long-term capital and strategic goals.

AGF capital consists of shareholders' equity and long-term debt. The Company reviews its three-year capital plan annually while detailing projected operating budgets and capital requirements. AGF is required to submit this plan to the Executive Management committee for approval prior to seeking Board approval. AGF's Executive Management committee consists of the Executive Chairman, Chief Executive Officer and Chief Investment Officer, President and Head of Global Distribution, Chief Financial Officer, Chief Operating Officer, and Head of Private Capital. Once approved by the Executive Management committee, the three-year plans are reviewed and approved by AGF's Board of Directors. These plans become the basis for the payment of dividends to shareholders, the repurchase of Class B Non-Voting shares and, combined with the reasonable use of leverage, the source of funds for expansion through organic growth and strategic investments.

Investment Management Operations – Regulatory Capital

An objective of the capital management program is to ensure regulatory requirements are met for capital. AGF's Investment Management businesses, in general, are not subject to significant regulatory capital requirements in each of the jurisdictions in which they are registered and operate. The cumulative amount of minimum regulatory capital across all of AGF's Investment Management Operations is approximately $6.0 million. As at November 30, 2023, the Company was in full compliance with the regulatory requirements.

Normal Course Issuer Bid

On February 6, 2023, AGF announced that the TSX had approved AGF's notice of intention to renew its NCIB in respect of its Class B Non-Voting shares. Between February 8, 2023 and February 7, 2024, AGF may purchase up to 4,397,923 Class B Non-Voting shares through the facilities of the TSX (or as otherwise permitted by the TSX).

Purchase for cancellation by AGF of outstanding Class B Non-Voting shares may also be used to offset the dilutive effect of treasury stock released for the employee benefit trust (EBT) and of shares issued through the Company's stock option plans and dividend reinvestment plan. AGF relies on an automatic purchase plan during the normal course issuer bid. The automatic purchase plan allows for purchases by AGF of its Class B Non-Voting shares subject to certain parameters. Shares purchased for the EBT are also purchased under the Company's NCIB and recorded as a reduction to capital stock.

During the three months and year ended November 30, 2023, AGF purchased 450,000 and 1,805,652 (2022 – 24,038 and 2,795,892) Class B Non-Voting shares for cancellation for a total consideration of $3.2 million and $13.4 million (2022 – $0.2 million and $20.2 million) at an average price of $7.09 and $7.40 (2022 – $6.56 and $7.22) per share under its NCIB.

During the year ended November 30, 2023, the discount of $2.4 million (2022 – $3.2 million) from the recorded capital stock value of the shares repurchased for cancellation was recorded in retained earnings.

During the three months and year ended November 30, 2023, AGF did not purchase Class B Non-Voting shares for the EBT (2022 – 300,000 shares at cost of $1.9 million with an average price of $6.27 per share).

Dividends

The holders of Class B Non-Voting and Class A Voting common shares are entitled to receive cash dividends. Dividends are paid in equal amounts per share on all the Class B Non-Voting shares and all the Class A Voting common shares at the time outstanding without preference or priority of one share over another. No dividends may be declared in the event that there is a default of a condition of our credit facility or where such payment of dividends would create a default.

Our Board of Directors may determine that Class B Non-Voting shareholders shall have the right to elect to receive part or all of such dividend in the form of a stock dividend. They also determine whether a dividend in Class B Non-Voting shares is substantially equal to a cash dividend. This determination is based on the weighted average price at which the Class B Non-Voting shares traded on the TSX during the 10 trading days immediately preceding the record date applicable to such dividend.

The following table sets forth the dividends paid by AGF on Class B Non-Voting shares and Class A Voting common shares for the years indicated:

Years ended November 30	**2023[1]**	**2022**	**2021**	**2020**	**2019**
Per share	**$ 0.44**	$ 0.40	$ 0.34	$ 0.32	$ 0.32

[1] Represents the total dividends paid in April 2023, July 2023 and October 2023 and to be paid in January 2024.

We review our dividend distribution policy on a quarterly basis, taking into account our financial position, profitability, cash flow and other factors considered relevant by our Board of Directors. The quarterly dividend paid on October 19, 2023 was $0.11 per share.

On December 14, 2023, the Board of Directors of AGF declared a quarterly dividend on both the Class A Voting common shares and Class B Non-Voting shares of the Company of $0.11 per share in respect of the three months ended November 30, 2023.

Outstanding Share Data

Set out below is our outstanding share data as at November 30, 2023 and 2022. For additional detail, see Notes 13 and 20 of the Condensed Consolidated Interim Financial Statements.

	Nov. 30, 2023	**Nov. 30, 2022**
Shares		
Class A Voting common shares	**57,600**	57,600
Class B Non-Voting shares	**64,271,451**	64,407,816
Stock Options		
Outstanding options	**3,414,535**	4,701,833
Exercisable options	**2,972,539**	4,044,050

Key Performance Indicators, Additional IFRS and Non-IFRS Measures

We measure the success of our business strategies using a number of key performance indicators (KPI), which are outlined below. With the exception of income, the following KPIs are non-IFRS measures, which are not defined under IFRS. They should not be considered as an alternative to or comparable with net income attributable to equity owners of the Company or any other measure of performance under IFRS. Non-IFRS measures may not be comparable with similar measures presented by other companies.

Net Management, Advisory and Administration Fees

We define net management, advisory and administration fees as management, advisory and administration fees net of trailing commissions and investment advisory fees. Net management, advisory and administration fees is indicative of our potential to deliver cash flow.

We derive our net management, advisory and administration fees principally from a combination of:

- Management and advisory fees directly related to AUM from our retail, institutional and private wealth lines of businesses;
- Fund administration fees, which are based on a fixed transfer agency administration fee;
- Trailing commissions paid to distributors, which depend on total AUM, the proportion of mutual fund AUM sold on a front-end versus back-end commission basis and the proportion of equity fund AUM versus fixed income fund AUM; and
- Investment advisory fees paid, which depend on AUM.

Total Net Revenue

We define total net revenue as net management, advisory and administration fees, deferred sales charges, revenue from Private Capital, and other revenue.

Revenue from Private Capital

We define revenue from Private Capital as management fee-related earnings, carried interest/performance fees, other fee arrangements and invested capital. The following table outlines how revenue from Private Capital is determined:

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	Aug. 31, 2023	Nov. 30, 2022	**Nov. 30, 2023**	Nov. 30, 2022
Share of profit (loss) of joint ventures	**$ 0.6**	$ 1.7	$ 0.5	**$ 3.4**	$ (0.3)
Other income from fee-earning arrangements	**0.8**	0.8	0.8	**3.2**	3.0
Fair value adjustments and distribution income	**2.4**	5.2	6.9	**26.9**	22.8
Less:					
Fair value adjustment related to investment in AGF mutual funds	**(0.1)**	0.4	(0.2)	**0.3**	(2.2)
Share of profit (loss) from AGFWave	**–**	–	(0.1)	**(0.1)**	(0.4)
Revenue from Private Capital	**$ 3.9**	**$ 7.3**	**$ 8.5**	**$ 33.3**	**$ 28.1**

Other Revenue

Other revenue is defined as fair value adjustments related to AGF mutual funds that are held as seed capital investments, share of profit or loss from AGF's ownership in AGFWave and other income. The following table outlines how other revenue is determined:

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Other income	**$ 0.6**	$ 0.8	$ 1.2	**$ 2.7**	$ 6.0
Add:					
Fair value adjustment related to investment in AGF mutual funds	**(0.1)**	0.3	(0.2)	**0.3**	(2.2)
Share of profit (loss) from AGFWave	**–**	–	(0.1)	**(0.1)**	(0.4)
Other Revenue	**$ 0.5**	**$ 1.1**	**$ 0.9**	**$ 2.9**	**$ 3.4**

Non-IFRS Adjusted Measures

We define non-IFRS adjusted measures to exclude the following revenues and expenses which we believe allows for better analysis of AGF's operating results and permits comparison against companies within the industry:

- Corporate development and acquisition related expenses
- Severance related costs

Adjusted selling, general and administrative expenses (SG&A)

Adjusted SG&A is defined as selling, general and administrative expenses excluding severance, corporate development and acquisition related expenses. The following table outlines how adjusted SG&A revenue is determined:

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Selling, general and administrative	**$ 52.9**	$ 50.2	$ 51.5	**$ 209.0**	$ 194.6
Adjusted for:					
Corporate development and acquisition related expenses	**(2.1)**	–	–	**(2.1)**	–
Severance	**(0.1)**	0.1	(2.5)	**(1.3)**	(4.4)
Adjusted selling, general and administrative	**$ 50.7**	**$ 50.3**	**$ 49.0**	**$ 205.6**	**$ 190.2**

EBITDA before commissions and Adjusted EBITDA before commissions

We define EBITDA before commissions as earnings before interest, taxes, depreciation, amortization and deferred selling commissions. EBITDA before commissions is an alternative measure of performance utilized by management, investors and investment analysts to evaluate and analyze the Company's results. This non-IFRS measure may not be directly comparable to similar measures used by other companies. The following table outlines how our EBITDA before commissions measures are determined:

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	Aug. 31, 2023	Nov. 30, 2022	**Nov. 30, 2023**	Nov. 30, 2022
Net income	**$ 16.8**	$ 23.0	$ 21.6	**$ 87.7**	$ 66.6
Adjustments:					
Deferred selling commissions	**–**	–	–	**–**	37.1
Amortization, derecognition and depreciation	**2.3**	2.3	2.2	**9.1**	11.6
Interest expense	**1.0**	1.3	0.7	**5.0**	2.7
Income tax expense	**5.3**	7.2	5.7	**27.3**	20.6
EBITDA before commissions	**$ 25.4**	**$ 33.8**	**$ 30.2**	**$ 129.1**	**$ 138.6**
Adjusted for:					
Corporate development and acquisition related expenses	**$ 2.1**	$ –	$ –	**$ 2.1**	$ –
Severance	**0.1**	(0.1)	2.5	**1.3**	4.4
Adjusted EBITDA before commissions	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 143.0**

EBITDA before commissions margin

EBITDA before commissions margin provides useful information to management and investors as an indicator of our overall operating performance. We believe EBITDA before commissions margin is a valuable measure because it assesses the extent we are able to earn profit from each dollar of income. We define EBITDA before commissions margin as the ratio of EBITDA before commissions to income. Please see the EBITDA before commissions section of this MD&A for a reconciliation between EBITDA before commissions and net income.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	Aug. 31, 2023	Nov. 30, 2022	**Nov. 30, 2023**	Nov. 30, 2022
EBITDA before commissions	**$ 25.4**	$ 33.8	$ 30.2	**$ 129.1**	$ 138.6
Divided by income	**110.5**	117.6	114.2	**471.9**	469.0
EBITDA before commissions margin	**23.0%**	**28.7%**	**26.4%**	**27.4%**	**29.6%**

Adjusted EBITDA before commissions margin

We define adjusted EBITDA before commissions margin as the ratio of adjusted EBITDA before commissions to adjusted income. Please see the EBITDA before commissions and Adjusted EBITDA before commissions section of this MD&A for a reconciliation between adjusted EBITDA before commissions and net income.

	Three months ended			Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
Adjusted EBITDA before commissions	**$ 27.6**	$ 33.7	$ 32.7	**$ 132.5**	$ 143.0
Divided by income	**110.5**	117.6	114.2	**471.9**	469.0
Adjusted EBITDA before commissions margin	**25.0%**	**28.7%**	**28.6%**	**28.1%**	**30.5%**

EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. EBITDA is a measure of performance utilized by management, investors and investment analysts to evaluate and analyze the Company's results. The following table outlines how the EBITDA measure is determined:

	Three months ended			Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
Net income	**$ 16.8**	$ 23.0	$ 21.6	**$ 87.7**	$ 66.6
Adjustments:					
Amortization, derecognition and depreciation	**2.3**	2.3	2.2	**9.1**	11.6
Interest expense	**1.0**	1.3	0.7	**5.0**	2.7
Income tax expense	**5.3**	7.2	5.7	**27.3**	20.6
EBITDA	**$ 25.4**	**$ 33.8**	**$ 30.2**	**$ 129.1**	**$ 101.5**
Adjusted for:					
Corporate development and acquisition related expenses	**$ 2.1**	$ –	$ –	**$ 2.1**	$ –
Severance	**0.1**	(0.1)	2.5	**1.3**	4.4
Adjusted EBITDA	**$ 27.6**	**$ 33.7**	**$ 32.7**	**$ 132.5**	**$ 105.9**

EBITDA margin

EBITDA margin provides useful information to management and investors as an indicator of our overall operating performance. EBITDA margin is a valuable measure because it assesses the extent we are able to earn profit from each dollar of income. EBITDA margin is defined as the ratio of EBITDA to income. Please see the EBITDA section of this MD&A for a reconciliation between EBITDA and net income.

	Three months ended			Years ended	
(in millions of dollars)	Nov. 30, 2023	Aug. 31, 2023	Nov. 30, 2022	Nov. 30, 2023	Nov. 30, 2022
EBITDA	**$ 25.4**	$ 33.8	$ 30.2	**$ 129.1**	$ 101.5
Divided by income	**110.5**	117.6	114.2	**471.9**	469.0
EBITDA margin	**23.0%**	**28.7%**	**26.4%**	**27.4%**	**21.6%**

Adjusted EBITDA margin

We define adjusted EBITDA margin as the ratio of adjusted EBITDA to adjusted income. Please see the EBITDA and Adjusted EBITDA section of this MD&A for a reconciliation between adjusted EBITDA and net income.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Adjusted EBITDA	**$ 27.6**	$ 33.7	$ 32.7	**$ 132.5**	$ 105.9
Divided by income	**110.5**	117.6	114.2	**471.9**	469.0
Adjusted EBITDA margin	**25.0%**	**28.7%**	**28.6%**	**28.1%**	**22.6%**

Net Debt to Adjusted EBITDA Ratio

Net debt to adjusted EBITDA ratio provides useful information to management and investors as an indicator of the Company's leverage capabilities. We define the net debt to adjusted EBITDA ratio as long-term debt offset against cash and cash equivalents at the end of the period divided by the 12-month trailing adjusted EBITDA for the period.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Net debt	**$ –**	$ –	$ –	**$ –**	$ –
Divided by adjusted EBITDA (12-month trailing)	**132.5**	137.7	106.1	**132.5**	106.1
Net debt to adjusted EBITDA ratio	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Net Debt to Adjusted EBITDA Before Commissions Ratio

Net debt to adjusted EBITDA before commissions ratio provides useful information to management and investors as an indicator of the Company's leverage capabilities. We define the net debt to adjusted EBITDA before commissions ratio as long-term debt offset against cash and cash equivalents at the end of the period divided by the 12-month trailing adjusted EBITDA before commissions for the period.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	**Aug. 31, 2023**	**Nov. 30, 2022**	**Nov. 30, 2023**	**Nov. 30, 2022**
Net debt	**$ –**	$ –	$ –	**$ –**	$ –
Divided by adjusted EBITDA before commissions (12-month trailing)	**132.5**	137.7	143.2	**132.5**	143.2
Net debt to adjusted EBITDA before commissions ratio	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Free Cash Flow

Free cash flow represents cash available for distribution to our shareholders, share buybacks, investment in the Private Capital business, and general corporate purposes. We define free cash flow as cash flow from operations before net changes in non-cash balances related to operations less interest paid and adjusted for certain tax items outlined below. We believe free cash flow is a relevant measure in our operations.

	Three months ended			Years ended	
(in millions of dollars)	**Nov. 30, 2023**	Aug. 31, 2023	Nov. 30, 2022	**Nov. 30, 2023**	Nov. 30, 2022
Net income for the period	**$ 16.8**	$ 23.0	$ 21.6	**$ 87.7**	$ 66.6
Adjusted for non-cash items and non-cash working capital balance	**20.1**	18.6	12.3	**(0.5)**	(2.0)
Net cash provided by operating activities	**$ 36.9**	$ 41.6	$ 33.9	**$ 87.2**	$ 64.6
Adjusted for:					
Net changes in non-cash working capital balances related to operations	**(15.8)**	(14.4)	(8.5)	**(1.8)**	16.4
	$ 21.1	$ 27.2	$ 25.4	**$ 85.4**	$ 81.0
Income taxes paid during the period	**5.5**	4.7	4.4	**28.7**	15.4
	$ 26.6	$ 31.9	$ 29.8	**$ 114.1**	$ 96.4
Income taxes related to current period free cash flow	**(6.5)**	(6.8)	(4.2)	**(26.0)**	(20.8)
Interest and lease payments	**(1.8)**	(2.1)	(1.5)	**(7.7)**	(5.3)
Free cash flow	**$ 18.3**	**$ 23.0**	**$ 24.1**	**$ 80.4**	**$ 70.3**

Assets Under Management

The amount of AUM and the related fee rates are important to our business as these are the drivers of our revenue from our mutual fund, institutional and sub-advisory accounts, private wealth relationships and Private Capital asset management business. AUM will fluctuate in value as a result of investment performance, sales and redemptions and crystallization of long-term investments. Mutual fund sales and AUM determine a significant portion of our expenses because we pay trailing commissions to financial advisors as well as investment advisory fees based on the value of AUM.

Fee-earning Assets

The amount of fee-earning assets is important to our business as these are the drivers of the fee income from our strategic partnership with Instar and FAV through our Private Capital business. Fee-earning assets will fluctuate in value as a result of investment performance and crystallization of long-term investments.

Average AUM

The average AUM is defined as the average of ending monthly AUM, excluding Private Capital, reported year to date.

Investment Performance

Investment performance, which represents market appreciation (depreciation), is central to the value proposition that we offer advisors and unitholders. Growth in AUM resulting from investment performance increases the wealth of our unitholders and, in turn, we benefit from higher revenues. Alternatively, poor investment performance will reduce our AUM levels and result in lower management fee revenues. Strong relative investment performance may also contribute to growth in gross sales or reduced levels of redemptions. Conversely, poor relative investment performance may result in lower gross sales and higher levels of redemptions. Refer to the 'Risk Factors and Management of Risk' section of our 2023 Annual MD&A.

Net Sales (Redemptions)

Retail gross sales and redemptions are monitored separately and the sum of these two amounts comprises retail net sales (redemptions). Retail net sales (redemptions), together with investment performance and fund expenses, determine the level of average daily mutual fund AUM, which is the basis on which management fees are charged. The average daily mutual fund AUM is equal to the aggregate average daily net asset value of the AGF mutual funds. We monitor AUM in our institutional, sub-advisory and private wealth and Private Capital businesses separately. We do not compute an average daily AUM figure for them.

Working Capital

Working capital, defined as current assets less current liabilities, is used as a measure to demonstrate AGF's liquidity and ability to generate cash to pay for its short-term financial obligations.

Significant Accounting Policies

Critical Accounting Estimates and Judgements

The preparation of Consolidated Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period in which the estimate is revised if the revision affects both current and future periods.

Key areas of estimation where management has made difficult, complex or subjective judgements – often about matters that are inherently uncertain – include provision for useful lives of depreciable assets, commitments and contingencies, as well as the specific items discussed below.

(a) Impairment of Non-financial Assets

The Company determines the recoverability of each of our CGUs based on the higher of its fair value less costs to sell (FVLCTS) and its value in use (VIU). In certain instances, the Company uses a discounted cash flow methodology to estimate these amounts. Such analysis involves management's judgement in selecting the appropriate discount rate, terminal growth rate, future cash flows and synergies' inclusion rate to be used in the assessment of the impairment of non-financial assets. Refer to Note 8 of the Consolidated Financial Statements for further details on the impairment of non-financial assets.

(b) Stock-based Compensation and Other Stock-based Payments

In determining the fair value of the stock-based rewards and the related charge to the Consolidated Statement of Income, the Company makes assumptions about future events and market conditions. In particular, judgement must be formed as to the likely number of shares or RSUs that will vest, and the fair value of each award granted. The fair value of stock options granted is determined using the Black-Scholes option-pricing model, which is dependent on further estimates, including the Company's future dividend policy and the future volatility in the price of the Class B Non-Voting shares. Refer to Note 20 of the Consolidated Financial Statements for the assumptions used. Such assumptions are based on publicly available information and reflect market expectation. Different assumptions about these factors to those made by AGF could materially affect reported net income.

(c) Income Taxes

The Company is subject to income taxes in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. AGF recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. When the estimated outcome of these matters is different from the amounts that were recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Refer to Note 28 of the Consolidated Financial Statements for further details.

(d) Fair Value Estimates of Level 3 Financial Instruments

The fair value estimates of the Company's level 3 financial instruments may require management to make judgements and estimates that can affect the amounts recognized in the Consolidated Financial Statements. Such judgements and estimates include parameter inputs that are unobservable and have an impact on the fair value of the instrument. Refer to Note 26 of the Consolidated Financial Statements for further details.

In addition, the application of the Company's accounting policies may require management to make judgements, apart from those involving estimates, that can affect the amounts recognized in the Consolidated Financial Statements. Such judgements include the determination of whether intangible assets have finite or indefinite lives and the accounting implications related to certain legal matters.

Market Capitalization

AGF's market capitalization is $469.6 million, compared to its recorded net assets of $1,088.9 million as at November 30, 2023. In 2023, we completed an assessment to determine the fair value of AGF's cash-generating units (CGUs). Based on the result of the assessment, the recoverable amount of each CGU exceeded its carrying value as at November 30, 2023. There have been no significant changes to the recoverable amount of each CGU as at November 30, 2023; however, a sustained period of market volatility could become a triggering event requiring a write down of AGF's CGUs. Estimating the fair value of CGUs is a subjective process that involves the use of estimates and judgements, particularly related to cash flows, the appropriate discount rates, terminal growth rates, synergy inclusion rates and an applicable control premium.

Risk Factors and Management of Risk

Risk is the responsibility of the Executive Management committee. The Executive Management committee is made up of the Executive Chairman; the Chief Executive Officer (CEO) and Chief Investment Officer (CIO); the President and Head of Global Distribution; the Chief Financial Officer, the Chief Operating Officer; and the Head of Private Capital. The Executive Chairman is directly accountable to the Board of Directors for all risk-related activities. The Executive Management committee reviews and discusses significant risks that arise in developing and executing the enterprise-wide strategy and ensures risk oversight and governance at the most senior levels of management. Each of the business units and shared services owns and assumes responsibility for managing its risk. They do this by ensuring that policies, processes and internal controls are in place and by escalating significant risks identified in the business units to the Executive Management committee.

AGF operates an Enterprise Risk Management (ERM) program. Key risks are identified and evaluated by the Executive Management committee and the Board of Directors. Plans for addressing the key risks are developed by management and agreed to and monitored by the Executive Management committee and the Internal Audit Department. Quarterly, the Internal Audit Department provides a status report on ERM to the Board of Directors.

AGF's risk governance structure is designed to balance risk and reward and to promote business activities consistent with our standards and risk tolerance levels, with the objective of maximizing long-term shareholder value.

Risk Factors That May Affect Future Results

There are many factors that may affect our ability to execute against our strategy. Some of these factors are within our control and others, because of their nature, are beyond our control. These factors apply to our corporate strategy as well as business-specific strategies, which are included in the discussions that follow.

Market Risk

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors. The Company is subjected to market risk as the net management fee revenue is calculated as a percentage of the average net asset value of each retail fund or portfolio managed.

Elevated interest rates continue to contribute to higher volatility and could ultimately impact the trajectory of investment returns over the next 12 months. Investors are playing the waiting game right now in anticipation of market volatility continuing until it is better understood what impact tighter monetary policy has had on economic growth and when potential interest rate reductions might occur.

AGF continually monitors the potential impact of market risk to its capital position and profitability. A significant portion of AGF's net management, advisory and administration fees is driven by its total average AUM excluding Private Capital. These AUM levels are impacted by both net sales and changes in the market. In general, for every $1.0 billion reduction in average AUM excluding Private Capital, net management, advisory and administration fees would decline by approximately $7.4 million. In addition, the uncertainty within the global markets may impact the level of merger and acquisition activity and is likely to create challenges in completing transactions.

Foreign Exchange Risk

The Company's main foreign exchange risk derives from the U.S. and international portfolio securities held in AGF Funds. Changes in the value of the Canadian dollar relative to foreign currencies will cause fluctuations in the Canadian-dollar value of non-Canadian AUM upon which our management fees are calculated. This risk is monitored since currency fluctuation may impact the financial results of AGF; however, it is at the discretion of the fund manager to decide whether to enter into foreign exchange contracts to hedge foreign exposure on U.S. and international securities held in AGF Funds. Using average balances for the year, the effect of a 5% change in the Canadian dollar in relation to total AUM would have resulted in a corresponding change of approximately $1.2 billion in AUM for the year ended November 30, 2023. In general, for every $1.0 billion reduction of average AUM, management, advisory and administration fee revenues net of trailer commissions and investment advisory fees would decline by approximately $7.4 million.

The Company is subject to foreign exchange risk on our integrated foreign subsidiaries in the United States and Ireland, which provide investment advisory services. These subsidiaries retain minimal monetary exposure to the local currency and their revenues are calculated in Canadian dollars. The local currency expenses are translated at the average monthly rate, and local currency assets and liabilities are translated at the rate of exchange in effect at the statement of financial position date.

Interest Rate Risk

The Company has exposure to the risk related to changes in interest rates on floating-rate debt and cash balances. Using outstanding debt balances for the year, the effect of a 1% change in variable interest rates on floating-rate debt and cash balances in fiscal 2023 would have resulted in a corresponding change of approximately $0.1 million in interest expense for the year ended November 30, 2023. Using maximum available debt balance for the year, the effect of a 1% change in variable interest rates on our floating-rate debt and cash balances in fiscal 2023 would have resulted in a corresponding change of approximately $1.5 million in interest expense for the year ended November 30, 2023.

At November 30, 2023, approximately 19.3% of AGF's mutual fund assets under management were held in fixed-income securities, which are exposed to interest rate risk. An increase in interest rates causes market prices of fixed-income securities to fall, while a decrease in interest rates causes market prices to rise. A 1% change in interest rates would have resulted in a corresponding change of approximately $2.5 million in revenue for the year ended November 30, 2023.

Price Risk

The Company is not exposed to commodity price risk. The Company is exposed to equity securities price risk on certain equity securities held by the Company and long-term investments in Private Capital funds. The Company's investments that have price risk include investments in investment funds managed by the Company, equity securities and long-term investments. As at November 30, 2023, the effect of a 10% decline or increase in the value of investments would have resulted in a $27.7 million pre-tax unrealized gain or loss in net income and a $0.1 million impact on pre-tax unrealized gain or loss to other comprehensive income.

Political and Market Risk in Assets Under Management

AGF performance and assets under management are impacted by financial markets and political conditions, including any political change in the United States, Europe and abroad. Changes in these areas may result in significant volatility and decline in the global economy or specific international, regional and domestic financial markets, which are beyond the control of AGF. A general economic downturn, market volatility and an overall lack of investor confidence could result in lower sales, higher redemption levels and lower AUM levels. In addition, market uncertainty could result in retail investors avoiding traditional equity funds in favour of money market funds. Global markets remain volatile due to rising interest rates and the ongoing rise of inflation. Market risk in our AUM transfers to the Company as our net management fee revenue is calculated as a percentage of the average net asset value of each retail fund or portfolio managed. The Company does not quantify this risk in isolation; however, in general, for every $1.0 billion reduction of retail fund AUM, net management fee revenues would decline by approximately $9.3 million. The Company monitors this risk as it may impact earnings; however, it is at the discretion of the fund manager to decide on the appropriate risk-mitigating strategies for each fund.

To provide additional details on the Company's exposure to market risk, the following provides further information on our mutual fund AUM by asset type as at November 30:

Percentage of total retail fund AUM	**2023**	**2022**
Domestic equity funds	**16.3%**	17.0%
U.S. and international equity funds	**56.2%**	54.0%
Domestic balanced funds	**0.3%**	1.5%
U.S. and international balanced funds	**6.5%**	6.9%
Domestic fixed-income funds	**6.6%**	6.3%
U.S. and international fixed-income funds	**12.7%**	13.5%
Domestic money market	**1.1%**	0.7%
Domestic Alternative Funds	**0.3%**	0.1%
U.S. and International Managed Solutions Funds	**0.0%**	0.0%
	100.0%	**100.0%**

Institutional and high-net-worth AUM are exposed to the same market risk as retail fund AUM. In general, for every $1.0 billion reduction of institutional and high-net-worth AUM, management fee revenues would decline by approximately $4.6 million.

Credit Risk

The Company is exposed to the risk that third parties, including clients, who owe AGF money, securities or other assets will not perform their obligations. Credit risk arises from cash and cash equivalents, investments, accounts receivable and other assets. Cash and cash equivalents consist primarily of highly liquid temporary deposits with Canadian banks, an Irish bank and non-Irish banks in Ireland, as well as bank term deposits. AGF's overall credit risk strategy and credit risk policy are developed by senior management and further refined at the business unit level, through the use of policies, processes and internal controls designed to promote business activities, while ensuring these activities are within the standards of risk tolerance levels. AGF does not have significant exposure to any individual counterparty.

Liquidity Risk

Liquidity risk is the risk that AGF may not be able to generate sufficient funds and within the time required to meet the Company's obligations as they come due. The key liquidity requirements are the funding of investment-related commitments in the Private Capital business, dividends paid to shareholders, obligations to taxation authorities, and the repayment of long-term debt. While AGF currently has access to financing, unfavourable market conditions may affect the Company's ability to obtain loans or make other arrangements on terms acceptable to AGF. The Company manages its liquidity risk through the management of its capital structure and financial leverage as outlined under Capital Management Activities. AGF manages our liquidity by monitoring actual and projected cash flows to ensure that AGF has sufficient liquidity through cash received from operations as well as borrowings under AGF's revolving credit facility. Cash surpluses are invested in interest-bearing short-term deposits and investments with a maturity up to 90 days. AGF is subject to certain financial loan covenants under the Company's revolving credit facility and has met all of these conditions.

There are many factors that affect the liquidity of AGF Funds, including but not limited to general economic and political conditions, fluctuations in interest rates and factors unique to each issuer of the underlying securities held by an AGF Fund, such as changes in management, strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution and dividend policies and other events. In addition, the impact of unanticipated market disruptions may cause exchanges to suspend trading and/or investment funds to suspend dealing (which could be for an extended period of time), may exacerbate pre-existing political, social or economic risk, and may disproportionately affect certain issuers, industries or types of securities. These impacts may have an effect on the performance of the underlying securities in which an AGF Fund invests and may lead to an increase in the amount of redemptions experienced by an AGF Fund. An AGF Fund may be unable to meet redemption requests due to the inability to sell the underlying securities in a timely manner. As a result, there could be an insufficient amount of liquid assets in the AGF Funds. AGF measures and monitors liquidity risk in the AGF Funds at all times. AGF has a dedicated team that assesses risk, utilizing industry best in class and up-to-date third-party tools and systems to ensure quality analysis. While AGF has no control over external market events impacting the performance of the AGF Funds and/or the loss of liquidity, AGF strives to act on adverse events as they occur.

Performance, Sales and Redemption Risk

Demand for our products depends on, among other things, the ability of our investment management team to deliver value in the form of strong investment returns, as well as the demand for specific investment products. Since this is a relative as well as an absolute measure, there is a risk that AGF may not perform as well as the market or our peers, or in line with our clients' expectations. A specific investment strategy may fall out of favour with the market, resulting in lower sales and/or higher redemptions.

Our future financial performance will be influenced by our ability to successfully execute our strategy and generate net sales. If sales do not materialize as planned or key personnel cannot be retained, margins may erode. As well, significant redemptions could adversely affect investment fund returns by impacting market values and increasing transaction costs or taxable distributions. Continued significant redemptions could negatively impact the prospects and operating results of AGF. Elevated interest rates and inflation may result in increased client redemptions because of general market declines and sentiment or investors' need for cash.

Distribution Risk

Our retail AUM is obtained through third-party distribution channels including financial advisors and strategic partners that offer our products to investors along with similar products from our competitors. Our future success is dependent on continued access to these distribution channels that are independent of our company. Reduced access or the loss of key strategic partners could materially affect sales and revenue, particularly where a distribution partner represents a meaningful portion of the Company's sales flow.

Key Personnel Risk

AGF's success depends on our key personnel, and in particular senior management and portfolio managers. The investment management industry is highly competitive. Reliance on investment performance to sell financial products has increased the demand for experienced and high-performing portfolio managers. Compensation packages for these portfolio managers may increase at a rate well above the rates of increase observed in other industries. Losing key individuals or being unable to attract and retain such individuals could adversely affect AGF's business. AGF believes we have the resources necessary to hire and retain AGF's key personnel.

Reputation Risk

Reputation risk is the risk of negative publicity regarding our business conduct or practices which, whether true or not, could significantly damage AGF's reputation, resulting in lost revenue, increased costs or destruction of shareholder value. Reputational risk could result from, among other things, operational errors, poor performance, unfavourable regulatory sanctions, litigation, cyber-attacks, or employee misconduct. While AGF mitigates this risk through a corporate-wide Code of Conduct policy, governance practices, risk-management programs, business continuity planning, a cybersecurity program and corporate policies, there can be no assurance that unauthorized or unsuccessful activities resulting in damage to AGF's reputation will not occur.

Industry Competition Risk

The level of competition in the industry is high, driven by factors including product variety, innovation, brand recognition, investment performance, management, sales and distribution relationships, fee and commission rates and other compensation matters. Sales and redemptions of mutual funds may be influenced by relative service levels, management fees, attributes of specific products in the marketplace and actions taken by competitors. AGF's competition includes other mutual fund companies, investment management firms, banks and insurance companies, some of whom have greater resources than AGF. The investment management industry's trend toward consolidation has increased the strength of some of AGF's competitors. While AGF continues to develop new products and explore new opportunities, there can be no assurance that AGF will maintain our current standing or market share. This may adversely affect AGF's business, financial condition and operating results.

In addition, there are uncertainties involved in the introduction of new products and services, including technical requirements, operational controls and procedures, compliance with regulatory requirements, and shifting market preferences. The development and introduction of new products and services may require ongoing support and investment. A failure to manage the risks involved in the implementation of new products and services may lead to operational lapses, increased capital requirements, and competitive alternatives, which could adversely affect AGF's standing, market share or investment performance relative to AGF's competitors and negatively impact the business, financial condition or operating results of AGF.

Regulatory Risk

The current environment of heightened regulatory scrutiny in the financial services sector may reasonably be expected to lead to increasingly stringent interpretation and enforcement of existing laws and rules or additional regulations, changes in existing laws and rules, or changes in interpretation or enforcement of existing laws and rules. As an example, among other regulatory risks, more recent regulatory developments in the area of environmental, social and governance factors relating to corporate and investment strategies has led regulators to take a targeted approach to the risk of 'greenwashing'.

All regulatory developments may impact product structures, pricing, and dealer and advisor compensation. While AGF actively monitors such initiatives, and where feasible comments upon or discusses them with regulators, the ability of AGF to mitigate the imposition of differential regulatory treatment of financial products or services is limited. AGF and AGF's subsidiaries are also subject to regulatory reviews as part of the normal ongoing process of oversight by the various regulators.

AGF, as an investment fund manufacturer, offers a wide range of mutual fund series that align with industry norms. AGF continually reviews our lineup to ensure we have the best representation of the Company's strengths, while providing the Company's partners and clients with the choice and diversity needed to adapt to the evolving regulatory landscape, including that of offering a wide range of product solutions that provide dealers, and their advisors, with the opportunity to structure compensation they determine to be most suitable based on the best interest of the investor.

As a longstanding participant in the Canadian financial services industry, the Company and the Company's subsidiaries will continue to be advocates for sound regulatory changes that are grounded in the needs of all investors. The Company strongly believes in upholding the value of advice, preserving investor choice, and limiting the negative effects of unintended consequences.

Strategic Risk

Strategic risk is the potential for negative impacts as a result of AGF's inability to execute our strategic plan or correctly identify strategic priorities. A key strategic risk is the risk that management fails to anticipate in, and respond to, changes in the business environment, including product demand, regulatory changes and competition. AGF's performance is directly affected by the financial market and business conditions, including applicable laws. These are beyond the control of AGF; however, AGF's risk management process includes the ongoing review and assessment of industry and economic trends and changes. Strategies are then designed to effectively respond to any anticipated changes, including identifying acquisition opportunities, developing new business lines, introducing new products, and implementing cost control strategies.

In addition, our strategy includes strategic acquisitions and investments in associates, joint ventures and limited partnerships. There is no assurance that we will be able to complete acquisitions on the terms and conditions that satisfy our investment criteria and/or effectively integrate such acquisitions into existing operations and attain the expected benefits. After transactions are completed, meeting target return objectives is contingent upon many factors, including retaining key employees, achieving synergies and growth in AUM of the acquired companies.

Our strategic investments may involve risks and uncertainties including, but not limited to, our dependency on partners and co-venturers that are not under our control and that might become bankrupt or otherwise fail to fund their share of required capital contributions, or suffer reputational damage that could have an adverse impact on us. We do not have sole control over certain major decisions relating to these assets and businesses, which could affect our future returns on these investments.

The success of our strategic investments, including infrastructure investments, may be influenced by government and economic regulations, capital expenditure requirements, performance under customer or client contracts, general economic conditions, and other material disruptions that may be outside our control such as weather conditions, natural disasters, major accidents, acts of malicious destruction, sabotage and terrorism.

Insurance Risk

AGF maintains various types of insurance coverage, which include a financial institutions bond, professional liability (errors and omissions) insurance, directors' and officers' liability insurance, cyber and network liability insurance and general commercial liability insurance. There can be no assurance that (i) a claim or claims will not exceed the limits of available insurance coverage, (ii) any insurer will remain solvent or willing to continue providing insurance coverage with sufficient limits or at a reasonable cost, or (iii) any insurer will not dispute coverage of certain claims due to ambiguities in the relevant policies. A judgement against AGF in excess of available coverage could have a material adverse effect on AGF both in terms of damages awarded and the impact on the reputation of AGF.

Information Technology and Cybersecurity Risk

The Company uses information technology and the internet to streamline business operations and to improve client and advisor experience. However, with the use of information technology and the internet, the Company (and each of the Company's affiliates, subsidiaries and AGF Funds) is exposed to possible information technology events, through cybersecurity breaches, which could potentially have an adverse impact on their business. In general, a cybersecurity breach can result from either a deliberate attack or an unintentional event and may arise from external or internal sources. The increased use of electronic and remote communication tools and services due to the implementation of hybrid work may lead to heightened cybersecurity risk.

Cybersecurity breaches include, but are not limited to, unauthorized access to the Company's digital information systems (e.g., through 'hacking' or other malicious software code) for the purpose of misappropriating assets or sensitive information (e.g., personal securityholder information); corrupting data, equipment or systems; or causing operational disruption. Cybersecurity breaches could cause the Company or AGF Funds to be in violation of applicable privacy and other laws, and incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures or reimbursement, and/or financial loss. In addition, substantial costs may be incurred to prevent any cyber incidents in the future.

Cyber incidents affecting AGF Funds and/or their service providers (including, but not limited to, an AGF fund's portfolio manager, sub-advisor(s), transfer agent, and custodian) have the ability to interfere with AGF Funds' ability to calculate their net asset value, and impede trading, the ability of securityholders to transact business with AGF Funds, and the ability of AGF Funds to process transactions including redemptions. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which AGF Funds invest and counterparties with which AGF Funds engage in transactions.

While AGF Funds and the Company have established business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, there are inherent limitations in such plans and systems due to the ever-changing nature of technology and cybersecurity attack tactics, and the possibility that certain risks have not been identified. Furthermore, although the Company has vendor oversight policies and procedures, the Company cannot control the cybersecurity plans and systems put in place by the Company's service providers or any other third party whose operations may affect the Company, AGF Funds or their securityholders. As a result, the Company, AGF Funds and their securityholders could be negatively affected.

Environmental, Social and Governance Risk

Environmental, social and governance (ESG) risk is the risk that an ESG issue associated with a client, transaction, product, supplier, investment, joint venture, or activity may create a risk of loss of financial, operational, legal and/or reputational value to AGF. AGF Investments Inc. is a signatory to the United Nations Principles for Responsible Investment (PRI). Under the PRI, investors formally commit to incorporate ESG issues into their investment processes. AGF Investments Inc. regularly reviews their investment processes and underlying investments as they pertain to ESG issues.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes or systems, human interaction or external risks. AGF is exposed to a broad range of operational risks, including information technology and system failures, processing and execution errors, third-party service failures, business disruption, theft and fraud. Operational risks can result in significant financial loss, reputational damage or regulatory action.

AGF's business leaders are responsible for the management of the day-to-day operational risks. Operational risks related to people and processes are mitigated through internal policies and controls. Oversight of risks and the ongoing evaluation of effectiveness of controls are provided by AGF's Compliance and Internal Audit Departments. The Company has business continuity plans and vendor oversight policies in place to support the sustainment, management and recovery of critical operations and processes in the event of a business disruption.

Taxation Risk

AGF is subject to various uncertainties concerning the interpretation and application of Canadian tax laws. If tax authorities disagree with AGF's application of such tax laws, AGF's profitability and cash flows could be adversely affected. AGF is considered a large case file by the Canada Revenue Agency, and as such is subject to audit each year. There is a significant lag between the end of a fiscal year and when such audits are completed. Therefore, at any given time, several years may be open for audit, which may result in an adjustment.

The foregoing discussion is not an exhaustive list of all risks and uncertainties regarding our ability to execute against our strategy. Readers are cautioned to consider other potential risk factors when assessing our ability to execute against our strategy.

Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by AGF Management Limited in reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified under those laws and include controls and procedures that are designed to ensure that information is accumulated and communicated to management, including the CEO and CFO, to allow timely decisions regarding required disclosure.

AGF Management Limited's management, under the direction of the CEO and CFO, has evaluated the effectiveness of AGF Management Limited's disclosure controls and procedures (as defined in National Instrument 52-109 of the Canadian Securities Commission) as at November 30, 2023, and has concluded that such disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

The CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting (ICFR) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and receipts and expenditures of the Company are made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be designed effectively can provide only reasonable assurance with respect to financial reporting and financial statement preparation.

Management, under the direction of the CEO and CFO, has evaluated the effectiveness of the Company's internal control over financial reporting as at November 30, 2023, and has concluded that internal control over financial reporting is designed and operating effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management's assessment was based on the framework established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Changes to ICFR

A material change in ICFR is a change that has materially affected or is reasonably likely to materially affect the issuer's ICFR.

There have been no changes to the Company's ICFR during the year ended November 30, 2023 that have materially affected or are reasonably likely to materially affect the Company's ICFR.

Summary of Annual Results

(from continuing operations)

(in millions of dollars, except per share amounts)

Years ended November 30	2023	2022	2021	2020[1,2]	2019[3,4]
Income	**$ 471.9**	$ 469.0	$ 461.6	$ 543.9	$ 436.7
Expenses[9]	**342.8**	330.4	333.9	292.8	326.7
EBITDA before commissions[10]	**129.1**	138.6	127.7	251.1	110.0
Pre-tax income	**115.0**	87.2	51.8	194.4	57.3
Net income attributable to equity owners of the Company	**87.7**	66.6	39.3	173.9	47.9
Earnings per share attributable to equity owners of the Company					
Basic	**$ 1.35**	$ 0.97	$ 0.56	$ 2.25	$ 0.61
Diluted	**1.30**	0.96	0.55	2.22	0.60
Free cash flow[10]	**$ 80.4**	$ 70.3	$ 54.8	$ 46.1	$ 52.8
Dividends per share	**$ 0.44**	$ 0.40	$ 0.34	$ 0.32	$ 0.32
Long-term debt	**$ 5.8**	$ 21.6	$ –	$ –	$ 207.3
Weighted average basic shares	**64,957,984**	68,430,165	70,009,123	77,326,775	78,739,081
Weighted average fully diluted shares	**67,233,845**	69,437,213	71,660,642	78,359,570	79,672,961

(in millions of dollars, except per share amounts)

Years ended November 30	2018[5]	2017[6]	2016[7]	2015[8]	2014
Income	$ 450.2	$ 455.5	$ 428.7	$ 449.6	$ 464.5
Expenses[9]	343.7	339.1	319.2	322.4	309.6
EBITDA before commissions[10]	106.5	116.4	109.5	127.2	154.9
Pre-tax income	62.5	61.8	52.7	63.9	79.1
Net income attributable to equity owners of the Company	73.9	52.1	42.5	48.3	61.3
Earnings per share attributable to equity owners of the Company					
Basic	$ 0.94	$ 0.66	$ 0.53	$ 0.59	$ 0.69
Diluted	0.92	0.64	0.53	0.58	0.68
Free cash flow[10]	$ 41.4	$ 58.7	$ 61.5	$ 67.8	$ 82.0
Dividends per share	$ 0.32	$ 0.32	$ 0.32	$ 0.51	$ 1.08
Long-term debt	$ 188.6	$ 138.6	$ 188.2	$ 268.8	$ 308.2
Weighted average basic shares	79,292,775	79,330,190	79,278,876	82,295,595	86,000,437
Weighted average fully diluted shares	80,637,948	81,245,279	80,253,600	83,584,539	87,384,880

[1] Refer to Note 3 in the 2020 Consolidated Financial Statements for more information on the adoption of IFRS 16.
[2] 2020 includes $104.4 million related to gain on sale of Smith & Williamson Holdings Limited (S&WHL), net of currency hedge, and $41.3 million of dividends, net of currency hedge, from S&WHL, recognized as income.
[3] Refer to Note 3 in the 2019 Consolidated Financial Statements for more information on the adoption of IFRS 15.
[4] 2019 includes income of $4.1 million related to one-time fund expense tax recovery, and $14.4 million related to restructuring costs.
[5] 2018 includes income of $1.5 million related to the Company's share of a one-time tax levy provision reversal for S&WHL, $5.2 million of one-time restructuring and administrative costs, $21.9 million provision release, and $2.2 million of interest recovery related to the transfer pricing case.
[6] 2017 includes $10.0 million of income related to a litigation settlement.
[7] 2016 includes a $2.1 million charge in income related to the Company's share of a one-time tax levy for S&WHL and $3.7 million of one-time net expense recovery related to a reversal of a provision from prior years related to Harmonized Sales Tax (HST) offset by fund transition costs.
[8] 2015 includes a $5.7 million distribution related to a crystallization of an asset and a one-time restructuring cost of $7.2 million.
[9] Includes selling, general and administrative (SG&A), restructuring provisions, trailing commissions and investment advisory fees.
[10] See the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

Additional Information

Additional information relating to the Company can be found in the Company's Consolidated Financial Statements and accompanying notes for the year ended November 30, 2023, the Company's 2023 Annual Information Form (AIF) and Annual Report, and other documents filed with applicable securities regulators in Canada, and may be accessed at www.sedarplus.com.

Management's Responsibility for Financial Reporting

Toronto, January 23, 2024

The accompanying consolidated financial statements of AGF Management Limited (the Company) were prepared by management, who are responsible for the integrity and fairness of the information presented, including the amounts based on estimates and judgements. These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements and for the accounting systems from which they are derived, management maintains internal controls designed to ensure that transactions are authorized, assets are safeguarded and proper records are maintained. The system of internal controls is supported by a compliance function, which ensures that the Company and its employees comply with securities legislation and conflict of interest rules, and by an internal audit staff, which conducts periodic audits of all aspects of the Company's operations.

The Board of Directors (the Board) oversees management's responsibilities for financial reporting through an Audit Committee, which is comprised entirely of independent directors. This Committee reviews the consolidated financial statements of the Company and recommends them to the Board for approval.

PricewaterhouseCoopers LLP, an independent auditor appointed by the shareholders of the Company upon the recommendation of the Audit Committee, has performed an independent audit of the consolidated financial statements, and its report follows. The independent auditor has full and unrestricted access to the Audit Committee to discuss their audit and related findings.

Kevin McCreadie, CFA, MBA
Chief Executive Officer & Chief Investment Officer

Ken Tsang, CFA, CPA, MBA
Chief Financial Officer

Independent Auditor's Report

To the Shareholders of AGF Management Limited

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of AGF Management Limited and its subsidiaries (together, the Company) as at November 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at November 30, 2023 and 2022;
- the consolidated statements of income for the years then ended;
- the consolidated statements of comprehensive income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flow for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended November 30, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Determination of recoverable amounts of goodwill and management contracts – Retail and Institutional cash generating units (CGUs). *Refer to note 3 – Significant Accounting Policies, Judgements and Estimation Uncertainty and note 8 – Goodwill and Intangible Assets of the notes to the consolidated financial statements.* The Company had goodwill and management contracts of $941 million as at November 30, 2023, of which a significant portion relates to the Retail and Institutional CGUs. Management tests goodwill and management contracts annually for impairment or more frequently if events or circumstances indicate that the carrying value may be impaired. Management determines whether an impairment loss should be recognized by comparing the carrying value of the CGU to its recoverable amount, which is the higher of fair value less costs to sell (FVLCTS) and its value in use (VIU). As at November 30, 2023, the Company has performed a discounted cash flow analysis for each CGU to estimate the recoverable amount. In the discounted cash flow analysis, management applies judgment in selecting the appropriate discount rate and terminal growth rate. Management also estimates future cash flows based on (i) assets under management, of which key assumptions include: gross sales, redemptions and market growth and (ii) synergies' inclusion rates. Based on the results of the annual impairment test, management concluded that no goodwill or management contracts were impaired for the Retail and Institutional CGUs as at November 30, 2023. We considered this a key audit matter due to (i) the significance of the goodwill and management contract balances for the Retail and Institutional CGUs and (ii) the significant judgment made by management in determining the recoverable amount of the CGUs, including the use of significant assumptions. This has resulted in a high degree of subjectivity and audit effort in performing audit procedures. Professionals with specialized skill and knowledge in the field of valuation assisted us in performing our procedures.	Our approach to addressing the matter included the following procedures, among others: • Evaluated how management determined the recoverable amounts of the Retail and Institutional CGUs, which included the following: – Tested (i) the appropriateness of the use of the discounted cash flow analyses, and (ii) the mathematical accuracy of the discounted cash flow analyses prepared by management. – Tested the reasonableness of assumptions related to assets under management (gross sales, redemptions, market growth and revenue rates) by comparing them to the budget approved by the Board of Directors, current and past performance of the CGUs and available third party published economic data. – Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the methodology used in the discounted cash flow analyses and the reasonableness of the discount rates, terminal growth rates and synergies' inclusion rates used by management. – Tested the assets under management data used in the discounted cash flow analyses. • Evaluated the disclosures made in the consolidated financial statements, including the sensitivity of the key assumptions used.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Derek Hatoum.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
January 23, 2024

Consolidated Statement of Financial Position

(in thousands of dollars)

November 30	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents		**$ 50,453**	$ 58,620
Investments	4	**22,191**	20,681
Accounts receivable, prepaid expenses and other assets		**36,646**	40,729
Derivative financial instrument	17	**965**	–
Income tax receivable	22, 28	**6,602**	2,438
Total current assets		**116,857**	122,468
Investment in joint ventures	5	**2,245**	1,654
Long-term investments	4	**254,969**	199,067
Management contracts	8	**689,759**	689,759
Goodwill	8	**250,830**	250,830
Other intangibles	8	**398**	474
Right-of-use assets	7	**71,790**	70,178
Property, equipment and computer software	9	**27,951**	29,227
Deferred income tax assets	12	**3,602**	3,888
Other assets	6	**1,877**	1,444
Total non-current assets		**1,303,421**	1,246,521
Total assets		**$ 1,420,278**	**$ 1,368,989**

Consolidated Statement of Financial Position

(in thousands of dollars)

November 30	Note	2023	2022
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	10, 20	**$ 78,292**	$ 74,481
Lease liability	7	**5,960**	990
Derivative financial instrument	17	**–**	246
Total current liabilities		**84,252**	75,717
Long-term lease liability	7	**78,104**	80,279
Long-term debt	11	**5,823**	21,587
Deferred income tax liabilities	12	**152,834**	150,607
Other long-term liabilities	6, 20	**10,369**	10,253
Total liabilities		**331,382**	338,443
Equity			
Equity attributable to owners of the Company			
Capital stock	13	**390,502**	391,719
Contributed surplus	20	**44,462**	41,883
Retained earnings		**651,065**	593,949
Accumulated other comprehensive income	14	**2,867**	2,995
Total equity		**1,088,896**	1,030,546
Total liabilities and equity		**$ 1,420,278**	**$ 1,368,989**

(The accompanying notes are an integral part of these Consolidated Financial Statements.)

Approved by the Board:

Kevin McCreadie, CFA, MBA
Director

Ian Clarke, CA, FCA, ICD.D
Director

Consolidated Statement of Income

(in thousands of dollars)

Years ended November 30	Note	2023	2022
Income			
Management, advisory and administration fees	15	**$ 428,172**	$ 430,347
Deferred sales charges		**7,585**	7,224
Share of profit (loss) of joint ventures	5	**3,427**	(316)
Income from fee-earning arrangements	6	**3,155**	2,986
Fair value adjustments and distribution income	4	**26,855**	22,807
Other income	16	**2,630**	5,956
Total income		**471,824**	469,004
Expenses			
Selling, general and administrative	18, 25	**209,048**	194,562
Trailing commissions		**133,490**	135,475
Investment advisory fees		**272**	301
Deferred selling commissions		**–**	37,062
Amortization and derecognition of customer contracts and other intangibles	8	**76**	84
Depreciation of property, equipment and computer software	9	**4,719**	6,121
Depreciation of right-of-use assets	7	**4,325**	5,447
Interest expense	7, 11, 21	**4,874**	2,693
Total expenses		**356,804**	381,745
Income before income taxes		**115,020**	**87,259**
Income tax expense			
Current	22	**24,183**	18,253
Deferred	22	**3,137**	2,359
Total income tax expense		**27,320**	20,612
Net income for the year		**$ 87,700**	**$ 66,647**
Earnings per share			
Basic	23	**$ 1.35**	$ 0.97
Diluted	23	**$ 1.30**	$ 0.96

(The accompanying notes are an integral part of these Consolidated Financial Statements.)

Consolidated Statement of Comprehensive Income

(in thousands of dollars) **Years ended November 30**		**2023**		**2022**
Net income for the year	**$**	**87,700**	$	66,647
Other comprehensive income, net of tax				
Net unrealized gain (loss) on investments				
Unrealized gain (loss)		**(128)**		41
		(128)		41
Total other comprehensive income (loss), net of tax	**$**	**(128)**	$	41
Net comprehensive income for the year	**$**	**87,572**	**$**	**66,688**

Items presented in other comprehensive income will be reclassified to the consolidated statement of income in subsequent periods, with the exception of equity instruments classified as fair value through other comprehensive income.

(The accompanying notes are an integral part of these Consolidated Financial Statements.)

Consolidated Statement of Changes in Equity

(in thousands of dollars)	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total equity
Balance, December 1, 2021	$ 426,193	$ 40,182	$ 561,794	$ 2,954	**$ 1,031,123**
Net income for the year	–	–	66,647	–	**66,647**
Other comprehensive income (net of tax)	–	–	–	41	**41**
Comprehensive income for the year	–	–	66,647	41	**66,688**
AGF Class B Non-Voting shares issued through dividend reinvestment plan	452	–	–	–	**452**
Stock options	3,356	180	–	–	**3,536**
AGF Class B Non-Voting shares repurchased for cancellation	(38,216)	–	(5,896)	–	**(44,112)**
Dividends on AGF Class A Voting common shares and AGF Class B Non-Voting shares, including tax of $0.5 million	–	–	(27,175)	–	**(27,175)**
Equity-settled Restricted Share Units, net of tax	–	1,521	–	–	**1,521**
Treasury stock purchased	(1,883)	–	–	–	**(1,883)**
Treasury stock released	1,817	–	(1,421)	–	**396**
Balance, November 30, 2022	**$ 391,719**	**$ 41,883**	**$ 593,949**	**$ 2,995**	**$ 1,030,546**
Balance, December 1, 2022	$ 391,719	$ 41,883	$ 593,949	$ 2,995	**$ 1,030,546**
Net income for the year	–	–	87,700	–	**87,700**
Other comprehensive loss (net of tax)	–	–	–	(128)	**(128)**
Comprehensive income (loss) for the year	–	–	87,700	(128)	**87,572**
AGF Class B Non-Voting shares issued through dividend reinvestment plan	564	–	–	–	**564**
Stock options	7,403	(558)	–	–	**6,845**
AGF Class B Non-Voting shares repurchased for cancellation	(10,966)	–	(2,416)	–	**(13,382)**
Dividends on AGF Class A Voting common shares and AGF Class B Non-Voting shares, including tax of $0.3 million	–	–	(28,206)	–	**(28,206)**
Equity-settled Restricted Share Units, net of tax	–	3,137	–	–	**3,137**
Treasury stock released	1,782	–	38	–	**1,820**
Balance, November 30, 2023	**$ 390,502**	**$ 44,462**	**$ 651,065**	**$ 2,867**	**$ 1,088,896**

(The accompanying notes are an integral part of these Consolidated Financial Statements.)

Consolidated Statement of Cash Flow

(in thousands of dollars)

Years ended November 30	Note	2023	2022
Operating Activities			
Net income for the year		**$ 87,700**	$ 66,647
Adjustments for			
Amortization, derecognition and depreciation		**9,120**	11,652
Interest expense	7, 11	**4,874**	2,693
Income tax expense	22	**27,320**	20,612
Income taxes paid		**(28,656)**	(15,373)
Stock-based compensation	20	**8,970**	7,703
Share of loss (profit) of joint ventures	5	**(3,427)**	316
Distributions from joint ventures	5	**3,258**	93
Fair value adjustment on long-term investments	4	**(23,433)**	(15,125)
Net realized and unrealized (gain) loss on short-term investments	4	**(292)**	2,151
Other		**20**	(362)
		85,454	81,007
Net change in non-cash working capital balances related to operations			
Accounts receivable and other current assets		**(2,097)**	(2,818)
Other assets		**(199)**	681
Accounts payable and accrued liabilities		**(2,901)**	(13,172)
Other liabilities		**6,982**	(1,098)
		1,785	(16,407)
Net cash provided by operating activities		**87,239**	64,600
Financing Activities			
Repurchase of Class B Non-Voting shares for cancellation	13	**(13,382)**	(44,112)
Issue of Class B Non-Voting shares	13	**6,544**	3,356
Purchase of treasury stock	13	**–**	(1,883)
Dividends paid	24	**(27,328)**	(26,215)
Issuance (repayment) of long-term debt	11	**(16,000)**	22,000
Interest paid		**(2,121)**	(515)
Lease payments	7	**(5,647)**	(4,761)
Net cash used in financing activities		**(57,934)**	(52,130)
Investing Activities			
Investment in joint venture	5	**(422)**	(1,280)
Purchase of long-term investments	4	**(34,173)**	(31,430)
Return of capital from long-term investments	4	**1,704**	8,209
Purchase of property, equipment and computer software, net of disposals	9	**(3,443)**	(16,339)
Purchase of short-term investments	4	**(19,680)**	(18,970)
Proceeds from sale of short-term investments	4	**18,542**	19,476
Net cash used in investing activities		**(37,472)**	(40,334)
Decrease in cash and cash equivalents		**(8,167)**	(27,864)
Balance of cash and cash equivalents, beginning of the year		**58,620**	86,484
Balance of cash and cash equivalents, end of the year		**$ 50,453**	$ 58,620
Cash and cash equivalents comprise:			
Cash at bank and on hand		**$ 47,023**	$ 54,093
Term deposit		**3,430**	4,527
Total cash and cash equivalents		**$ 50,453**	$ 58,620

(The accompanying notes are an integral part of these Consolidated Financial Statements.)

Notes to the Consolidated Financial Statements

For the years ended November 30, 2023 and 2022

Note 1: General Information

AGF Management Limited (AGF or the Company) is a limited liability company incorporated and domiciled in Canada under the Business Corporations Act (Ontario). The address of its registered office and principal place of business is CIBC Square, Tower One, 81 Bay Street, Toronto, Ontario.

The Company is an independent and globally diverse asset management firm, whose principal subsidiaries provide investment management for mutual funds, factor-based exchange-traded funds (ETF), institutions and corporations, private wealth clients, and access to public and private markets through its three business lines: AGF Investments, AGF Private Wealth, and AGF Private Capital. The Company also provides fund administration services to the AGF mutual funds.

The Company's private capital business includes joint ventures with Stream Asset Financial Management LP (SAFM LP) and AGF SAF Private Credit Management LP (PCMLP), and fee-earning arrangements with Instar Group Inc. (Instar) and First Ascent Ventures (First Ascent). The Company also has an ownership interest in AGFWave Asset Management Inc. (AGFWave), which provides asset management services and products in China and South Korea.

These consolidated financial statements were authorized for issue by the Board of Directors on January 23, 2024.

Note 2: Basis of Preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB). Amounts are expressed in Canadian dollars, unless otherwise stated. Certain comparative figures on the consolidated statement of income and Note 18 – Expense by Nature have been reclassified to conform to the consolidated financial statement presentation in the current year and provide users with more relevant information on the Company's operation.

Note 3: Significant Accounting Policies, Judgements and Estimation Uncertainty

3.1 Basis of Measurement

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities to fair value.

3.2 Investment in Subsidiaries, Associates, Joint Ventures and Structured Entities

(a) Subsidiaries and Consolidated Structured Entities

The consolidated financial statements include the accounts of the Company and its directly and indirectly owned subsidiaries. Subsidiaries are all entities for which the Company has exposure to variable returns and power over the investee, which it can use to affect the amounts of such returns and is often accompanied by a shareholding of more than half of the investee's voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date on which control ceases. If the Company loses control of a subsidiary, it accounts for all amounts recognized in other comprehensive income (OCI) in relation to that subsidiary on the same basis as it would if the Company had directly disposed of the related assets or liabilities.

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration agreement. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Intercompany transactions and balances are eliminated on consolidation.

Consolidated structured entities are entities over which the Company has control over the relevant activities of the entity by means of a contractual agreement. The Company established an employee benefit trust as a consolidated structured entity with the purpose of acquiring Class B Non-Voting shares to be delivered to employees upon vesting of their Restricted Share Units (RSUs). Under the contractual agreement, the Company will provide financial support to the trust to fund the purchase of these shares. Refer to Note 3.14 and Note 20 for additional information.

The principal subsidiaries and consolidated structured entities of AGF as at November 30, 2023 are as follows:

	Principal activity	**Country of incorporation**	**Interest held**
1801882 Alberta Ltd.	Private market investments	Canada	100%
1936874 Ontario Ltd.	Private market investments	Canada	100%
2593269 Ontario Inc.	Private market investments	Canada	100%
20/20 Financial Corporation	Holding company	Canada	100%
AGF International Advisors Company Limited	Investment management	Ireland	100%
AGF Investments America Inc.	Investment management	Canada	100%
AGF Investments Inc.[1]	Investment management	Canada	100%
Cypress Capital Management Limited (Cypress)	Investment management	Canada	100%
Doherty & Associates Limited (Doherty)	Investment management	Canada	100%
Employee Benefit Plan Trust	Trust	Canada	100%
AGF Investments LLC	Investment management	United States	100%
Highstreet Asset Management Inc.	Private client servicing	Canada	100%

[1] As of January 1, 2023, AGF Customer First Inc. has been amalgamated into AGF Investments Inc.

(b) Associates and Joint Ventures

Associates are entities over which the Company has significant influence, but not control, generally accompanying between 20% and 50% of the voting rights. Joint ventures are arrangements whereby the parties have joint control over, and rights to the net assets of, the arrangement.

The Company's interests in the associates and joint ventures, other than its interest in funds that it manages, are generally accounted for using the equity method of accounting after initially being recognized at cost. AGF's share of its associates' post-acquisition profits or losses is recognized in the consolidated statement of income and its share of post-acquisition other comprehensive income (loss) is recognized in OCI. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Company's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Associates' and joint ventures' accounting policies have conformed where necessary to ensure consistency with the policies adopted by AGF.

Additionally, the Company has determined that interests it holds in the mutual funds it manages may be associates as a result of the Company's power conveyed through investment management and other agreements it has with the funds that permit the Company to make decisions about their investing and operating activities. None of these interests are individually significant and the Company has elected to designate its investments in these funds at fair value through profit or loss. These funds conduct their trading activities, which may include trading of foreign-denominated securities, in Canada and the United States. At November 30, 2023, the carrying amount of the Company's interests in investment funds that it manages was $21.5 million (2022 – $19.8 million), which represents the Company's maximum exposure to loss with respect to these interests. The fair value adjustment related to the Company's interests in investment funds recognized on the consolidated statement of income was $0.3 million in charges for the year ended November 30, 2023 (2022 – $2.2 million of income). Refer to Note 4 for additional information about the Company's investments in funds that it manages.

The joint ventures of AGF as at November 30, 2023 are as follows:

	Investment type	Nature of activities	Country of incorporation	Interest held
Stream Asset Financial GP LP (SAF GP)	Joint venture	Asset manager – carried interest entity	Canada	31.9%
Stream Asset Financial Management LP (SAFM LP)	Joint venture	Asset manager – private credit	Canada	45.5%
FAV II Principal Carry LP	Joint venture	Asset manager – carried interest entity	Canada	15.0%
AGF SAF Private Credit GP	Joint venture	Asset manager – private credit	Canada	50.0%
AGF SAF Private Credit Management LP (PCMLP)	Joint venture	Asset manager – private credit	Canada	50.0%
AGF SAF Private Credit Performance LP	Joint venture	Asset manager – carried interest entity	Canada	30.0%
AGFWave Asset Management Inc. (AGFWave)	Joint venture	Investment management	Canada	50.0%

The Company will receive performance-based fees or carried interest distributions from the carried interest entities it has ownership interest in if a Private Capital fund exceeds its performance threshold.

The Company assesses at each period-end whether there is any objective evidence that its interests in associates and joint ventures are impaired. If impaired, the carrying value of the Company's share of the underlying assets of associates or joint ventures is written down to its estimated recoverable amounts (being the higher of fair value less costs to sell and value in use) and charged to the consolidated statement of income.

(c) Long-term Investments

Long-term investments are accounted for at fair value through profit or loss, which is consistent with the Company's accounting for investments in the mutual funds it manages. Refer to Note 4(b) for additional information about the Company's interests in long-term investments.

The long-term investments of AGF as at November 30, 2023 are as follows:

	Investment type	Nature of activities	Country of incorporation	Interest held
InstarAGF Essential Infrastructure Fund LP I (EIF)	Long-term investment	Limited partnership – investment entity	Canada	13.5%
InstarAGF Essential Infrastructure Fund LP II (EIF II)	Long-term investment	Limited partnership – investment entity	Canada	5.3%
Stream Asset Financial LP (Stream)	Long-term investment	Limited partnership – investment entity	Canada	25.1%
AGF SAF Private Credit Limited Partnership (AGF SAF PC LP)	Long-term investment	Limited partnership – investment entity	Canada	4.7%
AGF SAF Private Credit Trust	Long-term investment	Limited partnership – investment entity	Canada	43.3%
First Ascent Ventures II LP	Long-term investment	Limited partnership – investment entity	Canada	28.0%

3.3 Foreign Currency Translation

(a) Functional and Presentation Currency

Items included in the financial statements of each consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Canadian dollars, which is AGF Management Limited's functional currency.

(b) Transactions and Balances

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing at the consolidated statement of financial position date and non-monetary assets and liabilities are translated at historical exchange rates. Foreign currency income and expenses are translated at average exchange rates prevailing throughout the year. Unrealized translation gains and losses and all realized gains and losses are included in net income on the consolidated statement of income.

3.4 Assets Under Management (AUM) and Fee-earning Assets

The Company, through its investments in subsidiaries, manages a range of mutual funds, other investments and fee-earning assets owned by clients and third parties that are not reflected on the consolidated statement of financial position, certain of which are held through investment funds that meet the definition of structured entities under IFRS Accounting Standards. The Company earns fees for providing management and administrative services to these investment funds. Fees from these funds and other investment assets are calculated based on AUM and fee-earning assets, which was $42.2 billion as at November 30, 2023 (2022 – $41.8 billion).

3.5 Cash and Cash Equivalents

Cash represents highly liquid temporary deposits, while cash equivalents consist of bank term deposits, both of which are readily convertible to known amounts of cash, are subject to insignificant risk of changes in fair value and have short-term maturities of less than three months at inception.

3.6 Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. Regular way purchases and sales of financial assets and liabilities are accounted for at the trade date.

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments into the following categories depending on the entity's business model for management of the financial assets and the contractual terms of the cash flows.

i. Fair Value through Profit or Loss (FVTPL)

Financial instruments classified at FVTPL are recognized initially at fair value and are subsequently carried at fair value in the consolidated statements of financial position. Gains or losses in fair value and distributions received from certain investments are presented in the consolidated statement of income under fair value adjustments and distribution income. Transaction costs on FVTPL financial instruments are accounted for in net income as incurred. Equity instruments are classified as FVTPL unless the Company irrevocably elects at initial recognition to designate it as FVTOCI. Debt instruments are classified as FVTPL if the assets do not meet criteria for FVTOCI or amortized cost. Financial instruments classified as FVTPL include investments in AGF mutual funds, term deposits and other certain investments.

ii. Fair Value through Other Comprehensive Income (FVTOCI)

Financial instruments classified at FVTOCI are initially recognized at fair value and are subsequently carried at fair value in the consolidated statements of financial position. Gains or losses in fair value are presented in the consolidated statement of comprehensive income under other comprehensive income. Transaction costs on FVTOCI financial instruments are added to the initial carrying value of the asset or liability.

For equity investments designated as FVTOCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of income following derecognition of the investment. Dividends are recognized in the consolidated statement of income as part of fair value adjustments and other income on the date they become legally receivable. Equity investments designated as FVTOCI include certain equity securities held for long-term investments.

Debt instruments are classified as FVTOCI if the assets are held for the collection of contractual cash flows and for selling the financial assets, where those cash flows represent solely payments of principal and interest. For debt investments classified as FVTOCI, the cumulative gain or loss previously recognized in OCI is reclassified to the consolidated statement of income upon derecognition and is included in fair value adjustments and other income. Interest income from these financial assets, calculated using the effective interest method, is recognized in the consolidated statement of income. The Company does not currently have any debt investments classified as FVTOCI.

iii. Amortized Cost

Financial instruments classified at amortized costs are initially recognized at the amount expected to be received, less, when material, a discount to reduce the asset balance to fair value. Subsequently, these assets are measured using the effective interest method less a provision for impairment. Financial assets are classified at amortized cost if the assets are held for the collection of contractual cash flows. Financial assets classified at amortized costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and include accounts receivable and other financial assets.

Financial liabilities at amortized cost include accounts payable and accrued liabilities, long-term debt, and other long-term liabilities. Accounts payable and accrued liabilities, long-term debt, and other long-term liabilities are initially recognized at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, these balances are measured at amortized cost using the effective interest method.

A financial liability is derecognized when it is extinguished. When a liability is extinguished, the difference between its carrying amount and the consideration paid including any non-cash assets transferred and any new liabilities assumed is recognized in profit or loss. A modification of the terms of a liability is accounted for as an extinguishment of the original liability and recognition as a new liability when the modification is substantial. The Company deems an amendment of the terms of a liability to be substantially different if the net present value of the cash flows under the new liability, including any fees paid, is at least 10% different from the net present value of the remaining cash flows of the existing liability, both discounted at the original effective interest rate of the original liability.

Financial liabilities are classified as current liabilities if payment is due within 12 months of the consolidated statement of financial position date. Otherwise, they are presented as non-current liabilities.

3.7 Derivative Instruments

Derivative instruments are used to manage the Company's exposure to foreign currency rate risks. The Company does not enter into derivative financial instruments for trading or speculative purposes. When derivative instruments are used, the Company determines whether hedge accounting can be applied. The derivative instrument must be highly effective in accomplishing the objective of offsetting either changes in the fair value or forecasted cash flows attributable to the risk being hedged both at inception and over the life of the hedge. In accordance with IFRS 9, to qualify for hedge accounting three requirements must be met. These requirements are economic relationship, effect of credit risk, and hedge ratio. At the inception of the hedging relationship, there must be a formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.

If hedge accounting is applied, the effective portion of the change in fair value of the hedging instrument will be recognized in OCI. Any ineffective portion of fair value is recognized immediately in the consolidated statement of income. When a hedging instrument matures or no longer meets the criteria for hedge accounting, the amount that has been recorded in the OCI will be reclassified to the consolidated statement of income. When a forecast transaction is no longer expected to occur, the amount that has been recorded in OCI is immediately transferred to the consolidated statement of income.

3.8 Leases

The Company assesses whether a contract contains a lease under IFRS 16 at inception if all of the following criteria are met:

- The contract contains an identifiable asset
- The lessee obtains the right of direct use of the asset
- The lessee obtains substantially all the economic benefits of the asset

Recognition of eligible leases

Right-of-use asset and lease liability are recognized at the lease commencement date, which is defined as the date on which the lessor makes the underlying asset available for use by the lessee. The right-of-use asset is initially measured at cost less indirect costs, removal and restoration costs, prepaid lease payments and lease incentive received and subsequently amortized, on a straight-line basis, over the earlier of the useful life of the right-of-use asset or the term of the lease. The lease term includes the non-cancellable period of the lease and periods covered by an option to extend or terminate the lease if the Company is reasonably certain to exercise the option.

The lease liability is measured based on the present value of the fixed lease payments using either the implicit interest rate of the lease or the incremental borrowing rate. Subsequently, the lease liability is reduced by the lease payments made, partially offset by an increase in accretion interest expense using the effective interest rate method.

Any lease with variable lease payments that do not depend on an index or rate, a lease term less than 12 months or deemed as low value is exempt from IFRS 16 and will continue to be expensed on an accrual basis. The exempted leases do not have a material impact on the consolidated financial statements.

Subsequent lease modification

The right-of-use asset and lease liability are remeasured if a modification occurs. A modification includes increasing the scope of the lease by adding the right to use one or more underlying assets, increasing the scope of the lease by extending the contractual lease term and changing the consideration in the lease by increasing or decreasing the lease payment. When the lease liability is remeasured due to a modification, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

3.9 Intangibles

(a) Goodwill and Management Contracts

Goodwill represents the excess of the fair value of consideration paid over the fair value of the Company's share of the identifiable net assets, including management contracts, of the acquired subsidiary at the date of acquisition. Goodwill is carried at cost less accumulated impairment losses. Management contracts have been determined to have an indefinite life as the contractual right to manage the assets has no fixed term. Management contracts acquired separately or in a business combination are recorded at fair value on initial recognition and subsequently reduced by the amount of impairment losses, if any.

(b) Other Intangibles

Other intangibles are stated at cost (which generally coincides with the fair value at the dates acquired), net of accumulated amortization and impairment, if any. Amortization for certain other intangibles is computed on a straight-line basis over five to 15 years based on the estimated useful lives of these assets. For the remaining other intangibles, amortization is based on the expected discounted cash flow and amortized over the contractual life of the assets. Other intangibles for which client attrition occurs is immediately charged to net income and included in amortization and derecognition of other intangibles.

3.10 Property, Equipment and Computer Software

Property, equipment and computer software, which consists of furniture and equipment, computer hardware, computer software and leasehold improvements, is stated at cost, net of accumulated depreciation and impairment, if any. Depreciation, if applicable, is calculated using the following methods based on the estimated useful lives of these assets:

Furniture and equipment	20% declining balance
Computer hardware	straight-line over useful life of two to seven years
Leasehold improvements	straight-line over term of lease
Computer software	straight-line over three years

3.11 Impairment of Non-financial Assets

Assets that have an indefinite useful life, for example, goodwill and management contracts, are not subject to amortization and are tested annually for impairment or more frequently if events or circumstances indicate that the carrying value may be impaired. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, or CGUs). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Where such evidence exists, the portion of the previous impairment that no longer is impaired is reversed through net income with a corresponding increase in the carrying value of the asset.

3.12 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or contractual obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured as the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

3.13 Current and Deferred Income Tax

Income tax consists of current and deferred tax. Income tax is recognized in the consolidated statement of income except to the extent that it relates to items recognized directly in OCI or directly in equity, in which case the income tax is also recognized directly in OCI or equity, respectively.

Management regularly evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of tax losses and credits carryforwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not recognized if it arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures, and associates, except, in the case of subsidiaries, joint ventures, or associates, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the date of the consolidated statement of financial position and are expected to apply when the deferred tax asset is realized or liability settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available, against which the deductible temporary differences can be utilized.

Deferred income tax assets and liabilities are presented as non-current.

3.14 Employee Benefits

(a) Stock-based Compensation and Other Stock-based Payments

The Company has established stock option plans for senior employees and utilizes the fair-value-based method of accounting for stock options. The fair value of stock options, determined on the grant date using an option pricing model, is recorded over the vesting period as a charge to net earnings with a corresponding credit to contributed surplus, taking into account forfeitures. Awards are settled by issuance of AGF Class B Non-Voting shares upon exercise of the options. The stock options are issued with an exercise price equal to fair market value which means the volume weighted average trading price of the Class B Non-Voting Shares as reported on the TSX for the five trading days immediately preceding the date of grant. Stock option awards are granted on a four-year graded-vesting basis whereby 25% of the total awards vest each year on the anniversary of the grant date.

The Company also has a share purchase plan under which employees can have a percentage of their annual earnings withheld subject to a maximum of 6% to purchase AGF's Class B Non-Voting shares. The Company matches up to 60% of the amounts contributed by the employee. The Company's contribution vests immediately and is recorded as a charge to net income in the period that the benefit is earned. All contributions are used by the plan trustee to purchase Class B Non-Voting shares on the open market.

The Company has an Employee Share Unit Plan for senior employees under which certain employees are granted RSUs of Class B Non-Voting shares. All RSUs shall vest by the end of three years from the grant date.

The Company has an Employee Benefit Trust (EBT), which acquires Class B Non-Voting shares of the Company in the open market to be delivered to employees upon vesting of their RSUs, net of tax. Pursuant to the plan, the employees of AGF's Canadian subsidiaries will not have an option to receive cash settlement for their RSUs. Grants are expensed over the vesting period based on the fair value of the Class B Non-Voting shares at the date of grant and taking into account forfeitures.

Employees of non-Canadian subsidiaries participating in the plans receive cash settlements for their RSUs. The compensation expense and the related liability for these awards are recorded equally or graded over the three-year vesting period, taking into account fluctuations in the market price of Class B Non-Voting shares, dividends paid and forfeitures. AGF will redeem all of the participants' RSUs in cash equal to the value of one Class B Non-Voting share at the vesting date for each RSU.

The Company has a Deferred Share Unit (DSU) plan for non-employee Directors and certain employees. The plan enables Directors of the Company to elect to receive their remuneration in DSUs. These units vest immediately and compensation expense and the related liability are charged to net income in the period the DSUs are granted. Compensation expense and the related liability are recorded equally over the respective vesting periods, taking into account fluctuations in the market price of Class B Non-Voting shares, dividends paid and forfeitures. On termination, the Company will redeem all of the participants' DSUs in cash or shares equal to the value of one Class B Non-Voting share at the termination date for each DSU.

The Company has an incentive program for the investment team that provides compensation based on the performance of the designated AUM managed by the employee. The total compensation pool for this plan is determined by the total team's AUM multiplied by the applicable basis points. Upon grant, the employees will select RSUs or investment in any of AGF's mutual fund products. The compensation expense and the related liability are expensed over the vesting period based on the marked to market value of the AUM. Each plan fully vests on the third anniversary of the grant date. Upon vesting, the award is settled in cash.

(b) Termination Benefits

The Company recognizes termination benefits at the earlier of when it can no longer withdraw the offer of those benefits, or when it recognizes costs for a restructuring that involves termination benefits.

(c) Other Plans

The Company has a Unit Appreciation Rights (UAR) plan for certain employees of Doherty. The plan provides a cash-based award paid over three years to certain employees, the value of which is linked to the change in value of Doherty by reference to changes in Doherty's earnings before interest, taxes, depreciation and amortization (EBITDA). The purpose of this plan is retention of key employees, including senior management and key succession employees, and to promote the profitability and growth of these two subsidiaries by creating a performance incentive for such key employees so that they may benefit from any appreciation in the value of Doherty. Obligations related to the plans are recorded under accounts payable and accrued liabilities on the consolidated statement of financial position.

3.15 Capital Stock

AGF Class A Voting common shares and Class B Non-Voting shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction from the proceeds, net of income tax.

3.16 Dividends

Dividends to AGF shareholders are recognized in the Company's consolidated financial statements in the period in which the dividends are declared by the Board of Directors.

3.17 Earnings per Share

Basic earnings per share are calculated by dividing net income applicable to AGF Class A Voting common shares and Class B Non-Voting shares by the daily weighted average number of shares outstanding. Diluted earnings per share are calculated using the daily weighted average number of shares that would have been outstanding during the year had all potential common shares been issued at the beginning of the year, or when other potentially dilutive instruments were granted or issued, if later.

The treasury stock method is employed to determine the incremental number of shares that would have been outstanding had the Company used proceeds from the exercise of options to acquire shares.

3.18 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. In addition to these general principles, AGF applies the following specific revenue recognition policies:

Management and advisory fees are based on the net asset value of funds under management multiplied by an agreed rate with the customer. Fees are recognized on an accrual basis as the service is performed. These fees are shown net of management fee rebates, fee waivers and expenses reimbursed to the funds or paid on the funds' behalf. Administration fees are recognized on an accrual basis as the service is performed.

Fees paid to institutional consultants related to the referral and placement of clients where the fee is paid at the commencement of client onboarding, is not dependent on future revenue streams, and is paid directly from the client to the Company, are capitalized and amortized over their estimated useful lives, not exceeding a period of three years. All other commissions are recognized as an expense on an accrual basis.

3.19 Critical Accounting Estimates and Judgements

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period in which the estimate is revised if the revision affects both current and future periods.

Key areas of estimation where management has made difficult, complex or subjective judgements – often about matters that are inherently uncertain – include provision for useful lives of depreciable assets, commitments and contingencies, as well as the specific items discussed below.

(a) Impairment of Non-financial Assets

The Company determines the recoverability of each of its CGUs based on the higher of its fair value less costs to sell (FVLCTS) and its value in use (VIU). The Company uses a discounted cash flow methodology to estimate these amounts. Such analysis involves management judgement in selecting the appropriate discount rate, terminal growth rate, future cash flows and synergies' inclusion rate to be used in the assessment of the impairment of non-financial assets. Refer to Note 8 for further details on the impairment of non-financial assets.

(b) Stock-based Compensation and Other Stock-based Payments

In determining the fair value of the stock-based rewards and the related charge to the consolidated statement of income, the Company makes assumptions about future events and market conditions. In particular, judgement must be formed as to the likely number of shares, or RSUs, that will vest and the fair value of each award granted. The fair value of stock options granted is determined using the Black-Scholes option-pricing model, which is dependent on further estimates, including the Company's future dividend policy and the future volatility in the price of the Class B Non-Voting shares. Refer to Note 20 for the assumptions used. Such assumptions are based on publicly available information and reflect market expectation. Different assumptions about these factors to those made by AGF could materially affect reported net income.

(c) Income Taxes

The Company is subject to income taxes in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. AGF recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. When the estimated outcome of these matters is different from the amounts that were recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(d) Fair Value Estimates of Level 3 Financial Instruments

The fair value estimates of the Company's level 3 financial instruments may require management to make judgements and estimates that can affect the amounts recognized in the consolidated financial statements. Such judgements and estimates include parameter inputs that are unobservable and have an impact on the fair value of the instrument. Refer to Note 26 for further details.

In addition, the application of the Company's accounting policies may require management to make judgements, apart from those involving estimates, that can affect the amounts recognized in the consolidated financial statements. Such judgements include the identification of CGUs, the determination of whether intangible assets have finite or indefinite lives and the accounting implications related to certain legal matters.

3.20 Future Accounting Standards

The following standards have been issued, but are not yet effective for the November 30, 2023 reporting periods and have not been early adopted by the Company.

IFRS 17 – Insurance

The IASB issued IFRS 17 – Insurance in May 2017 with amendments issued in June 2020. The standard will replace IFRS 4 – Insurance Contracts and should be applied retrospectively. If full retrospective application is impractical, the modified retrospective or fair value methods may be used. The standard is applicable for financial years commencing on or after January 1, 2023. The Company has determined there is no material impact on its consolidated financial statements.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The IASB issued amendments to IAS 1 – Classification of Liabilities as Current or Non-current in January 2020. The amendments clarify the classification of liabilities between current or non-current, depending on the rights that exist at the end of the reporting period. Further amendment was issued in 2022 to include additional disclosure requirements related to covenant at each reporting period. The amendments are applicable for financial years commencing on or after January 1, 2023. The Company has determined there is no material impact on its consolidated financial statements.

Amendments to IAS 1 – Disclosure of Accounting Policies

The IASB issued amendments to IAS 1 – Disclosure of Accounting Policies in February 2021. The amendments require the disclosure of material accounting policies, which are defined as accounting policy information, when considered together with other information included in an entity's financial statements, that can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are applicable for financial years commencing on or after January 1, 2023. The Company has determined there is no material impact on its consolidated financial statements.

The Company continues to monitor future accounting standards and analyze the effect the standards may have on the Company's operations.

Note 4: Investments and Long-term Investments

(a) Investments

The following table presents a breakdown of investments:

(in thousands of dollars) November 30	2023	2022
Fair value through profit or loss		
AGF mutual funds and other	**$ 21,474**	$ 19,816
Fair value through other comprehensive income		
Equity securities	**717**	865
	$ 22,191	$ 20,681

For the year ended November 30, 2023, the Company recorded a net positive fair value adjustment related to investments classified as FVTPL of $0.3 million (2022 – net loss of $2.2 million). The continuity of investments for the years ended November 30, 2023 and 2022 is as follows:

(in thousands of dollars) Years ended November 30	2023	2022
Balance, beginning of the year	**$ 20,681**	$ 23,074
Additions[1]	**19,680**	18,970
Disposals[1]	**(18,542)**	(19,476)
Net realized and unrealized gains (losses) on investments classified as FVTPL	**292**	(2,151)
Reinvested dividends and interest	**228**	216
Net unrealized and realized gains (losses) on investments at FVTOCI	**(148)**	48
Balance, end of the year	**$ 22,191**	$ 20,681

[1] Includes $15.0 million of additions (2022 – $16.1 million) and $15.0 million of disposals (2022 – $19.1 million) related to warehouse investments in the private markets business funds.

During the years ended November 30, 2023 and 2022, no impairment charges were recognized.

(b) Long-term Investments

As at November 30, 2023, the carrying value of the Company's long-term investments in the Private Capital business was $255.0 million (2022 – $199.1 million).

The continuity for the Company's long-term investments, accounted for at fair value through profit or loss (FVTPL), for the years ended November 30, 2023 and 2022 is as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Balance, beginning of the year	**$ 199,067**	$ 160,721
Purchase of long-term investments	**34,173**	31,430
Return of capital	**(1,704)**	(8,209)
Fair value adjustment[1]	**23,433**	15,125
Balance, end of the year	**$ 254,969**	$ 199,067

[1] Fair value adjustment is based on the net assets of the fund less the Company's portion of the carried interest that would be payable by the fund upon crystallization.

Fair value adjustments and income distributions related to the Company's long-term investments in Private Capital are included in fair value adjustments and distribution income in the consolidated statement of income. For the year ended November 30, 2023, the Company recorded fair value adjustment related to long-term investments of $23.4 million (2022 – $15.1 million) and distributions related to long-term investments of $3.1 million (2022 – $9.9 million).

The following shows the Company's commitment in funds and investments associated with the Private Capital business as at November 30, 2023 and 2022.

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Remaining Commitment to be funded, beginning of the year	**$ 42,937**	$ 70,917
Additional capital committed	**13,300**	3,450
Funded capital during the period	**(34,173)**	(31,430)
Remaining commitment to be funded, end of the year[1]	**$ 22,064**	$ 42,937

[1] Excludes anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

Note 5: Investment in Joint Ventures

The Company has ownership in joint ventures that manage our Private Capital funds. Refer to Note 3.2(b) for details and ownership percentages. These joint ventures are accounted for using the equity method of accounting. The Company, through its interest in joint ventures, may be entitled to performance-based fees or carried interest distributions. These amounts are recognized by the Company and its joint ventures when the fund exceeds the related performance thresholds and when the risk of reversal is low.

The Company also has an ownership interest in AGFWave, which provides asset management services and products in China and South Korea.

The continuity for the years ended November 30, 2023 and 2022 is as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Balance, beginning of the year	**$ 1,654**	$ 783
Investment in joint venture	**422**	1,280
Share of profit (loss)	**3,427**	(316)
Distributions received	**(3,258)**	(93)
Balance, end of the year	**$ 2,245**	$ 1,654

For the year ended November 30, 2023, the Company recognized income of $3.4 million (2022 – loss of $0.3 million), which includes income of $3.5 million (2022 – $0.1 million) from its Private Capital joint ventures, offset by a loss of $0.1 million (2022 – $0.4 million) from its interest in AGFWave. In addition, the company received distributions of $3.3 million (2022 – $0.1 million) from its Private Capital joint ventures.

Note 6: Other Fee-earning Arrangements

InstarAGF Fee-earning Arrangement

The Company has a fee arrangement with Instar whereby AGF earns annual fees of 14 bps on the assets under management of the InstarAGF Essential Infrastructure Fund I and II (together, the InstarAGF Funds). The fee arrangement is classified as a contract with Instar under IFRS 15. Under IFRS 15, the annual fee will be recorded as income on an accrual basis over the remaining terms of each of the InstarAGF Funds. As at November 30, 2023, the InstarAGF Funds fee-earning assets were $2.0 billion (2022 – $2.0 billion). During the year ended November 30, 2023, the Company recognized $3.0 million (2022 – $2.8 million) of income related to the fee arrangement.

The Company has an anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund. Upon AGF's commitment to Instar's third fund, the Company will earn ongoing annual fees of 7 bps on the assets under management of Instar's third fund as well as participate in the carried interest.

The Company's carried interest participation in the InstarAGF Funds is classified as a financial instrument under IFRS 9, specifically equity instrument, and measured at fair value through other profit and loss (FVTPL). The fair value of the carried interest investment as at November 30, 2023 is $1.9 million (2022 – $1.4 million) and is included in other assets in the consolidated statement of financial position. The Company has $1.9 million in long-term deferred income related to initial recognition of the carried interest entity, which will be recognized in the consolidated income statement as distributions are received. Fair value adjustment on the carried interest entities will result in changes to the asset with a corresponding change to deferred income. During the year ended November 30, 2023, the Company recognized $0.5 million (2022 – $0.2 million) of fair value adjustments on the carried interest investments.

First Ascent Fee-earning Arrangement

AGF has a strategic private equity partnership with First Ascent focused on investing in emerging technology companies. Based on the terms of the agreements, AGF has committed a $30.0 million cornerstone investment to First Ascent's second fund (First Ascent Fund) and will earn an annual fee of $0.2 million during the commitment period and 11.5 bps on the net invested capital after the commitment period. As at November 30, 2023, the First Ascent Fund fee-earning asset was $0.1 billion (2022 – $0.1 billion) and during the year ended November 30, 2023, the Company recognized $0.2 million (2022 – $0.2 million) of income related to the fee arrangement.

Note 7: Right-of-use Assets and Lease Liabilities

The Company leases property and office equipment. During the year ended November 30, 2023, the Company incurred lease modification and reassessment of $0.1 million (2022 – $0.7 million). As at November 30, 2023, the Company has right-of-use assets of $71.8 million (November 30, 2022 – $70.2 million) and total lease liabilities of $84.1 million (November 30, 2022 – $81.3 million) recorded on the consolidated statement of financial position. The following shows the carrying amounts of the Company's right-of-use assets and lease liabilities by class and the movements during the years ended November 30, 2023 and 2022:

	Right-of-use assets			Lease liabilities
(in thousands of dollars)	Property	Equipment	Total	
As at December 1, 2022	$ 69,735	$ 443	$ 70,178	$ 81,269
Depreciation expense	(4,244)	(81)	(4,325)	–
Addition	6,108		6,108	6,108
Lease modification and reassessment	(171)	–	(171)	136
Interest expense	–	–	–	2,198
Payments	–	–	–	(5,647)
As at November 30, 2023	**$ 71,428**	**$ 362**	**$ 71,790**	**$ 84,064**
As at December 1, 2021	$ 75,384	$ 681	$ 76,065	$ 84,629
Depreciation expense	(5,215)	(232)	(5,447)	–
Lease modification and reassessment	(434)	(6)	(440)	(670)
Interest expense	–	–	–	2,071
Payments	–	–	–	(4,761)
As at November 30, 2022	**$ 69,735**	**$ 443**	**$ 70,178**	**$ 81,269**

The Company is committed under leases for office premises and equipment. The table below shows the Company's approximate remaining contractual minimum annual rental payments under the leases.

(in thousands of dollars) **Years ended November 30**	
2024	$ 6,031
2025	6,031
2026	5,810
2027	5,745
2028	5,658
Thereafter	45,744
Total	**$ 75,019**

Note 8: Goodwill and Intangible Assets

(in thousands of dollars)	Management contracts	Goodwill	Other intangibles	Total
Year ended November 30, 2022				
Opening net book amount	$ 689,759	$ 250,830	$ 558	$ 941,147
Amortization	–	–	(84)	(84)
Closing net book amount	$ 689,759	$ 250,830	$ 474	$ 941,063
At November 30, 2022				
Cost, net of derecognition and impairment	$ 689,759	$ 250,830	$ 946	$ 941,535
	689,759	250,830	946	941,535
Accumulated amortization	–	–	(472)	(472)
	–	–	(472)	(472)
Net book amount	$ 689,759	$ 250,830	$ 474	$ 941,063
Year ended November 30, 2023				
Opening net book amount	**$ 689,759**	**$ 250,830**	**$ 474**	**$ 941,063**
Amortization	**–**	**–**	**(76)**	**(76)**
Closing net book amount	**$ 689,759**	**$ 250,830**	**$ 398**	**$ 940,987**
At November 30, 2023				
Cost, net of derecognition and impairment	**$ 689,759**	**$ 250,830**	**$ 946**	**$ 941,535**
	689,759	**250,830**	**946**	**941,535**
Accumulated amortization	**–**	**–**	**(548)**	**(548)**
	–	**–**	**(548)**	**(548)**
Net book amount	**$ 689,759**	**$ 250,830**	**$ 398**	**$ 940,987**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). The following is a summary of the goodwill allocation by CGU:

(in thousands of dollars)	Investment Management – Retail	Investment Management – Institutional	Cypress Capital Management Ltd	Doherty & Associates Ltd.	Total
Year ended November 30, 2022					
Opening net book amount	$ 157,313	$ 76,762	$ 12,548	$ 4,207	$ 250,830
Closing net book amount	$ 157,313	$ 76,762	$ 12,548	$ 4,207	$ 250,830
Year ended November 30, 2023					
Opening net book amount	**$ 157,313**	**$ 76,762**	**$ 12,548**	**$ 4,207**	**$ 250,830**
Closing net book amount	**$ 157,313**	**$ 76,762**	**$ 12,548**	**$ 4,207**	**$ 250,830**

During the year ended November 30, 2023, in accordance with its accounting policies, the Company completed its impairment test on its goodwill and indefinite life intangibles. The total carrying value, net of deferred tax liability, for all CGUs as at November 30, 2023 was $779,068 (2022 – $780,295), of which $689,356 was in the Retail CGU (2022 – $690,020).

To determine whether an impairment loss should be recognized, the carrying value of the assets and liabilities of each CGU is compared to its recoverable amount, which is the higher of fair value less costs to sell (FVLCTS) and its value in use (VIU). As at November 30, 2023 and 2022, the Company has performed a discounted cash flow analysis for each CGU to estimate the recoverable amount.

The discounted cash flow analysis was based on projected cash flows expected over the next three fiscal years and thereafter based on an assumed terminal growth rate all discounted to present value at a market participant discount rate. Future cash flow projections are based on assets under management of which key drivers are assumptions about gross sales, redemptions, market growth, and revenue rate.

To arrive at a discount rate specific to each CGU, a base rate for the total Company was determined and a specific risk premium was applied for each CGU to reflect the CGU's non-systematic risk characteristics. The inputs for the base rate were derived based on observable market information and/or empirical studies. The specific risk premium took into consideration factors specific to each CGU, including but not limited to historical sales and redemption trends, fund performance, asset mix, and potential changes to the regulatory environment.

The terminal growth rate was selected taking into consideration the AUM composition within each CGU and long-term expected market returns, net of management expenses. Market participant synergies were estimated based on the Company's experience with prior acquisitions and giving consideration to the attributes of a likely purchaser of each CGU. A strategic purchaser would be able to realize synergies related to sales distribution and marketing activities, certain back office and support functions and other general and administrative costs. The estimated synergies were 67% of total costs in the Retail CGU and 66% of total costs in the Institutional CGU. These synergies were further discounted by the synergies' inclusion rate of 50%, resulting in synergies of approximately 33% included in the FVLCTS valuation. No synergies were assumed for the Cypress CGU and Doherty CGU, given the nature of private client businesses.

Based on the results of the annual impairment test, the Company concluded that no goodwill or management contracts were impaired as at November 30, 2023.

The following is a summary of the valuation results for the Company's most significant CGU as at November 30, 2023 and 2022:

(in thousands of dollars) **Years ended November 30**	**2023** **Investment Management – Retail**	**2022** **Investment Management – Retail**
Recoverable amount applied – overall	$ 1,306,206	$ 1,442,727
Carrying amount	689,356	690,020
Excess	**$ 616,850**	**$ 752,707**
AUM	$ 22,081,902	$ 21,426,242
AUM multiple	5.90%	6.70%
FVLCTS approach		
Discount rate	11.95%	11.70%
Terminal growth rate	3.50%	3.50%
Synergies inclusion rate	50.00%	50.00%

The following is a summary of a sensitivity analysis performed based on alternative assumptions as at November 30, 2023 and 2022:

(in thousands of dollars) **Years ended November 30**	**2023** **Investment Management – Retail**	**2022** **Investment Management – Retail**
FVLCTS approach		
Discount rate	11.50%	11.25%
Terminal growth rate	4.00%	4.00%
Synergies inclusion rate	50.00%	50.00%
Recoverable amount – high	$ 1,450,647	$ 1,607,859
Discount rate	12.40%	12.15%
Terminal growth rate	3.00%	3.00%
Synergies inclusion rate	50.00%	50.00%
Recoverable amount – low	$ 1,190,673	$ 1,311,651

Management will continue to regularly monitor its intangibles for indications of potential impairment.

Note 9: Property, Equipment and Computer Software

(in thousands of dollars)	Furniture and equipment	Leasehold improvements	Computer hardware	Computer software	Total
Year ended November 30, 2022					
Opening net book amount	$ 1,119	$ 14,014	$ 1,796	$ 2,080	$ 19,009
Additions	3,971	9,147	1,950	1,271	16,339
Depreciation	(1,032)	(2,659)	(1,005)	(1,425)	(6,121)
Closing net book amount	$ 4,058	$ 20,502	$ 2,741	$ 1,926	$ 29,227
At November 30, 2022					
Cost	$ 13,372	$ 29,498	$ 5,440	$ 5,623	$ 53,933
Less: fully depreciated assets	(5,994)	(7,093)	(593)	(1,722)	(15,402)
	7,378	22,405	4,847	3,901	38,531
Accumulated depreciation	(9,314)	(8,996)	(2,699)	(3,697)	(24,706)
Less: fully depreciated assets	5,994	7,093	593	1,722	15,402
	(3,320)	(1,903)	(2,106)	(1,975)	(9,304)
Net book amount	$ 4,058	$ 20,502	$ 2,741	$ 1,926	$ 29,227
Year ended November 30, 2023					
Opening net book amount	**$ 4,058**	**$ 20,502**	**$ 2,741**	**$ 1,926**	**$ 29,227**
Additions	**526**	**973**	**445**	**1,499**	**3,443**
Depreciation	**(820)**	**(1,619)**	**(980)**	**(1,300)**	**(4,719)**
Closing net book amount	**$ 3,764**	**$ 19,856**	**$ 2,206**	**$ 2,125**	**$ 27,951**
At November 30, 2023					
Cost	**$ 7,904**	**$ 23,378**	**$ 5,292**	**$ 5,400**	**$ 41,974**
Less: fully depreciated assets	**(114)**	**(286)**	**(715)**	**(1,044)**	**(2,159)**
	7,790	**23,092**	**4,577**	**4,356**	**39,815**
Accumulated depreciation	**(4,140)**	**(3,522)**	**(3,086)**	**(3,275)**	**(14,023)**
Less: fully depreciated assets	**114**	**286**	**715**	**1,044**	**2,159**
	(4,026)	**(3,236)**	**(2,371)**	**(2,231)**	**(11,864)**
Net book amount	**$ 3,764**	**$ 19,856**	**$ 2,206**	**$ 2,125**	**$ 27,951**

Note 10: Accounts Payable

(in thousands of dollars) Years ended November 30	2023	2022
Compensation related payable	**$ 51,513**	$ 48,083
HST payable	**7,920**	8,158
Other	**18,859**	18,240
Accounts payable and accrued liabilities	**$ 78,292**	$ 74,481

Note 11: Long-term Debt

The Company's unsecured revolving credit facility (the Facility) has a maximum aggregate principal amount of $140.0 million and a $10.0 million swingline facility commitment. Advances under the Facility are made available by prime-rate loans in U.S. or Canadian dollars, under bankers' acceptance (BAs) or by issuance of letters of credit. The Facility is due in full on November 6, 2025. During the year ended November 30, 2023, AGF repaid $110.0 million (2022 – $5.0 million) and drew $94.0 million (2022 – $27.0 million). As at November 30, 2023, AGF had drawn $6.0 million against the Facility (2022 – $22.0 million), with $144.0 million remaining that is available to be drawn from the Facility and swingline facility commitment. AGF incurs transaction fees on the Facility which are amortized over the term of the Facility. As at November 30, 2023, the remaining balance of the transaction fee was $0.2 million.

Note 12: Deferred Income Tax and Liabilities

(a) The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

(in thousands of dollars) November 30	2023	2022
Deferred income tax assets		
Deferred income tax asset to be recovered after more than 12 months	**$ 2,052**	$ 2,131
Deferred income tax asset to be recovered within 12 months	**1,550**	1,757
	$ 3,602	$ 3,888
Deferred income tax liabilities		
Deferred income tax liability to be settled after more than 12 months	**$ 154,203**	$ 152,174
Deferred income tax liability to be settled within 12 months	**(1,369)**	(1,567)
	152,834	150,607
Net deferred income tax liabilities	**$ 149,232**	$ 146,719

The movement in deferred income tax assets and liabilities during the years ended November 30, 2023 and 2022, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(in thousands of dollars) **Year ended November 30, 2023**	**Balance, beginning of year**	**Recognized in income**	**Recognized in equity**	**Recognized in OCI**	**Balance, end of year**
Deferred income tax assets					
Expenses deductible in future periods	**$ 9,557**	**$ (635)**	**$ 604**	**$ –**	**$ 9,526**
Loss carryforwards	**100**	**41**	**–**	**–**	**141**
Property and equipment	**1,826**	**142**	**–**	**–**	**1,968**
Other credits and carryforwards	**22**	**(4)**	**–**	**–**	**18**
	$ 11,505	**$ (456)**	**$ 604**	**$ –**	**$ 11,653**
Deferred income tax liabilities					
Management contracts and other intangibles	**$ 151,051**	**$ (55)**	**$ –**	**$ –**	**$ 150,996**
Investments	**7,162**	**2,736**	**–**	**(20)**	**9,878**
Other	**11**	**–**	**–**	**–**	**11**
	$ 158,224	**$ 2,681**	**$ –**	**$ (20)**	**$ 160,885**
Net deferred income tax liabilities	**$ 146,719**	**$ 3,137**	**$ (604)**	**$ (20)**	**$ 149,232**

(in thousands of dollars) **Year ended November 30, 2022**	**Balance, beginning of year**	**Recognized in income**	**Recognized in equity**	**Recognized in OCI**	**Balance, end of year**
Deferred income tax assets					
Expenses deductible in future periods	$ 10,205	$ (503)	$ (145)	$ –	$ 9,557
Loss carryforwards	126	(26)	–	–	100
Property and equipment	1,388	438	–	–	1,826
Other credits and carryforwards	38	(16)	–	–	22
	$ 11,757	$ (107)	$ (145)	$ –	$ 11,505
Deferred income tax liabilities					
Management contracts and other intangibles	$ 151,073	$ (22)	$ –	$ –	$ 151,051
Investments	4,882	2,274	–	6	7,162
Other	11	–	–	–	11
	$ 155,966	$ 2,252	$ –	$ 6	$ 158,224
Net deferred income tax liabilities	$ 144,209	$ 2,359	$ 145	$ 6	$ 146,719

(b) Deferred income tax assets are recognized for tax loss carryforwards and other deductible expenses to the extent that the realization of the related tax benefit through future taxable profits is probable. The ability to realize the tax benefits of these losses is dependent upon a number of factors, including the future profitability of operations in the jurisdictions in which the tax losses arose. As at November 30, 2023, deferred income tax assets have not been recognized for $45.0 million of non-capital losses and $2.1 million of deductible expenses.

Non-capital loss carryforwards by year of expiry as at November 30, 2023 are summarized below:

(in thousands of dollars)	
2036	$ 348
2037	3,609
2038	4,957
2039	–
2040	–
Thereafter	1,975
No expiry	34,109

(c) As at November 30, 2023, the aggregate amount of temporary differences associated with investments in subsidiaries for which deferred income tax liabilities have not been recognized is $2.9 million (2022 – $4.0 million).

Note 13: Capital Stock

(a) Authorized Capital

The authorized capital of AGF consists of an unlimited number of AGF Class B Non-Voting shares and an unlimited number of AGF Class A Voting common shares. The Class B Non-Voting shares are listed for trading on the Toronto Stock Exchange (TSX).

(b) Changes During the Year

The change in capital stock is summarized as follows:

Years ended November 30	**2023**		**2022**	
(in thousands of dollars, except share amounts)	**Shares**	**Stated value**	**Shares**	**Stated value**
Class A Voting common shares	**57,600**	**$ –**	57,600	$ –
Class B Non-Voting shares				
Balance, beginning of the year	**64,407,816**	**$ 391,719**	69,956,884	$ 426,193
Issued through dividend reinvestment plan	**76,942**	**564**	65,477	452
Stock options exercised	**1,271,298**	**7,403**	612,243	3,356
Repurchased for cancellation	**(1,805,652)**	**(10,966)**	(6,284,538)	(38,216)
Treasury stock purchased for employee benefit trust	**–**	**–**	(300,000)	(1,883)
Treasury stock released for employee benefit trust[1]	**321,047**	**1,782**	357,750	1,817
Balance, end of the year	**64,271,451**	**$ 390,502**	64,407,816	$ 391,719

[1] In December 2023, an additional 401,983 share units were released (2022 – 289,843).

(c) Class B Non-Voting Shares Purchased for Cancellation

AGF has obtained applicable regulatory approval to purchase for cancellation, from time to time, certain of its Class B Non-Voting shares through the facilities of the TSX (or as otherwise permitted by the TSX). AGF relies on an automatic purchase plan during the normal course issuer bid. The automatic purchase plan allows for purchases by AGF of its Class B Non-Voting shares subject to certain parameters. Under its normal course issuer bid, AGF may purchase up to 10% of the public float outstanding on the date of the receipt of regulatory approval or up to 4,397,923 shares for the period from February 8, 2023 to February 7, 2024 and up to 4,889,630 shares for the period from February 8, 2022 to February 7, 2023. During the year ended November 30, 2023, AGF purchased 1,805,652 (2022 – 2,795,892) Class B Non-Voting shares under the normal course issuer bid at an average price of $7.40 (2022 – $7.22) for a total cost of $13.4 million (2022 – $20.2 million). The discount of $2.4 million (2022 – $3.2 million) from the recorded capital stock value of the shares repurchased for cancellation was recorded in retained earnings.

During the year ended November 30, 2022, AGF completed a substantial issuer bid (SIB), where AGF purchased for cancellation 3,488,646 Class B non-voting shares at a price of $6.75 per share for a total cost of $23.5 million. The purchase price of shares acquired through the SIB is allocated between capital stock and retained earnings. The reduction to capital stock in connection with the SIB was $21.2 million. The discount from the purchase price of $2.3 million was charged to retained earnings along with $0.4 million of transaction costs.

(d) Class B Non-Voting Shares Purchased as Treasury Stock for Employee Benefit Trust

During the year ended November 30, 2023, AGF did not purchase Class B Non-Voting shares for the employee benefit trust (2022 – 300,000 shares at a cost of $1.9 million). Shares purchased for the trust are purchased under the Company's normal course issuer bid and recorded as a reduction to capital stock. During the year ended November 30, 2023, 321,047 (2022 –357,750) Class B Non-Voting shares purchased as treasury stock were released. As at November 30, 2023, 396,021 (2022 –717,068) Class B Non-Voting shares were held as treasury stock.

Note 14: Accumulated Other Comprehensive Income

(in thousands of dollars)	Foreign currency translation	Fair value through OCI	Total
Opening composition of accumulated other comprehensive income at December 1, 2021			
Other comprehensive income (loss)	$ (1,501)	$ 4,513	$ 3,012
Income tax expense	–	(58)	(58)
Balance, December 1, 2021	(1,501)	4,455	2,954
Transactions during the year ended November 30, 2022			
Other comprehensive income	–	48	48
Income tax expense	–	(7)	(7)
Balance, November 30, 2022	(1,501)	4,496	2,995
Transactions during the year ended November 30, 2023			
Other comprehensive loss	**–**	**(148)**	**(148)**
Income tax benefit	**–**	**20**	**20**
Balance, November 30, 2023	**$ (1,501)**	**$ 4,368**	**$ 2,867**

Note 15: Management, Advisory and Administration Fees

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Management, advisory and administration fees	**$ 438,479**	$ 438,211
Fund expenses	**(10,307)**	(7,864)
	$ 428,172	$ 430,347

Note 16: Other Income

Other income includes interest income earned on term deposit, gain and loss recorded on foreign exchange and other miscellaneous income. For the year ended November 30, 2022, the Company recorded other income of $4.0 million related to an interest refund received from the Canada Revenue Agency (CRA). See Note 28 for further information.

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Interest income	**$ 1,548**	$ 701
Other	**1,082**	5,255
	$ 2,630	$ 5,956

Note 17: Financial Instruments

On April 11, 2022, the Company entered into a Total Return Swap agreement (TRS) with a financial institution to manage its exposure to changes in the fair value of its Deferred Share Units (DSUs), which is based on the AGF.B share price. As at November 30, 2023, the Company had economically hedged 96.0% of its total DSUs for a total notional value of $9.1 million. The TRS contract expires on May 31, 2024, with the option to extend the contract at the same average price.

The Company has not designated the TRS agreement as a hedging instrument for accounting purposes. The Company presents the fair value changes in the TRS, which includes the benefit of reinvested dividends, along with the associated financing and execution costs of the TRS, together with the corresponding fair value changes of the DSUs within the stock-based compensation expense component of Selling, General and Administrative expenses in the consolidated statement of income.

The Company recognized a gain on the TRS in the consolidated statement of income under Selling, General and Administrative expenses of $1.2 million for the year ended November 30, 2023 (2022 – loss of $0.2 million).

The fair value of the total return swap is classified as level 2 under the fair value hierarchy. Refer to Note 26 for additional information.

Note 18: Expenses by Nature

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Selling, general and administrative		
Salaries, benefits and performance-based compensation	**$ 137,846**	$ 126,277
Stock-based compensation[1,2]	**9,523**	7,924
Severance	**1,334**	4,414
Non-compensation related expenses[2]	**60,345**	55,947
	$ 209,048	$ 194,562

[1] Includes derivative financial instrument. Refer to Note 17 for more information.
[2] Certain comparative figures have been reclassified to conform to the current period's presentation.

Note 19: Employee Benefit Expense

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Compensation expense excluding stock-based compensation	**$ 137,846**	$ 126,277
Stock option plans	**301**	535
RSU plans	**7,650**	6,114
DSU plan[1]	**1,572**	1,275
Stock-based compensation	**$ 9,523**	$ 7,924
	$ 147,369	$ 134,201

1 Includes derivative financial instrument. Refer to Note 17 for more information.

Note 20: Stock-based Compensation and Other Stock-based Payments

(a) Stock Option Plans

Under the Company's stock option plans, an additional maximum of 2,020,285 Class B Non-Voting shares could have been granted as at November 30, 2023 (2022 – 2,004,285).

The change in stock options during the years ended November 30, 2023 and 2022 is summarized as follows:

	2023		**2022**	
(in thousands of dollars) **Years ended November 30**	**Options**	**Weighted average exercise price**	**Options**	**Weighted average exercise price**
Class B Non-Voting share options				
Balance, beginning of the year	**4,701,833**	**$ 5.90**	6,028,824	$ 6.12
Options granted	**–**	**–**	304,414	6.57
Options forfeited	**(16,000)**	**6.20**	–	–
Options expired	**–**	**–**	(1,019,162)	7.95
Options exercised	**(1,271,298)**	**5.15**	(612,243)	4.90
Balance, end of the year	**3,414,535**	**$ 6.18**	4,701,833	$ 5.90

The outstanding stock options as at November 30, 2023 have expiry dates ranging from 2024 to 2030. The following table summarizes additional information about stock options outstanding as at November 30, 2023 and 2022:

November 30, 2023 **Range of exercise prices**	**Number of options outstanding**	**Weighted average remaining life**	**Weighted average exercise price**	**Number of options exercisable**	**Weighted average exercise price**
$0.00 to $5.00	**667,650**	**2.0 years**	**$ 4.99**	**667,650**	**$ 4.99**
$5.01 to $10.00	**2,746,885**	**2.7 years**	**6.48**	**2,304,889**	**6.45**
	3,414,535	**2.6 years**	**$ 6.18**	**2,972,539**	**$ 6.12**

November 30, 2022 **Range of exercise prices**	**Number of options outstanding**	**Weighted average remaining life**	**Weighted average exercise price**	**Number of options exercisable**	**Weighted average exercise price**
$0.00 to $5.00	1,532,218	1.5 years	$ 4.78	1,532,218	$ 4.78
$5.01 to $10.00	3,169,615	3.5 years	6.45	2,281,832	6.45
	4,701,833	2.9 years	$ 5.90	3,814,050	$ 5.78

During the year ended November 30, 2023, nil (2022 – 304,414) stock options were granted and compensation expense and contributed surplus of $0.3 million (2022 – $0.5 million) was recorded. The fair value of options granted during the year ended November 30, 2022 has been estimated at $1.35 per option using the Black-Scholes option-pricing model. The following assumptions were used to determine the fair value of the options granted during the year ended November 30, 2022.

Year ended November 30	**2022**
Risk-free interest rate	3.1%
Expected dividend yield	5.9%
Five-year historical-based expected share price volatility	37.0%
Forfeiture rate	4.4%
Option term	5.3 years

(b) Other Stock-based Compensation

Other stock-based compensation includes RSUs and DSUs. Compensation expense related to cash-settled RSUs and DSUs for the year ended November 30, 2023 was $3.0 million (2022 – $1.6 million) and the liability recorded as at November 30, 2023 related to cash-settled RSUs and DSUs was $11.4 million (2022 –$10.9 million). Compensation expense related to equity-settled RSUs for the year ended November 30, 2023 was $6.8 million (2022 – $5.3 million) and contributed surplus related to equity-settled RSUs, net of tax, as at November 30, 2023 was $10.0 million (2022 –$6.8 million).

The change in share units of RSUs and DSUs during the twelve months ended November 30, 2023 and 2022 is as follows:

(in thousands of dollars)

Years ended November 30	2023	2022
	Number of share units	**Number of share units**
Outstanding, beginning of the year, non-vested	**4,526,587**	3,926,196
Issued		
Initial grant	**155,433**	1,428,409
In lieu of dividends	**216,046**	182,604
Settled in cash	**(693,627)**	(639,072)
Settled in equity, net of tax	**(321,047)**	(357,750)
Forfeited and cancelled	**(19,257)**	(13,800)
Outstanding, end of the year, non-vested	**3,864,135**	4,526,587
Cash-settled, end of the year	**1,723,033**	1,875,358
Equity-settled, end of the year	**2,141,102**	2,651,229

Note 21: Interest Expense

(in thousands of dollars)

Years ended November 30	2023	2022
Interest on long-term debt and standby fees[1]	**$ 2,414**	$ 621
Lease interest expense (Note 7)	**2,198**	2,071
Tax-related interest expense	**262**	1
	$ 4,874	$ 2,693

[1] As at November 30, 2023, the Company has drawn $6.0 million on its credit facility (2022 – $22.0 million).

Note 22: Income Tax Expense

(a) The following are major components of income tax expense:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Current income tax		
Current income tax on profits for the year	**$ 26,135**	$ 19,271
Adjustments in respect of prior years	**180**	(38)
Other	**(2,132)**	(980)
Total current income tax expense	**$ 24,183**	$ 18,253
Deferred income tax		
Origination and reversal of temporary differences	**$ 3,051**	$ 2,406
Adjustments in respect of prior years	**86**	(47)
Total deferred income tax expense (benefit)	**3,137**	2,359
Income tax expense	**$ 27,320**	$ 20,612

(b) The Company's effective income tax rate is comprised as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Canadian corporate tax rate	**26.5%**	26.5%
Rate differential on earnings of subsidiaries	**0.1**	0.2
Tax-exempt income[1]	**–**	(1.0)
Gains subject to different tax rates	**(3.4)**	(2.5)
Non-deductible expenses	**0.8**	0.3
Change in deferred tax assets not recognized	**1.0**	1.5
Other	**(1.2)**	(1.4)
Effective income tax rate	**23.8%**	23.6%

[1] For the year ended November 30, 2022, the Company recorded other income of $4.0 million related to an interest refund received from the Canada Revenue Agency (CRA). See Note 28 for further information.

(c) The tax charged (credited) relating to components of other comprehensive income is as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Fair value gains on available for sale investments	**$ (20)**	$ 6
	$ (20)	$ 6

(d) The tax charged (credited) relating to components of equity is as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Equity-settled share-based compensation	**$ (604)**	$ 145
	$ (604)	$ 145

Note 23: Earnings per Share

(in thousands of dollars, except per share data) **Years ended November 30**	**2023**	2022
Numerator		
Net income for the year	**$ 87,700**	$ 66,647
Denominator		
Weighted average number of shares – basic	**64,957,984**	68,430,165
Dilutive effect of employee stock-based compensation awards	**2,275,861**	1,007,048
Weighted average number of shares – diluted	**67,233,845**	69,437,213
Earnings per share for the year		
Basic	**$ 1.35**	$ 0.97
Diluted	**$ 1.30**	$ 0.96

Note 24: Dividends

During the year ended November 30, 2023, the Company paid dividends of $0.43 (2022 – $0.39) per share. Total dividends paid, including dividends reinvested, in the year ended November 30, 2023 were $27.9 million (2022 – $26.7 million). On December 15, 2023, the Board of Directors of AGF declared a quarterly dividend on both the Class A Voting common shares and Class B Non-Voting shares of the Company of $0.11 per share in respect of the three months ended November 30, 2023, amounting to a total dividend of approximately $7.1 million. These consolidated financial statements do not reflect this dividend.

Note 25: Related Party Transactions

(a) Key Management Compensation

The Company is controlled by Blake C. Goldring, Executive Chairman, through his indirect ownership of all the voting shares of Goldring Capital Corporation, which owns 100% of the Company's Class A Voting common shares. On April 12, 2023, 20% of the Class A Voting common shares that were previously held by the former Vice-Chairman of AGF were sold to Goldring Capital Corporation.

The remuneration of Directors and other key management personnel of AGF is as follows:

(in thousands of dollars) **Years ended November 30**	**2023**	2022
Salaries and other short-term employee benefits	**$ 10,269**	$ 10,931
Share-based compensation	**5,847**	3,712
	$ 16,116	$ 14,643

(b) Mutual Funds and Other Investments

Under IFRS Accounting Standards, entities are deemed to be related parties if one entity provides key management personnel services to another entity. As such, AGF Investments Inc. is deemed for IFRS purposes to be a related party to AGF Funds since it is the manager of AGF Funds.

The Company receives management, advisory and administration fees from AGF Funds in accordance with the respective agreements between AGF Funds and the Company. In return, the Company is responsible for management, administration and investment advisory services and all costs connected with the distribution of securities of AGF Funds.

A majority of the management and advisory fees the Company earned in the years ended November 30, 2023 and 2022 were from AGF Funds. As at November 30, 2023, the Company had $12.4 million (2022 – $16.7 million) receivable from AGF Funds. The Company also acts as trustee for AGF Funds that are mutual fund trusts.

The aggregate fund expenses paid and management and advisory fees waived by the Company during the year ended November 30, 2023 on behalf of AGF Funds were approximately $10.3 million (2022 – $8.6 million).

The Company also invests seed capital in AGF Funds and the Private Capital business. For additional information on these investments refer to Note 4.

Note 26: Financial Risk Management

(a) Economic Environment

The world's geopolitical climate remains a source of volatility for global markets as conflicts in the Middle East and Ukraine continue. Elevated interest rates and inflation are also contributing to higher volatility and could ultimately impact the trajectory of investment returns over the next 12 months. Sustained and material volatility in the financial markets has the potential to create market risk to the Company's capital position and profitability.

Sustained and material volatility in the financial markets has the potential to create market risk to the Company's capital position and profitability. A significant portion of AGF's revenue is driven by its total average AUM excluding Private Capital. These AUM levels are impacted by both net sales and changes in the market. In general, for every $1.0 billion reduction in average AUM excluding Private Capital, management, advisory and administration fee revenues, net of trailer commissions and investment advisory fees, would decline by approximately $7.4 million.

(b) Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. In the normal course of business, the Company manages these risks as they arise as a result of its use of financial instruments.

Market Risk

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors, such as foreign exchange rate, interest rates, and equity and commodity prices.

(i) Foreign Exchange Risk

The Company's main foreign exchange risk derives from the U.S. and international portfolio securities held in the AGF funds. Changes in the value of the Canadian dollar relative to foreign currencies will cause fluctuations in the Canadian-dollar value of non-Canadian AUM upon which our management fees are calculated. This risk is monitored since currency fluctuation may impact the financial results of AGF; however, it is at the discretion of the fund manager to decide whether to enter into foreign exchange contracts to hedge foreign exposure on U.S. and international securities held in funds. Using average balances for the year, the effect of a 5% change in the Canadian dollar in relation to total AUM would have resulted in a corresponding change of approximately $1.2 billion in AUM for the year ended November 30, 2023. In general, for every $1.0 billion reduction in average AUM, management, advisory and administration fee revenue, net of trailer commissions and investment advisory fees, would decline by approximately $7.4 million.

The Company is subject to foreign exchange risk on our integrated foreign subsidiaries in the United States and Ireland, which provide investment advisory services. These subsidiaries retain minimal monetary exposure to the local currency and their revenues are calculated in Canadian dollars. The local currency expenses are translated at the average monthly rate, and local currency assets and liabilities are translated at the rate of exchange in effect at the statement of financial position date.

(ii) Interest Rate Risk

The Company has exposure to the risk related to changes in interest rates on floating-rate debt and cash balances. Using outstanding debt balances for the year, the effect of a 1% change in variable interest rates on floating-rate debt and cash balances in fiscal 2023 would have resulted in a corresponding change of approximately $0.1 million in interest expense for the year ended November 30, 2023.

At November 30, 2023, approximately 19.3% of AGF's mutual fund assets under management were held in fixed-income securities, which are exposed to interest rate risk. An increase in interest rates causes market prices of fixed-income securities to fall, while a decrease in interest rates causes market prices to rise. A 1% change in interest rates would have resulted in a corresponding change of approximately $2.5 million in revenue for the year ended November 30, 2023.

(iii) Price Risk

The Company is not exposed to commodity price risk. The Company is exposed to equity securities price risk on certain equity securities held by the Company and long-term investments in Private Capital funds. The Company's investments that have price risk include investments in mutual funds managed by the Company of $21.5 million, equity securities of $0.7 million and long-term investments of $255.0 million as at November 30, 2023. As at November 30, 2023, the effect of a 10% decline or increase in the value of investments would result in a $27.7 million pre-tax unrealized gain or loss in net income and $0.1 million pre-tax unrealized gain or loss to other comprehensive income.

Credit Risk

The Company is exposed to the risk that third parties, including clients, who owe the Company money, securities or other assets will not perform their obligations. Credit risk arises from cash and cash equivalents, investments, accounts receivable and other assets. Cash and cash equivalents consist primarily of highly liquid temporary deposits with Canadian banks, an Irish bank and non-Irish banks in Ireland, as well as bank term deposits. The Company's overall credit risk strategy and credit risk policy are developed by senior management and further refined at the business unit level, through the use of policies, processes and internal controls designed to promote business activities, while ensuring these activities are within the standards of risk tolerance levels. The Company does not have significant exposure to any individual counterparty.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to generate sufficient funds and within the time required to meet its obligations as they come due. The key liquidity requirements are the funding of investment-related commitments in the Private Capital business, dividends paid to shareholders, obligations to taxation authorities, and the repayment of long-term debt. While the Company currently has access to financing, unfavourable market conditions may affect its ability to obtain loans or make other arrangements on terms acceptable to AGF. The Company manages its liquidity risk through the management of its capital structure and financial leverage as outlined in Capital Management (below) and Note 11. The Company manages its liquidity by monitoring actual and projected cash flows to ensure that it has sufficient liquidity through cash received from operations as well as borrowings under its revolving credit facility. Cash surpluses are invested in interest-bearing short-term deposits and investments with a maturity up to 90 days. The Company is subject to certain financial loan covenants under its revolving credit facility and has met all of these conditions.

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on the remaining period from November 30, 2023 and 2022 to the contractual maturity date.

(in thousands of dollars)	1 year or less	1 to 5 years
Year ended November 30, 2023		
Accounts payable and accrued liabilities	**$ 78,292**	**$ –**
Long-term debt	**–**	**6,000**
Other liabilities	**–**	**10,369**
Total	**$ 78,292**	**$ 16,369**
Year ended November 30, 2022		
Accounts payable and accrued liabilities	$ 74,481	$ –
Long-term debt	–	22,000
Derivative financial instrument	246	–
Other liabilities	–	10,253
Total	$ 74,727	$ 32,253

(c) Capital Management

The Company actively manages capital to maintain a strong and efficient capital base to maximize risk-adjusted returns to shareholders and to invest in future growth opportunities, while ensuring there is available capital to fund capital commitments related to the Private Capital business.

As part of the ongoing strategic and capital planning, the Company regularly reviews its holdings in short- and long-term investments, including its investments in associates and joint ventures, to determine the best strategic use of these assets in order to achieve our long-term capital and strategic goals.

The Company's capital consists of shareholders' equity and long-term debt. Refer to Notes 11 and 13 for additional information. The Company reviews its three-year capital plan annually while detailing projected operating budgets and capital requirements. These plans become the basis for the payment of dividends to shareholders, the repurchase of Class B Non-Voting shares and, combined with the reasonable use of leverage, the source of funds for expansion through organic growth and strategic investments. The AGF Executive Management committee is responsible for the management of capital. The AGF Board of Directors is responsible for overseeing the Company's capital policy and management.

The Company's Investment Management businesses, in general, are not subject to significant regulatory capital requirements in each of the jurisdictions in which they are registered and operate.

(d) Fair Value Estimation

The carrying value of accounts receivable and other assets, accounts payable and accrued liabilities approximate fair value due to their short-term nature. Long-term debt, if any, approximates fair value as a result of the floating rate portion of the effective interest rate.

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities,

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the group's assets and liabilities that are measured at fair value at November 30, 2023:

(in thousands of dollars)

November 30, 2023	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Cash and cash equivalents	$ 50,453	$ –	$ –	$ 50,453
AGF mutual funds and other	21,474	–	–	21,474
Long-term investments	–	–	254,969	254,969
Carried interest	–	–	1,864	1,864
Derivative financial instrument	–	965	–	965
Financial assets at fair value through other comprehensive income				
Equity securities	717	–	–	717
Total financial assets	$ 72,644	$ 965	$ 256,833	$ 330,442
Liabilities				
Financial liabilities at fair value through profit or loss				
Long-term deferred income on carried interest	$ –	$ –	$ 1,864	$ 1,864
Total financial liabilities	$ –	$ –	$ 1,864	$ 1,864

The following table presents the group's assets and liabilities that were measured at fair value at November 30, 2022:

(in thousands of dollars)

November 30, 2022	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Cash and cash equivalents	$ 58,620	$ –	$ –	$ 58,620
AGF mutual funds and other	19,816	–	–	19,816
Long-term investments	–	–	199,067	199,067
Carried interest	–	–	1,444	1,444
Financial assets at fair value through other comprehensive income				
Equity securities	865	–	–	865
Total financial assets	$ 79,301	$ –	$ 200,511	$ 279,812
Liabilities				
Financial liabilities at fair value through profit or loss				
Long-term deferred income on carried interest	$ –	$ –	$ 1,444	$ 1,444
Derivative financial instrument	–	246	–	246
Total financial liabilities	$ –	$ 246	$ 1,444	$ 1,690

The fair value of financial instruments traded in active markets is determined using the quoted prices where they represent those at which regularly and recently occurring transactions take place.

Level 1 instruments include investments in AGF mutual funds as well as highly liquid temporary deposits with an Irish bank.

Level 2 instruments include derivative instruments with major Canadian chartered banks and Canadian federal government debt. Canadian federal government debt is measured at amortized cost and its fair value approximates its carrying value due to its short-term nature.

Level 3 instruments include long-term investments related to the Private Capital business and the fair value of the carried interest investments related to the InstarAGF Funds. Instruments classified in this category have a parameter input or inputs that are unobservable and that have a more than insignificant impact on either the fair value of the instrument or the profit or loss of the instrument.

The fair value of the Company's long-term investments as at November 30, 2023 has been estimated using the net asset value (NAV) as calculated by the asset manager of the fund. If the NAV were to increase or decrease by 10%, the fair value of the Company's long-term investment and pre-tax income would increase or decrease by $25.5 million. Refer to Note 4(b) for additional information.

The fair value of the Company's carried interest related to the InstarAGF Funds has been estimated using the financial information and NAV provided by the investees with consideration over the timing, amount of expected future cash flows and appropriate discount rates used. Refer to Note 6 for additional information.

The following table presents changes in level 3 instruments for the year ended November 30, 2023.

(in thousands of dollars)	Total
Long-term investments	
Balance at December 1, 2022	**$ 199,067**
Purchase of investment	**34,173**
Return of capital	**(1,704)**
Fair value adjustment recognized in profit or loss[1]	**23,433**
Balance at November 30, 2023	**$ 254,969**
Carried interest	
Balance at December 1, 2022	**$ 1,444**
Fair value adjustment	**420**
Balance at November 30, 2023	**$ 1,864**

[1] The change in unrealized income in investments currently held included in level 3 of the fair value hierarchy is $23,433 for the year ended November 30, 2023.

The following table presents changes in level 3 instruments for the year ended November 30, 2022.

(in thousands of dollars)	Total
Long-term investments	
Balance at December 1, 2021	$ 160,721
Purchase of investment	31,430
Return of capital	(8,209)
Fair value adjustment recognized in profit or loss[1]	15,125
Balance at November 30, 2022	$ 199,067
Carried interest	
Balance at December 1, 2021	$ 1,159
Fair value adjustment	285
Balance at November 30, 2022	$ 1,444

[1] The change in unrealized income in investments currently held included in level 3 of the fair value hierarchy is $15,125 for the year ended November 30, 2022.

There were no transfers into or out of level 1 and level 2 during the year ended November 30, 2023.

Note 27: Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where AGF currently has a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, AGF has entered into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting in the consolidated statement of financial position but still allow for the related amounts to be set off in certain circumstances, such as default or bankruptcy.

The following table presents the recognized financial instruments that are offset or subject to enforceable master netting arrangements or other similar agreements but not offset, as at November 30, 2023 and 2022, and shows what the net impact would be on the Company's consolidated statement of financial position if all set-off rights were exercised:

(in thousands of dollars) **November 30, 2023**	**Amounts offset**			**Amounts not offset**	**Net**
	Gross asset	**Gross liability offset**	**Net amount presented**		
Financial assets					
Cash and cash equivalents (Notes 27(a),(b))	$ 691,017	$ (640,564)	$ 50,453	$ –	$ 50,453
Derivative financial instrument	965	–	965	–	965
Total financial assets	$ 691,982	$ (640,564)	$ 51,418	$ –	$ 51,418

	Amounts offset			**Amounts not offset**	**Net**
	Gross liability	**Gross asset offset**	**Net amount presented**		
Financial liabilities					
Long-term debt (Note 27(b))	$ 5,823	$ –	$ 5,823	$ –	$ 5,823
Total financial liabilities	$ 5,823	$ –	$ 5,823	$ –	$ 5,823

(in thousands of dollars) **November 30, 2022**	**Amounts offset**			**Amounts not offset**	**Net**
	Gross asset	**Gross liability offset**	**Net amount presented**		
Financial assets					
Cash and cash equivalents (Notes 27(a),(b))	$ 600,144	$ (541,524)	$ 58,620	$ (131)	$ 58,489
Total financial assets	$ 600,144	$ (541,524)	$ 58,620	$ (131)	$ 58,489

	Amounts offset			**Amounts not offset**	**Net**
	Gross asset	**Gross liability offset**	**Net amount presented**		
Financial liabilities					
Long-term debt (Note 27(b))	$ 21,587	$ –	$ 21,587	$ –	$ 21,587
Derivative financial instrument	246	–	246	(131)	115
Total financial liabilities	$ 21,833	$ –	$ 21,833	$ (131)	$ 21,702

(a) Based on an agreement with a Canadian chartered bank, certain bank deposits are pooled into one concentration account and offset with bank overdrafts of the Company and its subsidiaries that are part of the pooling agreement. The net amount is included in cash and cash equivalents in the consolidated statement of financial position.

(b) The Company, through its subsidiary AGF Investments Inc. (AGFII), has a loan agreement with two Canadian chartered banks. Based on this agreement, in the event of a default or bankruptcy, the creditors have the right to offset the liability against any deposits of the Company and certain subsidiaries held by the creditors. These cash deposits are recorded under cash and cash equivalents in the consolidated statement of financial position.

Note 28: Contingencies

There are certain claims and potential claims against the Company. None of these claims are expected to have a material adverse effect on the consolidated financial position of the Company.

The Company believes that it has adequately provided for income taxes based on all of the information that is currently available. The calculation of income taxes in many cases, however, requires significant judgement in interpreting tax rules and regulations. The Company's tax filings are subject to audits, which could materially change the amount of the current and deferred income tax assets and liabilities, and could, in certain circumstances, result in the assessment of interest and penalties.

The final result of the audit and appeals process may vary and may be materially different compared to the estimates and assumptions used by management in determining the Company's consolidated income tax provision and in determining the amounts of its income tax assets and liabilities.

Canada Revenue Agency (CRA) Audit – Acquisition of Tax-related Benefits

In 2022, the Company received letters from the CRA providing relief for a portion of the previously assessed interest in relation to the 2008 to 2015 taxation years on the resolved transfer pricing issue as disclosed in the Annual Consolidated Financial Statements from 2013 to 2020. During the year ended November 30, 2022, the Company received refunds from the CRA totaling approximately $4.0 million in relation to such interest. The interest relief, which is non-taxable, is recorded in fair value adjustments and other income on the consolidated statement of income.

Note 29: Commitments and Guarantees

(a) Commitments

The Company is committed under contracts for service arrangements. The approximate minimum annual cash payments related to these arrangements are as follows:

(in thousands of dollars) **Years ended November 30**	**Service commitment**
2024	$ 26,625
2025	24,038
2026	14,031
2027	11,225
2028	3,408
Thereafter	25,298
Total	$ 104,625

Refer to Note 7 for additional information on the Company's contractual commitments related to leases for office premises and equipment. In addition, as at November 30, 2023, the Company has funded $213.8 million (2022 – $181.3 million) in funds and investments associated with the Private Capital business and has $22.1 million (2022 – $42.9 million) remaining committed capital to be invested. In addition, the Company has an anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

(b) Guarantees

The Company, under an indemnification agreement with each of the directors of the Company, as well as directors of the mutual fund corporations, has agreed to indemnify the directors against any costs in respect of any action or suit brought against them in respect of the proper execution of their duties. To date, there have been no claims under these indemnities.

Note 30: Subsequent Events

On January 15, 2024, the Company announced it had signed definitive agreements to acquire a majority interest in Kensington Capital Partners Limited, a Canadian alternative investment firm, through its wholly owned subsidiary, AGF Private Capital Inc. for cash consideration of $45 million plus consideration that is contingent on certain near-term growth targets being achieved.

The transaction is expected to close in the second quarter of 2024, subject to certain regulatory approvals and closing conditions.

This report contains forward-looking statements with respect to AGF, including its business operations, strategy, financial performance and condition. Although management believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause results to differ materially include, among other things, general economic and market factors including interest rates, business competition, changes in government regulations or in tax laws, and other factors discussed in materials filed with applicable securities regulatory authorities from time to time.

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Registrar and Transfer Agents
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Company of Canada
1 800 564-6253

Stock Exchange Listing
AGF.B

Invested in Discipline

At AGF, our approach is defined by three principles; shared intelligence, measured approach and active accountability. Together, they create a disciplined process that is transparent, repeatable, and deeply woven into our DNA – delivering consistent outcomes for our clients, whatever tomorrow may bring.

It Takes a Tiger™

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