

Annual Management Report of Fund Performance

AGF European Equity Fund

September 30, 2023

Management Discussion of Fund Performance

This management discussion of fund performance represents the portfolio management team's view of the significant factors and developments affecting the fund's performance and outlook.

Investment Objective and Strategies

Pursuant to the Declaration of Trust, the investment objective of AGF European Equity Fund (the "Fund") is to provide long-term capital growth by investing primarily in shares of companies operating mainly in Europe and that trade on European stock exchanges. AGF Investments Inc. ("AGFI"), as portfolio manager, uses a bottom-up value investment approach to select stocks that appear to be trading at a discount to their estimated fair value. A bottom-up investment approach focuses attention on a specific company rather than on the industry in which that company operates or on the economy as a whole. The portfolio manager evaluates the financial condition and management of a company, its industry and the overall economy, and looks for stocks that are selling at a substantial discount to its estimate of their intrinsic business value. During periods of market downturn or for other reasons, a significant portion of the Fund's assets may be held in cash, cash equivalents or fixed income securities.

Risk

The risks of investing in the Fund remain as disclosed in the current prospectus. Any changes to the Fund over the period have not affected the overall level of risk of the Fund.

The Fund continues to be suitable for investors investing for the longer term, seeking the growth potential of equity securities of European companies and who have medium to high tolerance for risk. The suitability of the Fund has not changed from what has been disclosed in the prospectus.

Results of Operations

For the year ended September 30, 2023, Series S Units of the Fund returned 38.0% (net of expenses) while the MSCI Europe Index returned 27.5%. Unlike the benchmark, the Fund may be subject to valuation adjustments as outlined in the Fund's valuation policies as it relates to non-North American equities held by the Fund. A fair value adjustment can either positively or negatively impact the Fund's rate of return.

The Fund out-performed the MSCI Europe Index on the back of strong security selection. The Financials sector was the biggest contributor to relative performance, driven by positive stock selection. The Industrials sector also contributed as a result of positive stock selection. This was partially offset by negative security selection in the Health

Care sector, which detracted the most from relative performance. The Fund's average cash allocation of 1.5% over the reporting period also detracted. From a country perspective, France was the biggest contributor, followed by Germany and Ireland. Denmark was the top detractor.

The Fund had net redemptions of approximately \$18 million for the current period, as compared to net subscriptions of approximately \$1 million in the prior period. Rebalancing by fund on fund programs resulted in net redemptions of approximately \$8 million in the Fund. The portfolio manager does not believe that redemption/subscriber activity had a meaningful impact on the Fund's performance or the ability to implement its investment strategy.

Total expenses before foreign withholding taxes, commissions and other portfolio transaction costs vary period over period mainly as a result of changes in average Net Asset Values (see Explanatory Note (1) a)) and investor activity, such as number of investor accounts and transactions. Expenses have decreased as compared to the previous period due mainly to a decrease in average Net Asset Values. The increase in interest expense was due to an increase in overdraft positions throughout the period. The decrease in independent review committee fees was due to variances between the accrued amounts versus the actual expenses incurred in the previous period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

Global equities gained ground during the reporting period despite facing volatility fueled by a high-stakes guessing game about global interest rates, China's faltering economic recovery and a short-lived banking crisis that freshened memories of 2008. The Information Technology sector stood out for the better part of 2023, as the rise of artificial intelligence boosted investor sentiment and speculation was rife about the future of the technology. The U.S. Federal Reserve (the "Fed") paused rate hikes in September 2023, after six hikes during the reporting period. Elsewhere, inflation in Europe and the UK remained sticky through the reporting period.

The Eurozone avoided a major energy crisis that threatened to cause major disruptions towards the end of 2022. However, gross domestic product ("GDP") contracted during the last calendar quarter of 2022. Even though inflation remained on a downward trend since the start of 2023, the European Central Bank ("ECB") continued to raise lending rates to reach a 22-year high of 4.5% in September 2023. The Eurozone economy continued to grow marginally throughout 2023. The ECB also signaled that it is likely done tightening, as inflation has started to decline but rates are still expected to remain high for the foreseeable future. European equities

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1 800 268-8583, by writing to us at AGF Investments Inc., CIBC SQUARE, Tower One, 81 Bay Street, Suite 4000, Toronto, Ontario, Canada M5J 0G1 attention: Client Services, or by visiting our website at www.agf.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

began a long rally towards the end of 2022, in the hopes that inflation had peaked in the region and is in sync with the global equity upward trend. This rally continued well into 2023. However, European equities lost momentum in July 2023 as the effects of the higher interest rates affected the performance of almost all sectors, except Energy and Real Estate. Bank shares experienced volatility after Italy announced a tax on banks' excess profits. Worries about rising corporate debt costs also affected investor sentiment as it can possibly prove to be a deterrent to economic growth in the near future. The recent decision by Russia to back out of the Black Sea grain trade agreement has added to investor concerns about food inflation in the Euro area.

The portfolio manager expects volatility in European equity markets for the rest of 2023. European equities have strongly out-performed U.S. equities since the third calendar quarter of 2022 and this could continue as European equity valuations remain considerably cheaper than the U.S. At the start of 2023, the Eurozone was technically in a recession as it posted back-to-back negative quarterly GDP growth numbers, but the economy has recovered strongly since. Europe and the U.S. are holding up better than expected as they continue a "soft landing" slowdown. This is likely to continue into next year in Europe with many economists expecting flat growth. The portfolio manager expects ECB and the Fed to maintain their hawkish stance on inflation, even though interest rate hikes in the foreseeable future could be minimal.

With the Black Sea grain trade agreement at an end, Russia's plans to impede food exports from Ukraine could have far-reaching effects beyond Europe as well. However, the portfolio manager believes European equities remain attractively valued, as the economic performance has been largely better than expectations and the safeguards built up over the last year could support the region through any serious economic volatility that might occur. European companies are proving to be dynamic with many of them tilting their exposures to the faster growing U.S. economy. This should help support earnings growth in Europe, which ultimately is one of the main drivers of share prices. Thus, the portfolio manager remains optimistic about the outlook for the region.

Related Party Transactions

AGFI is the manager ("Manager") and trustee of the Fund. Pursuant to the management agreement between the Fund and AGFI, AGFI is responsible for the day-to-day business of the Fund. AGFI also acts as the investment (portfolio) manager, managing the investment portfolio of the Fund. The Fund was also party to an investment advisory agreement with AGFI and AGF International Advisors Company Limited ("AGF International"). AGF International acts as an investment advisor and provides investment advisory services to the Fund. Under the management and investment advisory agreements, the Fund pays management and advisory fees calculated based on the Net

Asset Value of Series S Units of the Fund. Management and advisory fees of approximately \$568,000 were incurred by the Fund during the period ended September 30, 2023.

AGFI and AGF International are indirect and direct wholly-owned subsidiaries of AGF Management Limited, respectively.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. 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 the Fund and economic factors.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Fund can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, 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.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific

intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years as applicable.

Series S Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)	Sept 30, 2019 (\$)
Net Assets, beginning of period⁽¹⁾	8.85	10.88	8.52	9.59	9.94
Increase (decrease) from operations:					
Total revenue	0.43	0.45	0.36	0.30	0.40
Total expenses	(0.12)	(0.12)	(0.12)	(0.09)	(0.12)
Realized gains (losses)	0.68	(0.01)	0.37	0.07	(0.68)
Unrealized gains (losses)	2.81	(1.94)	2.11	(0.95)	0.13
Total increase (decrease) from operations⁽²⁾	3.80	(1.62)	2.72	(0.67)	(0.27)
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.32)	(0.34)	(0.22)	(0.37)	(0.25)
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(0.32)	(0.34)	(0.22)	(0.37)	(0.25)
Net Assets, end of period⁽⁴⁾	11.85	8.85	10.88	8.52	9.59

Series S Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019
Total Net Asset Value (\$000's)	53,034	54,156	64,806	59,859	65,285
Number of units outstanding (000's)	4,476	6,121	5,957	7,022	6,808
Management expense ratio ⁽⁵⁾	0.57%	0.57%	0.57%	0.57%	0.57%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.32%	1.30%	1.30%	1.31%	1.27%
Trading expense ratio ⁽⁷⁾	0.14%	0.10%	0.11%	0.14%	0.22%
Portfolio turnover rate ⁽⁸⁾	11.27%	17.34%	10.64%	20.52%	23.57%
Net Asset Value per unit	11.85	8.85	10.88	8.52	9.59

Explanatory Notes

- (1) a) This information is derived from the Fund's audited annual financial statements. Under International Financial Reporting Standards ("IFRS"), investments that are traded in an active market are generally valued at closing price, which is determined to be within the bid-ask spread and most representative of fair value. As a result, there is no difference between the net assets per unit presented in the financial statements ("Net Assets") and the net asset value per unit calculated for fund pricing purposes ("Net Asset Value").
- b) Series S Units of the Fund commenced operations in January 2015, which represents the date upon which securities were first made available for purchase by investors.
- (2) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The

increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

- (3) Distributions were paid in cash/reinvested in additional units of the Fund, or both. The characterization of the distributions is based on management's estimate of the actual income for the year.
- (4) This is not a reconciliation of the beginning and ending Net Assets per unit.
- (5) The management expense ratio ("MER") of a particular series is calculated in accordance with National Instrument 81-106, based on all the expenses of the Fund (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding foreign withholding taxes, commissions and other portfolio transaction costs) and the Fund's proportionate share of the MER, if applicable, of the underlying funds and exchange traded funds ("ETFs") in which the Fund has invested, allocated to that series, expressed as an annualized percentage of average daily Net Asset Value of that series during the period.
- (6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of AGFI and AGFI can terminate the waiver or absorption at any time.
- (7) The trading expense ratio represents total commissions and other portfolio transaction costs, including the Fund's proportionate share of the commissions, if applicable, of the underlying funds and ETFs in which the Fund has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (8) The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio advisor manages its portfolio investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's PTR in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

PTR is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

Management Fees

The Fund is managed by AGFI. As a result of providing investment advisory and management services, AGFI receives a monthly management and advisory fee, based on the Net Asset Value of Series S Units. AGFI uses these management and advisory fees to pay for investment advice, as well as for general administrative expenses such as overhead, salaries, rent, legal and accounting fees relating to AGFI's role as manager.

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

	As a percentage of management and advisory fees		
	Annual rate	Dealer compensation	General administration and investment advice
Series S Units	1.00%	-	100.00%

Past Performance*

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

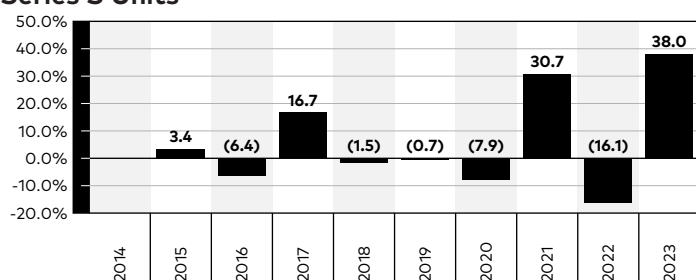
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money.

All rates of return are calculated based on the Net Asset Value.

Year-By-Year Returns

The following bar chart shows the Fund's annual performance for each of the past 10 years to September 30, 2023 as applicable, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

Series S Units



Performance for 2015 represents returns for the period from January 15, 2015 to September 30, 2015.

Annual Compound Returns

The following table compares the historical annual compound returns for each series with the index, for each of the periods ended September 30, 2023.

Percentage Return:	Since				
	1 Year	3 Years	5 Years	10 Years	Inception
Series S Units	38.0	14.8	6.7	N/A	5.1
MSCI Europe Index	27.5	8.6	5.6	N/A	6.8

The MSCI Europe Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of the developed markets in Europe.

For a discussion of the relative performance of the Fund as compared to the index, see Results of Operations in the Management Discussion of Fund Performance.

Summary of Investment Portfolio

As at September 30, 2023

The major portfolio categories and top holdings (up to 25) of the Fund at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and the next quarterly update will be in the Quarterly Portfolio Disclosure as at December 31, 2023.

Portfolio by Country	Percentage of Net Asset Value (%)
France	24.2
United Kingdom	17.9
Germany	14.3
Switzerland	13.6
Ireland	9.0
Spain	5.3
Netherlands	5.1
Italy	4.4
Luxembourg	3.1
Cash & Cash Equivalents	2.7
Other Net Assets (Liabilities)	0.4

Portfolio by Sector	Percentage of Net Asset Value (%)
Financials	20.7
Industrials	14.2
Health Care	11.9
Energy	10.6
Consumer Staples	10.2
Materials	8.8
Consumer Discretionary	7.9
Information Technology	7.0
Utilities	5.6
Cash & Cash Equivalents	2.7
Other Net Assets (Liabilities)	0.4

* The indicated rates of return shown here are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
International Equity	96.9
Cash & Cash Equivalents	2.7
Other Net Assets (Liabilities)	0.4

Top Holdings	Percentage of Net Asset Value (%)
Shell PLC	5.2
Novartis AG	5.0
BNP Paribas SA	4.7
Compagnie de Saint-Gobain SA	4.4
SAP SE	4.2
Siemens AG	4.1
Bank of Ireland Group PLC	3.9
Nestle SA	3.8
Danone SA	3.6
ING Groep NV	3.3
Roche Holding AG	3.3
AXA SA	3.2
ArcelorMittal SA	3.1
Intesa Sanpaolo SpA	2.9
Cash & Cash Equivalents	2.7
Smith & Nephew PLC	2.5
TotalEnergies SE	2.5
Veolia Environnement SA	2.4
Dalata Hotel Group PLC	2.4
CRH PLC	2.1
Mercedes-Benz Group AG	2.0
Rio Tinto PLC	2.0
adidas AG	1.9
Banco Bilbao Vizcaya Argentaria SA	1.8
Iberdrola SA	1.7
Total Net Asset Value (thousands of dollars)	\$ 53,034



For more information contact your investment advisor or:

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