

Annual Management Report of Fund Performance

AGF Canadian Small Cap 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 Canadian Small Cap Fund (the "Fund") is to provide superior capital growth by investing primarily in shares and other securities of small and medium Canadian companies that have the potential to generate above average growth. The Fund may also invest in foreign securities, which are not expected to exceed 10% of Net Asset Value (see Explanatory Note (1) a)) of the Fund at the time of purchase. Cypress Capital Management Ltd. ("Cypress"), as portfolio manager, uses a fundamental bottom-up investment process to identify attractive businesses trading at reasonable valuations. In bottom-up investing, the portfolio manager focuses attention on a specific company rather than on the industry in which that company operates or on the economy as a whole. This core investment process is complemented by top-down macroeconomic and industry outlooks. A top-down investment approach involves looking at the "big picture" in the economy and financial world and then breaking those components down into finer details. The portfolio manager focuses on selecting companies with quality management aligned with securityholders, superior revenue and earnings growth potential, attractive valuation and the capability to finance future growth. 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 Canadian companies and who have medium 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, the Mutual Fund Units of the Fund returned 6.9% (net of expenses) while the S&P/TSX Small Cap Index returned 7.2%. The performance of the other series of the Fund is substantially similar to that of

the Mutual Fund Units, save for differences in expense structure. Refer to "Past Performance" section for performance information of such series.

On an expense-adjusted basis, the Fund out-performed the S&P/TSX Small Cap Index as driven by security selection, though partially offset by sector allocation.

Security selection saw several sectors making strong contributions to the Fund's performance, led by the Industrials, Real Estate, Financials, Consumer Staples and Communication Services sectors. The Fund out-performed in eight of eleven sectors over the reporting period. Notably within Industrials, two of the Fund's top ten holdings, SNC-Lavalin Group Inc. and ATS Corporation were strong performers, gaining 98.0% and 58.0%, respectively. Within Real Estate, the Fund has a strong focus on residential real estate investment trusts ("REITs") which was the top performing sub-sector over the reporting period, gaining 6.0%. In Financials, top ten holdings Guardian Capital Group Limited and Element Fleet Management Corporation gained 66.0% and 22.0% respectively, while The Westaim Corporation gained 35.0%. Consumer Staples saw top ten holding Maple Leaf Foods Inc. gain 31.0%, while both Quebecor Inc. and Shaw Communications Inc. ("Shaw") posted solid 19.0% gains in Communication Services. The Fund had exited its position in Shaw, as acquired by Rogers Communications Inc. The largest drag from a security selection perspective was in the Consumer Discretionary sector, which saw Aritzia Inc. decline 48.0% over the reporting period.

Sector allocation drag was primarily driven by overweight positions in weaker performing interest rate sensitive sectors. The Fund's overweight allocations to Real Estate (15.3% versus 9.9%) and Utilities (4.7% versus 1.5%) were down 13.0% and 11.0%, respectively, over the reporting period. Its underweight allocation to the top performing Energy sector (15.7% versus 23.4%) and its overweight allocation to the worst performing Consumer Staples sector (4.8% versus 2.6%) also detracted from performance. Interest rate sensitive sectors were hard-hit as rates continued their dramatic move higher, while the Energy sector benefited from oil prices rising sharply over the last reporting quarter. On the other hand, the Fund's largest sector contributors were overweight positions in Information Technology (7.3% versus 4.0%) and Industrials (16.7% versus 13.2%) as well as an underweight position in Health Care (0.8% versus 5.1%).

The Fund's most notable changes over the reporting period include reduced exposure to the Consumer Discretionary sector (from 12.8% to 7.8%), elimination of its position in U.S. small capitalization names (from 1.5% to nil) as well as

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.

increased weightings in the Industrials (from 13.6% to 16.7%), Energy (from 12.8% to 15.7%) and Materials (from 7.3% to 8.2%) sectors. Exposure to more rate-sensitive sectors was modestly reduced, including Real Estate (from 16.2% to 15.3%) and Utilities (from 5.2% to 4.7%). A number of holdings (highlighted by the reduction in the Consumer Discretionary space) were trimmed in order to better manage liquidity risk in the face of an uncertain market environment.

The Fund exited a number of positions over the reporting period – Pet Valu Holdings Limited (Consumer Discretionary); Tidewater Midstream and Infrastructure Limited (Energy); Definity Financial Corporation, E-L Financial Corporation Limited and Propel Holdings Inc. (Financials); K-Bro Linen Inc. and WSP Global Inc. (Industrials); Constellation Software Inc., Dye & Durham Limited and Evertz Technologies Limited (Information Technology); CCL Industries Inc. (Materials); Real Matters Inc. (Real Estate); and Vanguard Small-Cap ETF. The Fund added several new names during the reporting period, including Cineplex Inc. (Communication Services); Baytex Energy Corporation and Kelt Exploration Limited (Energy); goeasy Limited and Trisura Group Limited (Financials); dentalcorp Holdings Limited (Health Care); Docebo Inc. (Information Technology); and Killam Apartment REIT and BSR REIT (Real Estate).

The Fund had net redemptions of approximately \$12 million for the current period, as compared to net subscriptions of approximately \$47 million in the prior period. Rebalancing by fund on fund programs resulted in net redemptions of approximately \$1 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 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 decrease in custodian fees was due to changes in the rates charged by the custodian during 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

World equity markets posted strong gains over the period under review, despite weakness in the last reporting quarter. Resilient economies and "soft landing" expectations supported equity markets even as interest rates surged to levels not seen in over 15 years. Indeed, the continued rally was despite hawkish global central banks and an extraordinary period of time earlier in the calendar year that saw several U.S. bank failures in March 2023 and the collapse of Credit Suisse. However, equity markets ended the

reporting period on a weak note as expectations of a "higher for longer" interest rate environment rose in the face of persistently elevated inflation, strong employment numbers and determined central bankers.

All major equity markets were in positive territory, with most up double-digits over the reporting period. Particularly notable was the strong performance in the Information Technology sector, driven by a rally in artificial intelligence related names. Developed markets out-performed significantly, gaining 22.6%, while emerging markets posted a more modest gain of 12.2%. All returns quoted are in U.S. dollar terms except Canada in Canadian dollar terms. Among the developed markets, Europe led the way gaining 29.7%, followed by Japan up 26.4% and the S&P 500 Index in the U.S. up 21.6%. Canada was the laggard, with the S&P/TSX Composite Index ("S&P/TSX Index") gaining a mere modest 9.5%.

Bond market performance was modestly negative for the reporting period as Bank of Canada ("BoC") and the U.S. Federal Reserve (the "Fed") continued hiking rates and yields moved higher across the curve. The Canadian broad bond market composite was down 1.6% as the Government of Canada 10-year bond yield rose from 3.17% to 4.03%. The Fed hiked by a further 2.25% over the period, making it a total of 5.25% since March 2022. This has brought the benchmark rate to a level unseen since 2001. For its part, BoC has nearly matched the Fed, hiking by 1.75% over the reporting period and a total of 4.75% this tightening cycle. Markets appear to expect no more or perhaps one more rate hike from the Fed and BoC in 2023, before both central banks begin cutting rates in mid-2024.

Taking a closer look at the Canadian equity markets, the S&P/TSX Index's gain was relatively broad-based with only two sectors in negative territory. Cyclical sectors out-performed, with Information Technology leading the way, up 54.4%, followed by Energy, up 17.4% as West Texas Intermediate oil rose from US\$70.12 per barrel to US\$90.79. Defensive/interest rate sensitive sectors under-performed, led by Utilities down 14.3%, Communication Services down 5.1% and Real Estate up a modest 3.4%.

Small capitalization equities ("small-cap") under-performed large capitalization equities ("large-cap") over the reporting period, with the S&P/TSX Small Cap Index up 7.2% versus the S&P/TSX Index's gain of 9.5%. Small-cap sector performance was more mixed, with four of eleven small-cap sectors in negative territory. It was a similar theme, however, with cyclicals leading and defensive/rate sensitive sectors under-performing. Energy was the top performer, up 24.8%, followed by Industrials up 13.8%, Financials up 8.9% and Consumer Discretionary up 7.3%. Consumer Staples was the laggard, down 22.3%, followed by Communication Services down 16.4%, Real Estate down 13.3% and Utilities down 11.5%.

The under-performance of small-cap relative to large-cap was largely driven by notable under-performance in the Information Technology (+4.0% versus +54.0% performance), Real Estate (-13.0% versus +3.0%) and

Consumer Staples (-22.0% versus +13.0%) sectors. Six of eleven small-cap sectors under-performed their larger-cap peers. Following the strong small-cap out-performance as markets rebounded from the pandemic-driven market plunge, small-caps have lost their leadership, under-performing seven out of the last nine quarters as market volatility has re-emerged.

Looking beyond equity markets, the U.S. and Canadian economies have remained resilient as the global economy continues its lengthy normalization from the pandemic. Consumers have been supported by excess savings accumulated during the pandemic and a strong labour market. However, inflation (driven by a confluence of factors) has remained persistently above targets and has forced central banks to enact a dramatic series of rate hikes to cool the economy and prevent excessive inflation expectations from taking hold.

The concern is that the lagged effects of the rapid and steep pace of monetary tightening are just finally manifesting, and that continued rate hikes to bring inflation under control will prove too much for a soft landing scenario and will push economies into recession. And although it does seem to have largely faded from public concern, COVID does continue to pose a potential threat from both an economic growth and inflationary perspective. Geopolitical risks also remain extant, including the Russia/Ukraine war and U.S./China tensions.

While the portfolio manager believes there will be continued moderation of inflation as supply chains have normalized and consumer demand cools, concerns remain about the near term strength of the economic recovery as the dramatic series of interest rate hikes fully begin to impact consumers and businesses. Indeed, perhaps the most relevant question may not be whether the economy is heading into a recession, but rather how deep it will be.

As this environment of tight monetary policy and persistently elevated (albeit moderating) inflation continues, compounded by recent banking sector turmoil, the portfolio manager believes there could be ongoing elevated equity market volatility. In this environment, the portfolio manager continues to focus on quality companies (resilient earnings, strong balance sheets, trading at attractive valuations) with an emphasis on maintaining diversification amid higher levels of uncertainty.

Related Party Transactions

AGF Investments Inc. ("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 acts either as the investment (portfolio) manager itself or hires an external investment manager to manage the investment portfolio of the Fund. AGFI and Cypress entered into an investment management agreement pursuant to which Cypress is responsible for managing the investment portfolio of the Fund. Under the management agreement, the Fund (except for Series I, Series O, Series Q and Series W Units, if

applicable) pays management fees, calculated based on the Net Asset Value of the respective series of the Fund. Management fees of approximately \$4,001,000 were incurred by the Fund during the period ended September 30, 2023.

Certain operating expenses relating to registrar and transfer agency services are paid directly by AGFI and in exchange, a fixed rate administration fee is payable by the Mutual Fund Series, Series F, Series FV, Series I, Series T and Series V Units, as applicable, of the Fund. The administration fee is calculated based on the Net Asset Value of the respective series of the Fund at a fixed annual rate, as disclosed in the current prospectus. Administration fees of approximately \$563,000 were incurred by the Fund during the period ended September 30, 2023.

AGFI and Cypress are indirect wholly-owned subsidiaries of AGF Management Limited.

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.

Mutual Fund 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⁾	11.73	13.81	10.01	9.35	9.85
Increase (decrease) from operations:					
Total revenue	0.29	0.24	0.22	0.17	0.20
Total expenses	(0.38)	(0.39)	(0.37)	(0.28)	(0.27)
Realized gains (losses)	0.44	0.33	0.94	1.77	(0.32)
Unrealized gains (losses)	0.52	(2.39)	2.82	(1.00)	(0.17)
Total increase (decrease) from operations⁽²⁾	0.87	(2.21)	3.61	0.66	(0.56)
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	12.54	11.73	13.81	10.01	9.35

Mutual Fund 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)	178,917	177,870	172,239	89,807	93,214
Number of units outstanding ('000's)	14,266	15,163	12,470	8,974	9,969
Management expense ratio ⁽⁵⁾	2.83%	2.82%	2.82%	2.86%	2.86%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.83%	2.82%	2.84%	2.87%	2.87%
Trading expense ratio ⁽⁷⁾	0.10%	0.04%	0.12%	0.11%	0.06%
Portfolio turnover rate ⁽⁸⁾	20.91%	6.05%	22.35%	28.05%	11.28%
Net Asset Value per unit	12.54	11.73	13.81	10.01	9.35

Series F 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⁾	14.84	17.28	12.38	11.45	11.94
Increase (decrease) from operations:					
Total revenue	0.36	0.30	0.27	0.20	0.25
Total expenses	(0.28)	(0.28)	(0.30)	(0.23)	(0.21)
Realized gains (losses)	0.56	0.59	1.33	2.13	(0.38)
Unrealized gains (losses)	0.61	(5.44)	3.52	(1.09)	(0.17)
Total increase (decrease) from operations⁽²⁾	1.25	(4.83)	4.82	1.01	(0.51)
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	16.06	14.84	17.28	12.38	11.45

Series F 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)	11,186	10,584	2,380	1,601	2,041
Number of units outstanding ('000's)	696	713	138	129	178
Management expense ratio ⁽⁵⁾	1.60%	1.64%	1.80%	1.81%	1.81%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.60%	1.64%	1.81%	1.93%	1.87%
Trading expense ratio ⁽⁷⁾	0.10%	0.04%	0.12%	0.11%	0.06%
Portfolio turnover rate ⁽⁸⁾	20.91%	6.05%	22.35%	28.05%	11.28%
Net Asset Value per unit	16.06	14.84	17.28	12.38	11.45

Series I 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⁾	13.13	15.04	10.61	9.65	9.88
Increase (decrease) from operations:					
Total revenue	0.33	0.26	0.23	0.17	0.20
Total expenses	(0.03)	(0.02)	(0.03)	(0.02)	(0.02)
Realized gains (losses)	0.51	0.37	1.19	1.81	(0.31)
Unrealized gains (losses)	0.63	(2.40)	3.12	(0.99)	(0.06)
Total increase (decrease) from operations⁽²⁾	1.44	(1.79)	4.51	0.97	(0.19)
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	14.43	13.13	15.04	10.61	9.65

Series I 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)	39,112	39,626	48,491	39,807	50,470
Number of units outstanding ('000's)	2,711	3,018	3,224	3,751	5,232
Management expense ratio ⁽⁵⁾	0.08%	0.08%	0.10%	0.11%	0.11%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.08%	0.08%	0.10%	0.11%	0.11%
Trading expense ratio ⁽⁷⁾	0.10%	0.04%	0.12%	0.11%	0.06%
Portfolio turnover rate ⁽⁸⁾	20.91%	6.05%	22.35%	28.05%	11.28%
Net Asset Value per unit	14.43	13.13	15.04	10.61	9.65

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

Series O 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⁾	12.29	14.07	10.38*	-	-
Increase (decrease) from operations:					
Total revenue	0.32	0.28	0.25	-	-
Total expenses	(0.02)	(0.01)	(0.02)	-	-
Realized gains (losses)	0.29	0.28	0.26	-	-
Unrealized gains (losses)	(0.34)	(3.74)	1.94	-	-
Total increase (decrease) from operations⁽²⁾	0.25	(3.19)	2.43	-	-
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	13.52	12.29	14.07	-	-

Series O 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)	5,807	1,442	363	-	-
Number of units outstanding (000's)	430	117	26	-	-
Management expense ratio ⁽⁵⁾	0.00%	0.00%	0.00%	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.14%	0.88%	2.51%	-	-
Trading expense ratio ⁽⁷⁾	0.10%	0.04%	0.12%	-	-
Portfolio turnover rate ⁽⁸⁾	20.91%	6.05%	22.35%	-	-
Net Asset Value per unit	13.52	12.29	14.07	-	-

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) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first made available for purchase by investors.
- | | |
|-------------------|---------------|
| Mutual Fund Units | February 1996 |
| Series F Units | April 2000 |
| Series I Units | January 2018 |
| Series O Units | October 2020 |

- (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 computation of the distributions per unit does not take into account the management fee distributions, if applicable (see note 5 below). 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.

* represents initial Net Assets

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

- (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. For new series launched during the period, the MER is annualized from the date of the first external purchase.

AGFI may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund and directing the Fund to make management fee distributions to these unitholders in amounts equal to the amounts of the management fee reduction. The MER does not take into account the reduction in management fees due to management fee distributions to unitholders.

- (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 and management services, AGFI receives a monthly management fee, based on the Net Asset Value of the respective series, calculated daily and payable monthly. Management fees in respect of Series I, Series O, Series Q and Series W Units, if applicable, are arranged directly between the Manager and investors and are not expenses of the Fund. AGFI uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's units, 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.

	As a percentage of management fees		
	Annual rates	Dealer compensation	General administration and investment advice
Mutual Fund Units	2.25%	16.72%	83.28%
Series F Units	1.25%	-	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.

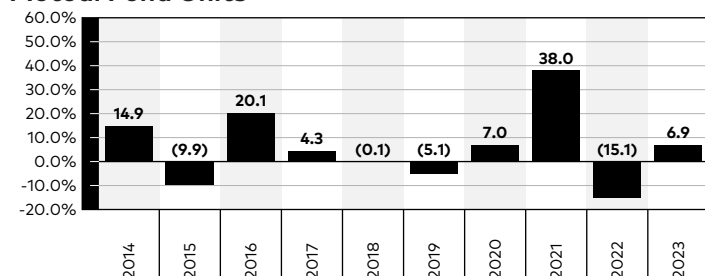
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. During the ten year period ended September 30, 2023, certain other funds with similar investment objectives merged into the Fund. Generally, for fund mergers, the continuing fund is considered a new fund for the purpose of calculating rates of return and therefore, the rates of return have not been provided for the period of the merger and previous periods. However, the merger of AGF Canadian Small Cap Discovery Fund with the Fund in May 2016 did not constitute a material change to the Fund and accordingly did not impact the ability of the Fund to maintain its historical performance.

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

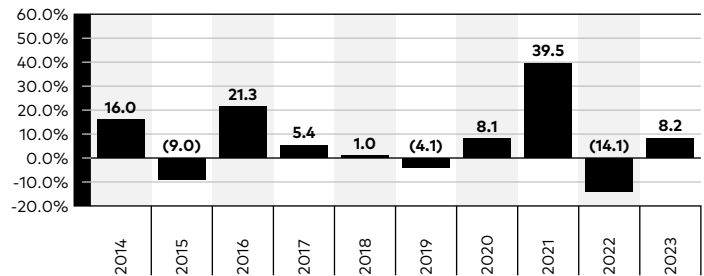
Year-By-Year Returns

The following bar charts show the Fund's annual performance for each of the past 10 years to September 30, 2023 as applicable, and illustrate how the Fund's performance has changed from year to year. The charts show, 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.

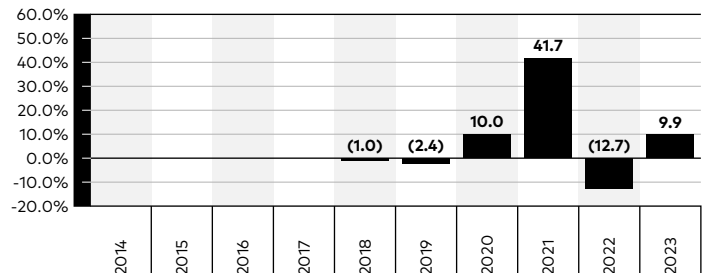
Mutual Fund Units



Series F Units

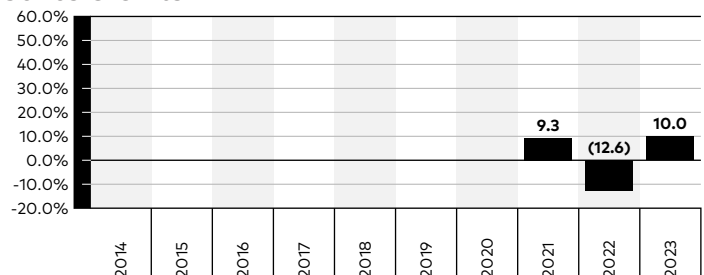


Series I Units



Performance for 2018 represents returns for the period from January 10, 2018 to September 30, 2018.

Series O Units



Performance for 2021 represents returns for the period from April 12, 2021 to September 30, 2021.

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:	1 Year	3 Years	5 Years	10 Years	Since Inception
Mutual Fund Units	6.9	7.8	5.0	5.1	N/A
S&P/TSX Small Cap Index	7.2	10.0	3.8	4.0	N/A
Series F Units	8.2	9.1	6.1	6.3	N/A
S&P/TSX Small Cap Index	7.2	10.0	3.8	4.0	N/A
Series I Units	9.9	10.8	7.9	N/A	6.7
S&P/TSX Small Cap Index	7.2	10.0	3.8	N/A	2.5
Series O Units	10.0	N/A	N/A	N/A	2.0
S&P/TSX Small Cap Index	7.2	N/A	N/A	N/A	(1.5)

* 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.

The S&P/TSX Small Cap Index provides an investable index for the Canadian small capitalization market. The index is float-adjusted and market capitalization-weighted and was developed with industry input as the ideal benchmark for those with small capitalization exposure of the Canadian equity market.

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 (%)
Canada	92.7
Cash & Cash Equivalents	5.4
United States	2.0
Other Net Assets (Liabilities)	(0.1)

Portfolio by Sector	Percentage of Net Asset Value (%)
Industrials	16.7
Energy	15.7
Real Estate	15.3
Financials	10.3
Materials	8.2
Consumer Discretionary	7.8
Information Technology	7.3
Cash & Cash Equivalents	5.4
Consumer Staples	4.8
Utilities	4.7
Communication Services	3.1
Health Care	0.8
Other Net Assets (Liabilities)	(0.1)

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
Canadian Equity	92.7
Cash & Cash Equivalents	5.4
United States Equity	2.0
Other Net Assets (Liabilities)	(0.1)

Top Holdings	Percentage of Net Asset Value (%)
SNC-Lavalin Group Inc.	5.4
Cash & Cash Equivalents	5.4
ATS Corporation	3.6
Morguard Corporation	3.3
Whitecap Resources Inc.	3.2
Element Fleet Management Corporation	2.9
Guardian Capital Group Limited	2.6
Maple Leaf Foods Inc.	2.6
AltaGas Limited	2.5
Tricon Residential Inc.	2.5
Headwater Exploration Inc.	2.3
Quebecor Inc.	2.3
Aritzia Inc.	2.3
Trisura Group Limited	2.2
Cargojet Inc.	2.2
Boralex Inc.	2.2
Tamarack Valley Energy Limited	2.1
Martinrea International Inc.	2.0
Flagship Communities Real Estate Investment Trust	2.0
Stella-Jones Inc.	1.9
Parex Resources Inc.	1.9
Boyd Group Services Inc.	1.8
Docebo Inc.	1.8
Interfor Corporation	1.7
The Descartes Systems Group Inc.	1.7
Total Net Asset Value (thousands of dollars)	\$ 235,022



For more information contact your investment advisor or:

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