

Interim Management Report of Fund Performance

AGF Emerging Markets Strategic Equity Fund

March 31, 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.

Results of Operations

AGF Emerging Markets Strategic Equity Fund (the "Fund") commenced operations in July 2022.

The Fund holds Series O Units of mutual funds managed by AGF Investments Inc. ("AGFI") (the "Underlying Funds"). The Fund's major portfolio categories, as a percentage of Net Asset Value as at March 31, 2023, include approximately 94.0% in global equity via its holdings in the Underlying Funds and exchange traded funds ("ETFs"), 4.0% in cash and cash equivalents and 2.0% in other net assets. During the reporting period, the Fund's allocation to global equity and cash and cash equivalents remained fairly consistent.

Recent Developments

While the emerging markets tightening cycle nears an end for many central banks, particularly those who commenced rate hikes before the U.S. Federal Reserve (the "Fed"), others will have to remain vigilant in the face of sticky core inflation, especially those in the Asian region. However, the start of the easing cycle in emerging markets has become more uncertain. Declining headline inflation, tighter credit conditions and less pressure on the Fed will create space for emerging markets easing, particularly as it is unlikely that domestic banks in emerging markets experience banking liquidity pressures. The trajectory of the dollar will be important in guiding emerging markets' central banks next moves.

The banking stress in March 2023 proved the resiliency of emerging markets, and the portfolio manager expects the current situation will unlikely turn into an emerging markets credit event. This is partly because financial crises have been more frequent in emerging markets than in developed markets, which has led to closer supervision and stricter regulations to minimize asset-liability maturity and currency mismatches. Emerging markets' central banks also have multiple long-standing and ready discount and term-repo facilities to meet sudden liquidity needs, while regulatory forbearance is more extensive in emerging markets regarding marking assets to market or loan provisioning. Also, both the repo and discount facilities and regulatory forbearance were significantly expanded during the pandemic, many of which remain in place today.

Finally, the portfolio manager remains positive on emerging markets' equities due to the continued reopening of China's

economy and in the rest of emerging markets and in Europe, where economic activity could outpace the U.S. Global growth upswings tend to result in U.S. dollar weakness, which has historically been a key factor leading to the out-performance of emerging markets equities relative to developed markets.

The portfolio manager continues to focus on quality companies and have taken advantage of the investment opportunities that have emerged amid market uncertainty and volatility. Importantly, the portfolio manager remains well-diversified across and within countries and sectors, which is essential during times of heightened volatility.

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 of the Fund, providing analysis and making decisions as to which Underlying Funds and ETFs the Fund invests in and the target weighting of the Fund's assets. Fees payable to AGFI for such services are payable directly by unitholders and are not expenses of the Fund.

AGFI pays for all of the operating expenses relating to the operation of the Fund, except for certain costs as disclosed in the current prospectus, in exchange for a fixed rate administration fee. The administration fee is calculated based on the Net Asset Value of the Fund at a fixed annual rate of 0.32%. Administration fees of approximately \$1,000 were incurred by the Fund during the six months ended March 31, 2023.

AGFI is an indirect wholly-owned subsidiary 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.

This interim management report of fund performance contains financial highlights, but does not contain either the interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1 888 226-2024, by writing to us at AGF Investments Inc., CIBC SQUARE, Tower One, 81 Bay Street, Suite 4000, Toronto, Ontario, Canada M5J 0G1, 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.

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 six months ended March 31, 2023 and the past five years as applicable.

Net Assets per Unit⁽¹⁾

For the periods ended	Mar 31, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)	Sept 30, 2019 (\$)	Sept 30, 2018 (\$)
Net Assets, beginning of period⁽¹⁾	23.74	25.00*	-	-	-	-
Increase (decrease) from operations:						
Total revenue	0.41	0.02	-	-	-	-
Total expenses	(0.05)	(0.03)	-	-	-	-
Realized gains (losses)	0.10	-	-	-	-	-
Unrealized gains (losses)	2.62	(1.95)	-	-	-	-
Total increase (decrease) from operations⁽²⁾	3.08	(1.96)	-	-	-	-
Distributions:						
From income (excluding dividends)	(0.00)	-	-	-	-	-
From dividends	(0.40)	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions⁽³⁾	(0.40)	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	27.22	23.74	-	-	-	-

Ratios/Supplemental Data⁽¹⁾

For the periods ended	Mar 31, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019	Sept 30, 2018
Total Net Asset Value (\$000's)	3,475	908	-	-	-	-
Number of units outstanding (000's)	128	38	-	-	-	-
Management expense ratio ⁽⁵⁾	0.36%	0.38%	-	-	-	-
Management expense ratio before waivers or absorptions	0.36%	0.38%	-	-	-	-
Trading expense ratio ⁽⁶⁾	0.33%	0.17%	-	-	-	-
Portfolio turnover rate ⁽⁷⁾	8.14%	0.00%	-	-	-	-
Net Asset Value per unit	27.22	23.74	-	-	-	-

Explanatory Notes

- (1) a) This information is derived from the Fund's audited annual financial statements and unaudited interim 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 Fund commenced operations in July 2022, 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.

* represents initial Net Assets
(1), (2), (3), (4), (5), (6) and (7) see Explanatory Notes

- (5) The management expense ratio ("MER") 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 ETFs in which the Fund has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (6) 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.
- (7) 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. AGFI is responsible for the day-to-day operations of the Fund, which include providing investment and management services as well as other administrative services required by the Fund. The management fees for such services are payable directly by the unitholders, not by the Fund.

AGFI bears all operating expenses relating to the operation of the Fund, except for certain costs as disclosed in the Fund's prospectus. In exchange, AGFI receives an administration fee at the annual rate of 0.32%, which is subject to applicable taxes, based on the Net Asset Value of the Fund, calculated daily and payable monthly.

Past Performance

It is AGFI's policy to report rates of return for a fund in existence greater than one year. The Fund commenced operations in July 2022.

Summary of Investment Portfolio

As at March 31, 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 June 30, 2023.

The prospectus and other information about the underlying investment funds and ETFs are available on the internet at www.sedar.com.

Portfolio by Sector	Percentage of Net Asset Value (%)
Equity Funds	91.4
Cash & Cash Equivalents	3.9
ETFs - International Equity	2.9
Other Net Assets (Liabilities)	1.8

Top Holdings	Percentage of Net Asset Value (%)
AGF Emerging Markets Fund	91.4
Cash & Cash Equivalents	3.9
AGF Systematic Emerging Markets Equity ETF	2.9
Total Net Asset Value (thousands of dollars)	\$ 3,475



For more information contact your investment advisor or:

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