

Interim Management Report of Fund Performance

AGF European 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

For the six months ended March 31, 2023, Series S Units of AGF European Equity Fund (the "Fund") returned 37.1% (net of expenses) while the MSCI Europe Index returned 29.4%. 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 due to stock selection. The Financials sector was the largest contributor to relative performance owing to positive stock selection. Positive stock selection in the Industrials sector also contributed. This was partially offset by the Health Care sector, which detracted the most from relative performance as a result of individual security choices. The Consumer Discretionary sector also detracted due to an unfavorable underweight allocation to the sector, which was partially offset by positive security choices.

The Fund had net redemptions of approximately \$14 million for the current period, as compared to net redemptions of approximately \$1 million in the prior period. Rebalancing by an institutional program resulted in net redemptions of approximately \$6 million in the Fund. The portfolio manager does not believe that redemption 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. The decrease in management and advisory fees accounted for most of the decrease in expenses during the period as compared to the previous period due to a decrease in average Net Asset Values. Annual and interim reports increased due to an increase in investor activity and interest expense increased due to an increase in overdraft positions throughout the period. The increase in audit fees and decrease in independent review committee fees were 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

Equities rallied strongly during the reporting period, as major announcements around the globe spurred on markets. However, despite these late gains, 2022 was the worst calendar year for equities since the Global Financial Crisis.

China's long-awaited economic rebound helped the global economic outlook somewhat after the country abandoned its much-debated zero-COVID policy. As Russia's invasion of Ukraine passed the one-year mark, NATO member nations pledged their unwavering support to continue the fight against the Kremlin. The monetary tightening cycle by the U.S. Federal Reserve (the "Fed") and the European Central Bank ("ECB") continued through the period, albeit at a slower pace, in an effort to balance growth with persistent inflation.

European equities rallied strongly through the reporting period as the rate of inflation started to recede, outperforming U.S. equities. The performance was supported by stronger than expected economic data, lower gas prices and a greater bias to China where sentiment improved dramatically as policymakers in the country eased its zero-COVID policy earlier than the market had expected. Earlier in the calendar year and particularly in the third calendar quarter of 2022, the market had become concerned about the prospects of a deep recession in the region as a result of highly elevated gas and electricity prices. As these worries unwound and economic performance came in better than expected, the market was forced to unwind this risk-off positioning. Milder weather helped, but also conservative use of gas and energy helped to balance the supply and demand dynamics. Government support also helped. The depreciation of the U.S. dollar was supported by Fed Chairman Powell's announcement of a lower rate hike of 0.25% in February 2023. The strengthening euro, vis-à-vis a weaker dollar, helped reduce price pressures in Europe, particularly commodity prices which are priced in U.S. dollars.

The ECB raised interest rates numerous times during the reporting period, taking the main refinancing rate to 3.5% in March 2023. The European economy remained resilient, even though gross domestic product growth numbers for the last calendar quarter of 2022 came in lower than expected. Worryingly, preliminary data for February 2023 indicated that inflation ticked up again in both France and Spain, which partly nullified the nine-month high productivity gain recorded in the region during the month.

The portfolio manager expects volatility in equity markets in Europe to continue as 2023 progresses. 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. In the near term, fears of a recession abound, albeit many now expect it to be a 'look through' recession rather than a deep one. The portfolio manager expects ECB and the Fed to maintain their hawkish stance on inflation as core prices and labour market activity remain resilient. The combined impact of persistent price pressures and slowing economic activity will likely challenge corporate earnings and management guidance throughout the year.

The portfolio manager believes that European banks are well-positioned to handle liquidity risks given their solid liquidity buffers and strong capital ratios. The war in Ukraine

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 1 800 268-8583, 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.

will unfortunately persist in the medium term and this will continue to weigh on investor sentiment, as will the persistently high levels of inflation. However, European equities remain attractively valued in the portfolio manager's opinion, particularly compared with U.S. equities, as the economic performance is better than feared and the safeguards built up over the previous crises will support the region through this one. Thus, the portfolio manager remains optimistic on the outlook for the region.

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 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 \$290,000 were incurred by the Fund during the six months ended March 31, 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 six months ended March 31, 2023 and the past five years as applicable.

Series S Units - 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⁾	8.85	10.88	8.52	9.59	9.94	10.36
Increase (decrease) from operations:						
Total revenue	0.13	0.45	0.36	0.30	0.40	0.41
Total expenses	(0.04)	(0.12)	(0.12)	(0.09)	(0.12)	(0.16)
Realized gains (losses)	0.56	(0.01)	0.37	0.07	(0.68)	0.21
Unrealized gains (losses)	2.76	(1.94)	2.11	(0.95)	0.13	(0.67)
Total increase (decrease) from operations⁽²⁾	3.41	(1.62)	2.72	(0.67)	(0.27)	(0.21)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	(0.32)	(0.34)	(0.22)	(0.37)	(0.25)	(0.27)
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions⁽³⁾	(0.32)	(0.34)	(0.22)	(0.37)	(0.25)	(0.27)
Net Assets, end of period⁽⁴⁾	11.77	8.85	10.88	8.52	9.59	9.94

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

Series S Units - 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)	56,743	54,156	64,806	59,859	65,285	100,269
Number of units outstanding ('000's)	4,821	6,121	5,957	7,022	6,808	10,090
Management expense ratio ⁽⁵⁾	0.57%	0.57%	0.57%	0.57%	0.57%	0.59%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.32%	1.30%	1.30%	1.31%	1.27%	1.25%
Trading expense ratio ⁽⁷⁾	0.17%	0.10%	0.11%	0.14%	0.22%	0.40%
Portfolio turnover rate ⁽⁸⁾	5.51%	17.34%	10.64%	20.52%	23.57%	32.76%
Net Asset Value per unit	11.77	8.85	10.88	8.52	9.59	9.94

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) 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 computation of the distributions per unit does not take into account the management fee distributions (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.
- (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, the MER is annualized from the date of the first external purchase.
- (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.

	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.

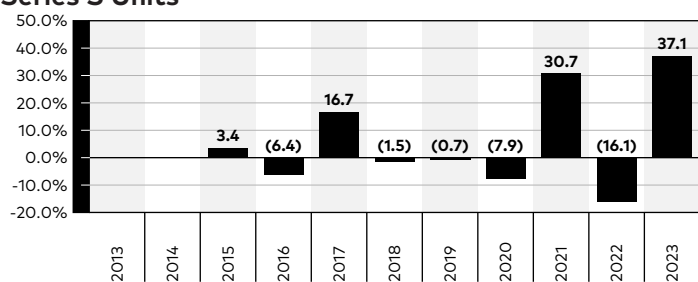
(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

* The indicated rates of return shown here are the historical 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.

Year-By-Year Returns

The following bar chart shows the Fund's annual performance for each of the past 10 years to September 30, 2022 (interim performance for the six months ended March 31, 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.

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.

Portfolio by Country	Percentage of Net Asset Value (%)
France	23.9
United Kingdom	18.6
Germany	16.5
Switzerland	13.3
Ireland	8.6
Netherlands	5.4
Italy	4.8
Luxembourg	3.5
Spain	3.3
Cash & Cash Equivalents	1.7
Other Net Assets (Liabilities)	0.4

Portfolio by Sector	Percentage of Net Asset Value (%)
Financials	22.2
Industrials	14.2
Health Care	11.9
Consumer Staples	11.0
Materials	10.8
Energy	8.1
Consumer Discretionary	7.2
Information Technology	7.1
Utilities	5.4
Cash & Cash Equivalents	1.7
Other Net Assets (Liabilities)	0.4

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
International Equity	97.9
Cash & Cash Equivalents	1.7
Other Net Assets (Liabilities)	0.4

Top Holdings	Percentage of Net Asset Value (%)
Siemens AG	4.8
BNP Paribas SA	4.5
Novartis AG	4.5
Cie de Saint-Gobain	4.4
Shell PLC	4.3
Nestle SA	3.8
Danone SA	3.8
AXA SA	3.8
SAP SE	3.8
Bank of Ireland Group PLC	3.8
ArcelorMittal SA	3.5
Roche Holding AG	3.2
ING Groep NV	3.2
Veolia Environnement SA	2.8
Smith & Nephew PLC	2.6
Dalata Hotel Group PLC	2.4
ASML Holding NV	2.1
Intesa Sanpaolo SpA	2.1
TotalEnergies SE	2.0
BAE Systems PLC	2.0
Mercedes-Benz Group AG	2.0
CRH PLC	2.0
Rio Tinto PLC	2.0
adidas AG	1.8
Tesco PLC	1.8
Total Net Asset Value (thousands of dollars)	\$ 56,743



For more information contact your investment advisor or:

AGF Investments Inc.

CIBC SQUARE, Tower One
81 Bay Street, Suite 4000
Toronto, Ontario M5J 0G1
Toll Free: (800) 268-8583
Web: AGF.com

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