

Annual Management Report of Fund Performance

AGF Credit Opportunities Fund

September 30, 2024

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 Credit Opportunities Fund (the "Fund") is to generate consistent full-cycle positive total returns with an emphasis on capital preservation and low correlation to traditional fixed income and equity markets. The Fund aims to achieve these objectives by investing primarily in investment grade corporate and government fixed income securities and instruments of issuers anywhere in the world. The Fund will primarily invest in global investment grade debt, i.e., a credit rating BBB- and above from Standard & Poor's (or an equivalent rating from another rating agency). The Fund may also invest in securities with credit ratings below investment grade (below BBB-). The Fund will also aim to enhance returns through allocation to convertible debentures, emerging markets (sovereign and corporate), preferred shares, securitized products and other structured products. AGF Investments Inc. ("AGFI"), as portfolio manager, uses prudent bottom-up security selection. 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. 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.

The Fund may use derivatives for leverage, engage in short selling and borrow cash for investment purposes. The Fund's leverage must not exceed 300% of its Net Asset Value (see Explanatory Note (1) a)) and is calculated in accordance with the methodology prescribed by securities laws, or any exemptions therefrom.

Risk

The risks of investing in the Fund remain as disclosed in the current prospectus.

The Fund is suitable for investors investing for the medium term, seeking exposure to primarily investment grade corporate and government fixed income securities by employing alternative investment strategies and who have a low to medium tolerance for risk. The suitability of the Fund has not changed from what has been disclosed in the prospectus.

Results of Operations

The Fund commenced operations in September 2024.

Recent Developments

As of the end of the reporting period, the Canadian yield curve is currently flat to slightly positive as a result of short-term rates having come down significantly during the last two quarters. Recent economic growth data has come below the Bank of Canada's ("BoC") forecast, while the unemployment rate has continued its upward slope, even in the absence of significant job losses. This puts the BoC in a position to continue cutting rates into the end of 2024, as inflation is forecasted to remain benign.

Looking at the months ahead, any further progress on global inflation would likely provide momentum for bond markets; however, elevated fiscal concerns in many developed markets will likely act as obstacles.

The portfolio manager believes U.S. growth could likely remain robust through the rest of 2024 and beyond, providing momentum to non-conventional bonds. However, global growth could likely be challenged, affected by the lagged effects of monetary tightening, although the extent of the slowdown may vary depending on geography. Further, the portfolio manager expects a range-bound credit spread risk environment for the rest of 2024 and beyond, as all-in yields and interest rates for the credit market appear to be more attractive than they have been over the years.

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. AGFI entered into an investment sub-advisory agreement with AGF Investments LLC, which acts as a sub-advisor and provides investment sub-advisory services to the Fund. Under the management and investment sub-advisory agreements, the Fund pays management and advisory fees, calculated based on the Net Asset Value of Series Y Units of the Fund. As the Fund commenced operations on the last day of the reporting period, management and advisory fees incurred during the period ended September 30, 2024 were insignificant.

All of the operating expenses relating to the operation of the Fund (except for certain costs as disclosed in the current prospectus) are paid directly by AGFI and in exchange, a fixed rate administration fee is payable by the Fund. The administration fee is calculated based on the Net Asset Value of Series Y Units of the Fund at a fixed annual rate, as disclosed in the current prospectus. As the Fund commenced

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.sedarplus.ca.

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.

operations on the last day of the reporting period, administration fees incurred during the period ended September 30, 2024 were insignificant.

AGFI and AGF Investments LLC 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.

Series Y Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)
Net Assets, beginning of period⁽¹⁾	10.00*	-	-	-	-
Increase (decrease) from operations:					
Total revenue	-	-	-	-	-
Total expenses	(0.00)	-	-	-	-
Realized gains (losses)	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-
Total increase (decrease) from operations⁽²⁾	(0.00)	-	-	-	-
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	10.00	-	-	-	-

Series Y Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020
Total Net Asset Value (\$000's)	20,150	-	-	-	-
Number of units outstanding (000's)	2,015	-	-	-	-
Management expense ratio ⁽⁵⁾	0.48%	-	-	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.19%	-	-	-	-
Trading expense ratio ⁽⁷⁾	0.00%	-	-	-	-
Portfolio turnover rate ⁽⁸⁾	0.00%	-	-	-	-
Net Asset Value per unit	10.00	-	-	-	-

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 Y Units of the Fund commenced operations in September 2024, which represents the date upon which securities were first made available for purchase by investors.

* represents initial Net Assets
(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

- (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, short borrowing costs, interest on leverage and 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 Y 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 Y Units	0.90%	-	100.00%

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 September 2024.

Summary of Investment Portfolio

As at September 30, 2024

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, 2024.

Portfolio by Country	Percentage of Net Asset Value (%)
Cash & Cash Equivalents	0.7
Other Net Assets (Liabilities)	99.3

Portfolio by Sector	Percentage of Net Asset Value (%)
Cash & Cash Equivalents	0.7
Other Net Assets (Liabilities)	99.3

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
Cash & Cash Equivalents	0.7
Other Net Assets (Liabilities)	99.3

Top Holdings	Percentage of Net Asset Value (%)
Cash & Cash Equivalents	0.7
Total Net Asset Value (thousands of dollars)	\$ 20,150



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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