







AGF SAF Private Credit Trust

Portfolio Applications



Private credit is one of the fastest growing categories of alternative investments and investor demand continues to grow¹ as investors seek reliable streams of income, diversification and attractive returns.

AGF SAF Private Credit Trust provides access to a differentiated private credit strategy that aims to deliver attractive risk-adjusted returns with low correlation to traditional asset classes by allocating capital through various credit strategies to middle-market companies, primarily within Canada and the U.S. The Trust offers eligible investors:

 <p>Income</p> <p>Private credit offers the potential for higher yields when compared to traditional fixed income</p>	 <p>Diversification</p> <p>When combined with traditional equities and fixed income, private credit may enhance portfolio diversification and improve risk adjusted returns</p>
 <p>Expertise</p> <p>The SAF Group, a Canadian alternative capital provider, offers institutional quality private credit strategies that are characterized by attractive yields, downside protection and the opportunity for equity upside participation</p>	 <p>Liquidity</p> <p>Provides eligible investors with greater liquidity when compared to traditional private credit vehicles</p>

A private credit allocation can help to achieve several objectives and may be suitable for a variety of eligible investors. Portfolio applications include:

1) Income Generation

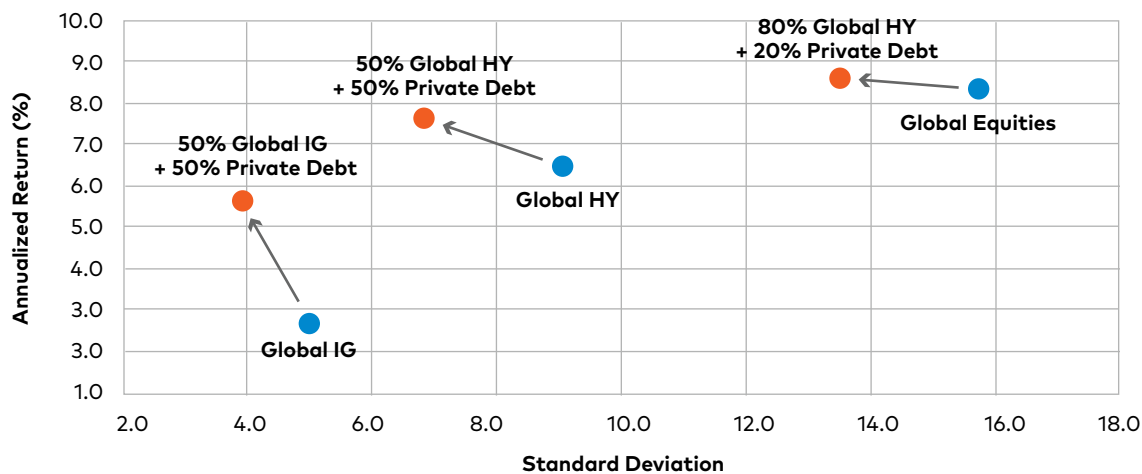
In a low interest rate environment generating income remains challenging. Compressed credit spreads have forced investors to look to alternatives such as private credit for meaningful yield. Private credit strategies that focus on income generation may be a useful supplement to enhance overall portfolio yield.

¹ Source: 2020 Preqin Global Private Debt Report & Preqin Q3 2020 Private Debt Update.

2) Enhance Portfolio Diversification

Generally, investors employ private credit allocations as complements or substitutes to/for traditional fixed income. Given the potential for higher total returns, lower drawdowns and reduced volatility offered by private credit, the asset class may also have utility as a complement or substitute to/for equity exposure, depending on portfolio objectives. An allocation to private credit within a portfolio has historically resulted in enhanced risk-adjusted returns when compared to a portfolio comprised only of public equity and fixed income (see figure 1).

Figure 1. Risk and Reward

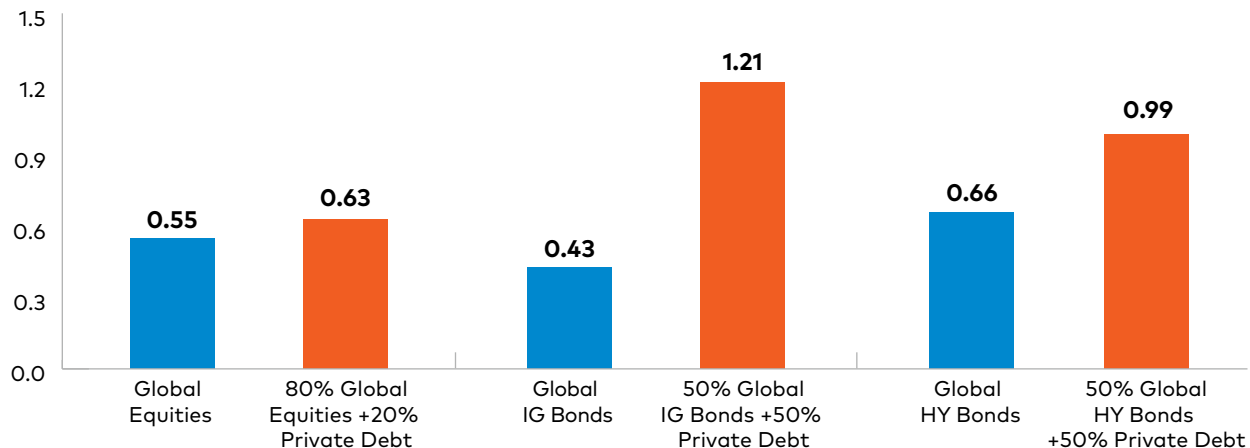


Source: Morningstar Direct & Preqin. Period: January 2010 – June 2020. In U.S. Dollars. MSCI ACWI Index (Global Equities), Bloomberg Barclays Global Aggregate Bond Index (Global IG Bonds), Bloomberg Barclays Global High Yield Index (Global HY Bonds), Preqin Capital Quarterly Index – Private Debt (Private Debt). For illustrative purposes only. One cannot invest in an index. Hypothetical performance is not necessarily indicative of future results.

3) Improved Risk-Adjusted Returns

As a complement to public market equities, corporate bonds and high yield bonds private credit can offer an opportunity for improved risk-adjusted returns as part of a multi-asset portfolio.

Figure 2. Sharpe Ratio



Source: Morningstar Direct & Preqin. Period: January 2010 – June 2020. In U.S. Dollars. MSCI ACWI Index (Global Equities), Bloomberg Barclays Global Aggregate Bond Index (Global IG Bonds), Bloomberg Barclays Global High Yield Index (Global HY Bonds), Preqin Capital Quarterly Index – Private Debt (Private Debt). For illustrative purposes only. One cannot invest in an index. Hypothetical performance is not necessarily indicative of future results.



Founded in 1957, AGF Management Limited is an independent and globally diverse asset management firm. AGF brings a disciplined approach to delivering excellence in investment management through its fundamental, quantitative, alternative and high-net-worth businesses.

The SAF Group is a private equity and credit investment firm, with an objective to provide flexible and long-term capital solutions to public and private corporates while providing stable returns for investors.

For more information, visit AGF.com

For use by accredited investors and investment advisers/dealers with eligible investors.

This document is provided to you by AGF Investments Inc. ("AGFI") for informational purposes only on the understanding that, as an accredited investor or investment professional, you will understand and accept its inherent limitations, you will not rely on it in making or recommending any investment decision with respect to any securities that may be issued and does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any fund. Any such offers, when available, can only be made through the authorized delivery of an offering memorandum (the "OM") to accredited investors or their dealers/advisors. All information contained in this document regarding the AGF SAF Private Credit Trust (the "Trust") is qualified in its entirety by the information contained in the OM and such other documents incorporated by reference therein. The OM contains additional information about the investment objectives and terms and conditions of an investment in the Trust (including fees) and will also contain tax information and risk disclosures that are important to any investment decision regarding the Trust.

No securities regulatory authority has assessed the merits of, or expressed an opinion about, these securities or the information contained in this document. The securities referred to herein will only be offered and sold in such jurisdictions where they may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. The securities referred to herein may only be sold to prospective investors who reside in certain provinces of Canada and who meet certain eligibility criteria on a basis which is exempt from the prospectus requirements of applicable Canadian securities laws. No sales of the securities of the Trust shall be made until the Trust and a potential investor enter into a subscription agreement for such securities.

An investment in the securities described herein is highly speculative and involves a number of risks that should be considered by a prospective investor. Prospective investors are not to construe the contents of this document as legal, tax, accounting or investment advice. Prospective investors should be aware that the acquisition of securities of the Trust will have tax consequences, whether adverse or otherwise. Such tax consequences are not described herein. This document does not constitute legal, tax, investment or any other advice. Prospective investors should consult with their own professional advisors regarding the financial, legal and tax consequences of any investment. Past performance is not necessarily a guide to future performance.

Performance returns presented are hypothetical and for illustrative purposes only. They do not represent actual performance of the Trust, nor do they guarantee future performance. Historical performance results for investment indices have been provided for general comparison purposes only, and do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. This performance simulation is for illustrative purposes only and does not reflect actual past performance nor does it guarantee future performance. One cannot invest directly in an index.

While AGFI makes effort to ensure that the contents herein have been obtained or derived from sources believed by AGFI to be reliable, it cannot guarantee the accuracy of any such information and does not represent that such information is accurate or complete. The information presented herein is current only as of the particular dates specified for such information and is subject to change without notice. This document is provided to you on a confidential basis and may not be reproduced or distributed, in whole or in part, except by authorized representatives of AGFI.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, noninfringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).

©2021 Morningstar. All Rights Reserved. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial advisor which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Publication date: May 5, 2021.