AGF MANAGEMENT LIMITED

Second Quarter Report 2025

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Financial Highlights

Three months ended (in millions of Canadian dollars, except share data)	May 31, 2025	Feb. 28, 2025	Nov. 30, 2024	Aug. 31, 2024	May 31, 2024	Feb. 29, 2024	Nov. 30, 2023	Aug. 31, 2023
AUM & fee-earning assets[1]	$ 53,474	$ 53,842	$ 53,606	$ 49,702	$ 47,844	$ 45,012	$ 42,180	$ 42,259
Mutual fund net sales (redemptions)	18	258	5	14	(112)	(125)	(224)	(151)
Total net revenue[2]	99.0	111.5	104.8	102.0	97.0	103.0	78.3	84.0
Total adjusted net revenue[2]	99.0	111.5	105.8	99.8	97.0	103.0	78.3	84.0
SG&A[3]	62.8	67.8	70.2	66.3	68.2	57.9	52.9	50.2
Adjusted SG&A[2,3]	59.5	63.6	66.2	59.6	60.0	53.5	50.7	50.3
EBITDA[2]	36.2	44.2	36.9	33.0	26.6	45.1	25.4	33.8
Adjusted EBITDA[2]	39.5	47.9	39.6	40.2	37.0	49.5	27.6	33.7
Net income – equity owners of the Company	24.3	30.9	28.7	20.3	18.1	30.5	16.8	23.0
Adjusted net income – equity owners of the Company[2]	26.0	32.1	29.8	24.5	23.6	33.7	18.5	22.9
Earnings per share – equity owners of the Company								
Basic	0.37	0.47	0.45	0.31	0.28	0.47	0.26	0.35
Diluted	0.36	0.46	0.43	0.30	0.27	0.46	0.25	0.34
Adjusted diluted[2]	0.39	0.48	0.45	0.37	0.35	0.51	0.28	0.34
Free cash flow[2]	24.0	31.6	21.4	29.1	23.7	21.2	20.4	22.9
Dividends per share	0.125	0.115	0.115	0.115	0.115	0.110	0.110	0.110
Long-term debt	83.8	88.7	14.7	44.9	79.9	39.8	5.8	5.8
Average basic shares	65,071,539	65,188,348	64,375,093	64,414,440	64,611,582	64,648,897	64,572,595	65,018,132
Average fully diluted shares	67,171,507	67,227,647	67,126,886	66,518,278	66,607,960	66,455,243	66,598,358	67,013,139

[1] AUM represents assets under management. Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.
[2] Total net revenue, adjusted net revenue, adjusted SG&A, EBITDA, adjusted EBITDA, adjusted net income, adjusted diluted earnings per share and free cash flow are not standardized earnings measures prescribed by IFRS. Descriptions of these non-IFRS measures, as well as others, and reconciliations to IFRS, where necessary, are provided in the MD&A. Certain comparative free cash flow figures have been restated to meet the definition of free cash flow. See the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.
[3] Selling, general, and administrative expenses. Adjusted SG&A exclude compensation expense relating to Kensington Capital Partners Limited's legacy long-term incentive plan, severance and other expenses and corporate development and acquisition related expenses.

Selected Quarterly Information

(in millions of Canadian dollars, except share data)	Three months ended May 31, 2025	Three months ended Feb.28, 2025	Three months ended May 31, 2024	Six months ended May 31, 2025	Six months ended May 31, 2024
AUM end of the period					
AGF Investments					
Mutual funds	$ 30,975	$ 31,167	$ 26,961	$ 30,975	$ 26,961
ETFs and SMA	2,771	2,913	1,800	2,771	1,800
Segregated accounts and sub-advisory	6,448	6,529	6,313	6,448	6,313
AGF Private Wealth	8,568	8,623	8,026	8,568	8,026
AGF Capital Partners	2,600	2,468	2,663	2,600	2,663
Total AUM	**$ 51,362**	**$ 51,700**	**$ 45,763**	**$ 51,362**	**$ 45,763**
AGF Capital Partners fee-earning assets[1]	2,112	2,142	2,081	2,112	2,081
Total AUM and fee-earning assets[1] end of period	**$ 53,474**	**$ 53,842**	**$ 47,844**	**$ 53,474**	**$ 47,844**
Mutual fund net sales (redemptions)	$ 18	$ 258	$ (112)	$ 276	$ (237)
Retail mutual fund net sales (redemptions)[2]	65	342	(112)	407	(237)
Net management, advisory and administration fees[3]	83.8	85.2	81.2	169.0	156.1
Adjusted selling, general and administrative[3]	59.5	63.6	60.0	123.1	113.5
Adjusted EBITDA[3]	39.5	47.9	37.0	87.4	86.5
Adjusted net income – equity owners[3]	26.0	32.1	23.6	58.1	57.3
Adjusted diluted earnings per share – equity owners[3]	0.39	0.48	0.35	0.87	0.86
Free cash flow[3]	24.0	31.6	23.7	55.6	44.9
SUPPLEMENTARY FINANCIAL INFORMATION					
Adjusted EBITDA[3]					
Adjusted EBITDA before AGF Capital Partners	$ 29.5	$ 29.3	$ 29.4	$ 58.8	$ 54.5
From AGF Capital Partners[4,5]	10.0	18.6	7.6	28.6	32.0
Adjusted EBITDA	**$ 39.5**	**$ 47.9**	**$ 37.0**	**$ 87.4**	**$ 86.5**
Adjusted diluted earnings per share – equity owners of the Company[3]					
Adjusted diluted earnings per share before AGF Capital Partners	$ 0.29	$ 0.29	$ 0.27	$ 0.61	$ 0.51
From AGF Capital Partners[4]	0.10	0.19	0.08	0.26	0.35
Adjusted diluted earnings per share	**$ 0.39**	**$ 0.48**	**$ 0.35**	**$ 0.87**	**$ 0.86**

[1] Fee-earnings assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.
[2] Net sales (redemptions) in retail mutual funds are calculated as reported mutual fund net sales (redemptions) less non-recurring institutional net sales (redemptions) in excess of $5.0 million invested in our mutual funds.
[3] For the definition of net management, advisory and administration fees, adjusted selling, general and administrative, adjusted EBITDA, adjusted net income, adjusted diluted earnings per share and free cash flow, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.
[4] AGF Capital Partners represents share of profit of joint ventures, which are recorded under equity accounting, income from other fee-earning arrangements on the consolidated statement of income, long-term investments, which represents fair value adjustments and distributions related to long-term investments included in fair value adjustments and other income on the consolidated statement of income and new acquisition of Kensington Capital Partners Limited.
[5] EBITDA from AGF Capital Partners exclude corporate overhead costs.

Strategic and Financial Highlights

AUM and Sales

AGF reported $53.5 billion in assets under management and fee-earning assets as at May 31, 2025, compared to $53.8 billion as at February 28, 2025 and $47.8 billion as at May 31, 2024.

While the current tariff reprieve is a welcome relief for investors, it is still largely unclear how these tariffs will impact the global economy, partly because their effect is expected to come with a lag and won't show up in key economic factors for a few months.

While the situation continues to evolve and long-term impacts remain uncertain, tariffs have the potential to reshape global trade policies and alliances. The Company will continue to monitor any new developments and assess the potential impacts to its business and operations.

Material market disruptions, including tariffs, retaliatory tariffs, or other trade protectionist measures, can adversely impact local and global markets and normal market operations. Such disruptions could have an adverse impact on the value of the Company's investments and performance.

During the three months ended May 31, 2025, AGF reported mutual fund net sales of $18.0 million, compared to net sales of $258.0 million for the three months ended February 28, 2025 and net redemptions of $112.0 million in the comparative prior year period. Retail mutual fund[1] net sales were $65.0 million for the quarter compared to net sales of $342.0 million for the three months ended February 28, 2025 and net redemptions of $112.0 million in the comparative prior year quarter.

Investment Performance

As at May 31, 2025, the average percentile of AGF's mutual fund gross returns (before fees) over the past one year was 39% (February 28, 2025 – 39%), 51% over the past three years (February 28, 2025 – 44%) and 41% over the past five years (February 28, 2025 – 41%), with 1st percentile representing the best possible performance. Our investment performance remained solid, encompassing strength from funds across all key categories.

Financial and Key Business Highlights

For the three months ended May 31, 2025, AGF reported total adjusted EBITDA of $39.5 million, compared to $47.9 million for the three months ended February 28, 2025 and $37.0 million in the comparative prior year period. For the three months ended May 31, 2025, AGF reported adjusted EBITDA margin of 39.9%, compared to 43.0% for the three months ended February 28, 2025 and 38.2% in the comparative prior year period. The change is outlined below.

Net management, advisory and administration fees were $83.8 million for the three months ended May 31, 2025, compared to $85.2 million for the three months ended February 28, 2025 and $81.2 million in the comparative prior year period. Net management, advisory and administration fees are directly related to our AUM levels, the proportion of AUM invested in various strategies (i.e., equity fund vs. fixed income fund) and related fees. Annualized net management, advisory and administration fees as a percentage of average AUM was 0.70% for the three months ended May 31, 2025, compared to 0.71% for the three months ended February 28, 2025 and 0.75% for the comparative prior year period. The net management, advisory and administration fees increased year over year due to higher average AUM reported, partially offset by revenue rate changes resulting from a shift in asset mix for the three months ended May 31, 2025.

[1] Net sales (redemptions) in retail mutual funds are calculated as reported mutual fund net sales (redemptions) less non-recurring institutional net sales (redemptions) in excess of $5.0 million invested in our mutual funds.

Adjusted SG&A was $59.5 million for the three months ended May 31, 2025, compared to $63.6 million for the three months ended February 28, 2025 and $60.0 million for the comparative prior year period. The decrease in adjusted SG&A from prior quarter is driven by lower performance-based compensation, change in timing of expenses and the market environment.

For the three months ended May 31, 2025, adjusted EBITDA from AGF Capital Partners was $10.0 million, compared to $18.6 million for the three months ended February 28, 2025 and $7.6 million for the comparative prior year period. The increase from prior year is primarily related to higher fair value adjustments recorded offset by the consolidation of KCPL results. AGF's Capital Partners long-term investments can be variable quarter to quarter and can be impacted by fair value adjustments, timing of monetizations and cash distributions.

For the three months ended May 31, 2025, adjusted diluted earnings per share attributable to equity owners of the Company was $0.39, compared to $0.48 for the three months ended February 28, 2025 and $0.35 for the comparative prior year period. The AGF Capital Partners business contributed $0.10 for the three months ended May 31, 2025, compared to $0.19 for the three months ended February 28, 2025 and $0.08 for the comparative prior year period.

At the 2025 Wealth Professional Awards, AGF was named Mutual Fund Provider of the Year. The Company was also honoured as an Excellence Awardee in the Employer of Choice category.

In May, AGF Investments Inc. announced proposed changes to the investment objectives of AGF Short-Term Income Class and AGF Global Sustainable Growth Equity Fund, subject to securityholder approval at special meetings to be held on or about June 26, 2025.

This quarter, AGF Investments Inc. announced lower management and administration fees and risk ratings for certain funds. These changes build on the firm's commitment to continually reviewing its product line-up to ensure its offerings are responsive to market trends and competitively priced.

AGF Management Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended May 31, 2025 and 2024

Caution Regarding Forward-Looking Statements

This Management's Discussion and Analysis (MD&A) includes forward-looking statements about the Company, including its business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as 'expects,' 'estimates,' 'anticipates,' 'intends,' 'plans,' 'believes' or negative versions thereof and similar expressions, or future or conditional verbs such as 'may,' 'will,' 'should,' 'would' and 'could.' In addition, any statement that may be made concerning future financial performance (including income, revenues, earnings or growth rates), ongoing business strategies or prospects, fund performance, and possible future action on our part, is also a forward-looking statement. Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations, business prospects, business performance and opportunities. While we consider these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. 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 our operations, economic factors and the financial services industry generally. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by us due to, but not limited to, important risk factors such as level of assets under our management, volume of sales and redemptions of our investment products, performance of our investment funds and of our investment managers and advisors, client-driven asset allocation decisions, pipeline, competitive fee levels for investment management products and administration, and competitive dealer compensation levels and cost efficiency in our investment management operations, as well as 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, natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply or other catastrophic events, and our ability to complete strategic transactions and integrate acquisitions, and attract and retain key personnel. We caution that the foregoing list is not exhaustive. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. Other than specifically required by applicable laws, we are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements, whether as a result of new information, future events or otherwise. For a more complete discussion of the risk factors that may impact actual results, please refer to the 'Risk Factors and Management of Risk' section of the 2024 Annual MD&A.

Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) is as of June 24, 2025 and presents an analysis of the financial condition of AGF Management Limited (AGF or the Company) and its subsidiaries for the three and six months ended May 31, 2025, compared to the three and six months ended May 31, 2024. The MD&A should be read in conjunction with the Condensed Consolidated Interim Financial Statements for the three and six months ended May 31, 2025 and the 2024 Annual Report. The financial statements for the three and six months ended May 31, 2025, including required comparative information, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS) applicable to the preparation of interim financial statements, including International Accounting Standard 34 (IAS 34), Interim Financial Reporting, unless otherwise noted. References to IFRS are equivalent to IFRS Accounting Standards in the Condensed Consolidated Interim Financial Statements.

We also utilize non-IFRS financial measures to assess our overall performance and facilitate a comparison of quarterly and full-year results from period to period. These non-IFRS measures may not be comparable with similar measures presented by other companies. Details of non-IFRS measures used are outlined in the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section, which provides calculations of the non-IFRS measures.

All dollar amounts are in Canadian dollars unless otherwise indicated. Throughout this discussion, percentage changes are calculated based on numbers rounded to the decimals that appear in this MD&A. Results, except per share information, are presented in millions of dollars. Certain totals, subtotals and percentages may not reconcile due to rounding. For purposes of this discussion, the operations of AGF and our subsidiary companies are referred to as 'we,' 'us,' 'our,' 'the firm' or 'the Company.'

Our Business and Strategy

Founded in 1957, AGF Management Limited (AGF) is an independent and globally diverse asset management firm. Our companies deliver excellence in investing in the public and private markets through three business lines: AGF Investments, AGF Private Wealth and AGF Capital Partners.

AGF brings a disciplined approach, focused on incorporating sound, responsible and sustainable corporate practices. The firm's collective investment expertise, driven by its fundamental, quantitative and alternative investing capabilities, extends globally to a wide range of clients, from financial advisors and their clients to high-net-worth and institutional investors including pension plans, corporate plans, sovereign wealth funds, endowments and foundations.

Headquartered in Toronto, Canada, AGF has investment operations and client servicing teams on the ground in North America and Europe. AGF serves more than 815,000 investors. AGF trades on the Toronto Stock Exchange under the symbol AGF.B.

AGF Investments

AGF Investments is comprised of various subsidiaries of AGF Management Limited who manage and advise on a variety of investment solutions for clients globally. The investment teams draw upon and integrate fundamental and quantitative investing capabilities and research across the companies. AGF Investments' disciplined approach, global mindset and eye to risk management have allowed us to continue to evolve and thrive as a diversified asset manager. AGF Investments' teams embrace a culture of collaboration with the belief that an interconnected team leads to a better understanding of an interconnected world as we strive to deliver on investment objectives and provide an exceptional client experience.

AGF Investments' offerings include a broad range of equity, fixed income, alternative and multi-asset strategies covering a spectrum of objectives from wealth accumulation and risk management to income-generating solutions.

AGF Investments services a diverse client base from financial advisors and individual investors to institutional investors across the globe through segregated accounts, mutual funds, exchange-traded funds (ETFs) and separately managed accounts.

AGF Private Wealth

AGF Private Wealth (Private Wealth) is AGF Management Limited's private wealth platform – which includes Cypress Capital Management Ltd., Doherty & Associates Ltd. and Highstreet Asset Management Inc. – that provides investment solutions for high-net-worth individuals, endowments and foundations in key markets across Canada.

Cypress Capital Management Ltd.

Acquired by AGF in June 2004, Cypress Capital Management provides quality investment services at a reasonable cost, where the best interest of the client is paramount. They are committed to being honest and transparent regarding return expectations, risks, fees and their capabilities as investment managers.

Doherty & Associates Ltd.

Acquired by AGF in January 2004, Doherty & Associates was founded on the principle that their clients come first in all they do. Their philosophy of 'Great Companies at Great Prices' coupled with a disciplined investment process guides them to grow wealth responsibly over time.

Highstreet Asset Management Inc.

Acquired by AGF in 2006, Highstreet Asset Management is committed to their core principles of doing two things exceptionally well – serving their clients and managing money.

AGF Capital Partners

AGF Capital Partners is AGF's multi-boutique alternatives business with Affiliate Managers across both private assets and alternative strategies. Clients benefit from the specialized investment expertise of Affiliate Managers[1] combined with the organizational support and breadth of resources of AGF Management Limited (AGF). With over 18 years average experience, AGF Capital Partners Affiliate Managers, including Kensington Capital Partners Limited, New Holland Capital, LLC and AGF SAF Private Credit, manage approximately C$13.7 billion[2] in alternative AUM and fee-earning assets on behalf of institutional and retail clients. Affiliate Manager AUM may not be consolidated into AGF Management Limited's reported AUM.

Kensington Capital Partners Limited

Founded in 1996, Kensington Capital Partners Limited is a Canadian alternative asset manager with offices in Toronto and Vancouver. Kensington's mission is to back good management teams to build great businesses, and in doing so, create top-performing investment solutions for investors. Kensington has assets under management of $2.4 billion, managed across several active funds covering venture capital, growth equity and mid-market buyouts. AGF completed a strategic investment to acquire a 51% ownership interest in Kensington in March 2024.

[1] The term 'Affiliate Manager' refers to any partner regardless of relationship structures or revenue sharing agreements. The form of AGF's structured partnership interests in Affiliate Managers differs from Affiliate Manager to Affiliate Manager. The structure of the relationship with a particular Affiliate Manager, or the revenue that AGF agrees to share in, may change. Affiliate Managers only provide investment advisory services or offer products in the jurisdiction where such firm, individuals and/or product is registered or authorized to provide such services.

[2] U.S. AUM converted FX rate at May 31, 2025 (1.38).

New Holland Capital, LLC

New Holland Capital, LLC (NHC) is a New-York based multi-strategy investment manager with more than US$6.5 billion in assets under management and more than 17 years of experience providing institutional investors with absolute return investment strategies across the liquidity spectrum with a focus on multi-strategy hedge funds and private credit. The firm seeks to generate alpha across a wide set of diversifying strategies, with a preference for niche, capacity constrained opportunities. In February 2024, AGF made a strategic investment in the form of a note convertible into an economic interest in NHC. The arrangement also provides AGF with the option to subsequently increase its ownership stake.

AGF SAF Private Credit Management LP

AGF SAF Private Credit Management LP is a partnership between AGF Management Limited (AGF) and an entity within the SAF Group (collectively, SAF) that manages a limited partnership that invests in private credit products in the Canadian middle market and lower middle market segment. The strategy focuses on direct lending via senior secured, unitranche and subordinated debt investments. AGF has been investing with SAF since 2014, bringing together AGF's experience and resources with SAF's specialized focus in private credit investing.

Corporate Sustainability

AGF has been bringing stability to the world of investing since 1957 and to ensure our own stability and the continued longevity of our firm, we recognize that responsible and sustainable practices must continue to influence the shape of our organization.

AGF's corporate responsibility framework aims to apply forward-thinking practices related to key sustainability factors to deliver long-term successful outcomes for each of our stakeholders.

We have identified the following key areas of focus that we believe will contribute to our firm's long-term success:

Sustainable Investing: The continued advancement of responsible and sustainable investing practices across our respective companies' investment management teams.

Talent, Culture & DEI: Improving the employee experience by fostering high engagement, advancing diversity initiatives, ensuring equitable and inclusive practices, and attracting and nurturing talent with ongoing support and thoughtful succession planning.

Sustainable Operations & Governance: Managing the risks and opportunities related to AGF companies' operations and governance as well as our community involvement.

As part of this commitment, a multi-year project is underway to enhance AGF's corporate sustainability practices:

- AGF tracks a comprehensive set of metrics over the short-, medium- and long-term timeframes.
- AGF is enhancing processes and governance for managing and monitoring the risks and opportunities related to these factors.
- Finally, AGF is working to improve the firm's ESG-related disclosures to provide more decision-useful information to financial stakeholders while meeting increasing regulatory requirements.

To learn more about Corporate Sustainability at AGF, please refer to our Annual Report or visit AGF.com.

Assets Under Management and Fee-earning Assets[1]

(in millions of Canadian dollars)	Three months ended May 31, 2025	Feb. 28, 2025	Nov. 30, 2024	Aug. 31, 2024	May 31, 2024
Mutual fund AUM, beginning of the period[1]	$ 31,167	$ 30,662	$ 28,104	$ 26,961	$ 26,186
Gross sales	1,148	1,568	993	1,012	934
Redemptions	(1,130)	(1,310)	(988)	(998)	(1,046)
Net sales (redemptions)	18	258	5	14	(112)
Market appreciation of fund portfolios	$ (210)	$ 247	$ 2,553	$ 1,129	$ 887
Mutual fund AUM, end of the period[1]	$ 30,975	$ 31,167	$ 30,662	$ 28,104	$ 26,961
Average daily mutual fund AUM[1]	$ 29,770	$ 30,853	$ 29,173	$ 27,542	$ 26,604
ETFs and SMA AUM, end of the period	2,771	2,913	2,537	2,128	1,800
Segregated accounts and sub-advisory AUM, end of the period	$ 6,448	$ 6,529	$ 6,977	$ 6,430	$ 6,313
Total AGF Investments AUM	**$ 40,194**	**$ 40,609**	**$ 40,176**	**$ 36,662**	**$ 35,074**
AGF Private Wealth AUM	$ 8,568	$ 8,623	$ 8,567	$ 8,186	$ 8,026
Subtotal excluding AGF Capital Partners AUM, end of the period	**$ 48,762**	**$ 49,232**	**$ 48,743**	**$ 44,848**	**$ 43,100**
AGF Capital Partners AUM	$ 2,600	$ 2,468	$ 2,752	$ 2,774	$ 2,663
Total AUM	**$ 51,362**	**$ 51,700**	**$ 51,495**	**$ 47,622**	**$ 45,763**
AGF Capital Partners fee-earning assets[2]	$ 2,112	$ 2,142	$ 2,111	$ 2,080	$ 2,081
Total AUM and fee-earning assets[2], end of the period	**$ 53,474**	**$ 53,842**	**$ 53,606**	**$ 49,702**	**$ 47,844**

[1] Mutual fund AUM includes retail AUM, pooled funds AUM and institutional client AUM invested in customized series offered within mutual funds.

[2] Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.

AGF Capital Partners AUM and Fee-earning Assets

(in millions of Canadian dollars)	Three months ended May 31, 2025	Feb. 28, 2025	Nov. 30, 2024	Aug. 31, 2024	May 31, 2024
AGF Capital Partners AUM	$ 2,600	$ 2,468	$ 2,752	$ 2,774	$ 2,663
AGF Capital Partners fee-earning assets[1]	2,112	2,142	2,111	2,080	2,081
Total AGF Capital Partners AUM and fee-earning assets[1]	**$ 4,712**	**$ 4,610**	**$ 4,863**	**$ 4,854**	**$ 4,744**

[1] Fee-earning assets represents assets in which AGF has carried interest ownership and earns recurring fees but does not have ownership interest in the managers.

Consolidated Operating Results

(in millions of Canadian dollars, except per share data)	Three months ended May 31, 2025	Three months ended February 28, 2025	Three months ended May 31, 2024	Six months ended May 31, 2025	Six months ended May 31, 2024
Revenues					
Management, advisory and administration fees	$ 119.5	$ 122.8	$ 116.4	$ 242.3	$ 225.0
Trailing commissions and investment advisory fees	(35.7)	(37.6)	(35.2)	(73.3)	(68.9)
Net management, advisory and administration fees[1]	83.8	85.2	81.2	169.0	156.1
Deferred sales charges	1.0	1.2	1.9	2.2	3.9
Revenue from AGF Capital Partners[1]	14.6	23.6	12.0	38.2	36.4
Other revenue (loss)[1]	(0.4)	1.5	1.9	1.1	3.6
Total net revenue[1]	$ 99.0	$ 111.5	$ 97.0	$ 210.5	$ 200.0
Selling, general and administrative	62.8	67.8	68.2	130.6	126.1
Fair value adjustment on contingent consideration payable	–	(0.4)	1.0	(0.4)	1.0
Fair value adjustment on put option liability	–	(0.1)	1.2	(0.1)	1.2
EBITDA[1]	**$ 36.2**	**$ 44.2**	**$ 26.6**	**$ 80.4**	**$ 71.7**
Amortization, derecognition and depreciation	2.4	2.4	2.6	4.8	4.8
Interest expense	1.8	1.2	2.1	3.0	3.7
Net income before income taxes	$ 32.0	$ 40.6	$ 21.9	$ 72.6	$ 63.2
Income tax expense	7.9	10.5	5.5	18.4	16.3
Net income for the period	**$ 24.1**	**$ 30.1**	**$ 16.4**	**$ 54.2**	**$ 46.9**
Net income attributable to:					
Equity owners of the Company	$ 24.3	$ 30.9	$ 18.1	$ 55.2	$ 48.6
Non-controlling interest	(0.2)	(0.8)	(1.7)	(1.0)	(1.7)
Earnings per share attributable to equity owners of the Company					
Basic earnings per share	$ 0.37	$ 0.47	$ 0.28	$ 0.85	$ 0.75
Diluted earnings per share	$ 0.36	$ 0.46	$ 0.27	$ 0.82	$ 0.73

[1] For the definition of net management, advisory and administration fees, revenue from AGF Capital Partners, other revenue, total net revenue, and EBITDA, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

Consolidated Adjusted Operating Results

Adjusted operating results presented below reflect results excluding the following:

- Performance fees earned related to KCPL that are to be allocated to the KCPL LLTIP and payment of the contingent consideration liabilities
- Corporate development and acquisition related expenses
- Severance related costs and other expenses that are not part of the Company's normal course of business
- Fair value adjustments on acquisition related liabilities including contingent consideration payable and the put obligation liability
- Non-cash compensation expense relating to the KCPL LLTIP, which represents a non-cash liability that will be funded through future performance fees and carried interest realized from investments made by the funds prior to the acquisition

For the reconciliation of adjusted balances, see the 'Key Performance indicators, Additional IFRS and Non-IFRS Measures' section.

	Three months ended			Six months ended	
(in millions of Canadian dollars, except per share data)	**May 31, 2025**	**February 28, 2025**	**May 31, 2024**	**May 31, 2025**	**May 31, 2024**
Revenues					
Management, advisory and administration fees	$ 119.5	$ 122.8	$ 116.4	$ 242.3	$ 225.0
Trailing commissions and investment advisory fees	(35.7)	(37.6)	(35.2)	(73.3)	(68.9)
Net management, advisory and administration fees[1]	83.8	85.2	81.2	169.0	156.1
Deferred sales charges	1.0	1.2	1.9	2.2	3.9
Adjusted revenue from AGF Capital Partners[1]	14.6	23.6	12.0	38.2	36.4
Other revenue (loss)[1]	(0.4)	1.5	1.9	1.1	3.6
Total adjusted net revenue[1]	$ 99.0	$ 111.5	$ 97.0	$ 210.5	$ 200.0
Adjusted selling, general and administrative[1]	59.5	63.6	60.0	123.1	113.5
Adjusted EBITDA[1]	**$ 39.5**	**$ 47.9**	**$ 37.0**	**$ 87.4**	**$ 86.5**
Amortization, derecognition and depreciation	2.4	2.4	2.6	4.8	4.8
Interest expense	1.8	1.2	2.1	3.0	3.7
Adjusted net income before income taxes	$ 35.3	$ 44.3	$ 32.3	$ 79.6	$ 78.0
Adjusted income tax expense	8.8	11.5	8.1	20.2	20.1
Adjusted net income for the period	**$ 26.5**	**$ 32.8**	**$ 24.2**	**$ 59.4**	**$ 57.9**
Adjusted net income attributable to:					
Equity owners of the Company	$ 26.0	$ 32.1	$ 23.6	$ 58.1	$ 57.3
Non-controlling interest	0.5	0.7	0.6	1.3	0.6
Earnings per share attributable to equity owners of the Company					
Adjusted diluted earnings per share	$ 0.39	$ 0.48	$ 0.35	$ 0.87	$ 0.86
Adjusted diluted earnings per share	**$ 0.39**	**$ 0.48**	**$ 0.35**	**$ 0.87**	**$ 0.86**

[1] For the definition of net management, advisory and administration fees, adjusted revenue from AGF Capital Partners, other revenue, total net revenue, adjusted selling, general and administrative, and adjusted EBITDA, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

Commentary on Consolidated Results of Operations

Income

Net Management, Advisory and Administration Fees

Net management, advisory and administration fees is comprised of management, advisory and administration fees net of trailing commissions and investment advisory fees and is directly related to our AUM levels, excluding AGF Capital Partners AUM. Net management, advisory and administration fees depend on the proportion of AUM invested in various strategies (i.e., equity fund vs. fixed income fund) and related fees and are recognized on an accrual basis.

For the three and six months ended May 31, 2025, net management, advisory and administration fees were $83.8 million and $169.0 million, an increase of $2.6 million and $12.9 million or 3.2%, and 8.3% compared to $81.2 million and $156.1 million in the same period in 2024. The increase is primarily due to an increase in average AUM for the period, partially offset by a change in net revenue rate as a result of asset mix. Annualized net management, advisory and administration fees as a percentage of average AUM was 0.70% and 0.70% for the three and six months ended May 31, 2025, compared to 0.75% and 0.74% for the same period in 2024.

	Three months ended			Six months ended	
(in millions of Canadian dollars, except revenue rate)	**May 31, 2025**	**February 28, 2025**	**May 31, 2024**	**May 31, 2025**	**May 31, 2024**
Net management, advisory and administration fees	$ 83.8	$ 85.2	$ 81.2	$ 169.0	$ 156.1
Average AUM[1]	47,476	48,817	43,278	48,120	41,941
Net revenue rate, excluding AGF Capital Partners	**0.70%**	**0.71%**	**0.75%**	**0.70%**	**0.74%**

[1] For the definition of average AUM, see the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section.

Deferred Sales Charges (DSC)

AGF receives deferred sales charges upon redemption of securities sold on the contingent DSC or low-load commission basis for which we finance the selling commissions paid to the dealer (prior to June 1, 2022). The DSC ranges from 1.5% to 5.5%, depending on the commission option of the original subscription price of the funds purchased if the funds are redeemed within the first two years and declines to zero after three or seven years. DSC revenue fluctuates based on the level of redemptions, the age of the assets being redeemed and the proportion of redemptions composed of back-end assets. DSC revenue was $1.0 million and $2.2 million for the three and six months ended May 31, 2025, compared to $1.9 million and $3.9 million for the same period in 2024. As a result of the DSC elimination effective June 1, 2022, DSC revenue will decline over time as assets move off the DSC schedule to front-end.

AGF Capital Partners

AGF Capital Partners is AGF's multi-boutique alternatives business with Affiliate Managers across both private assets and alternative strategies across both private assets and alternative strategies. The results for AGF Capital Partners include management fee-related earnings, carried interest and performance fees, other fee arrangements, income from its strategic investments into the alternatives business and other revenue.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Revenue					
Management and administration fees[1]	$ 6.1	$ 7.1	$ 6.6	$ 13.2	$ 6.6
Manager earnings, including carried interest[2]	1.2	0.2	–	1.5	0.2
Income from fee-earning arrangements	0.8	0.8	0.7	1.5	1.5
Revenue from long-term investments	6.5	15.5	4.7	22.0	28.1
Revenue from AGF Capital Partners	**$ 14.6**	**$ 23.6**	**$ 12.0**	**$ 38.2**	**$ 36.4**

[1] Represents revenue from KCPL.

[2] Represents share of profit (loss) of joint ventures, other revenue related to AGF Capital Partners' Managers and Affiliated Managers and carried interest earnings.

AGF's manager earnings represents earnings from its joint ventures, which are recorded under the equity method. Managers of funds in their early stages may generate losses until the fund reaches sufficient scale. AGF also earns its proportionate share of carried interest/performance fees through the achievement of attractive and sustainable investment returns. These earnings, or losses incurred, are recognized through 'Share of profit of joint ventures' on the Consolidated Interim Statement of Income. For additional information, see Note 4 of the Condensed Consolidated Interim Financial Statements.

In addition, AGF earns ongoing fees through fee arrangements with Instar Group Inc. (Instar) and First Ascent Ventures (First Ascent). For additional information, see Note 6 of the Condensed Consolidated Interim Financial Statements.

AGF also participates as an investor in the units of the underlying funds managed by our partners. Under IFRS, investments held in the underlying funds are measured at fair value. The fair value of the fund considers carried interest payable to the manager, based on the returns achieved to date. AGF may also receive cash distributions from the underlying funds. These earnings are recognized through 'Fair value adjustments and distribution income' on the Condensed Consolidated Interim Statement of Income and can fluctuate with the amount of capital invested, monetizations, and changes in fair value. For additional information, see Note 3(b) of the Condensed Consolidated Interim Financial Statements.

For the three and six months ended May 31, 2025, AGF recorded revenue from AGF Capital Partners long-term investments of $6.5 million and $22.0 million, compared to $4.7 million and $28.1 million from the same period in 2024. The movement is primarily related to fair value adjustments recorded on long-term investments. As at May 31, 2025, the carrying value of AGF's long-term investment in AGF Capital Partners business was $409.7 million, compared to $308.8 million in the comparative prior year-end.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Committed capital, end of period	$ 334.0	$ 313.8	$ 256.7	$ 334.0	$ 256.7
Funded capital, since inception	319.1	298.9	236.7	319.1	236.7
Remaining committed capital[1]	**$ 14.9**	**$ 14.9**	**$ 20.0**	**$ 14.9**	**$ 20.0**
Fair value of investments	$ 409.7	$ 384.7	$ 308.8	$ 409.7	$ 308.8

[1] Excludes anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

Other Revenue

Other revenue includes mark to market adjustments related to AGF mutual funds that are held as seed capital investments and other income.

During the three and six months ended May 31, 2025, the Company recorded loss of $0.4 million and revenue of $1.1 million in other revenue, compared to revenue of $1.9 million and $3.6 million in the comparative prior year period. The Company recorded a loss of $0.1 million and $nil million revenue in fair value adjustments related to investments in AGF mutual funds and $0.6 million and $1.3 million of interest income for the three and six months ended May 31, 2025, compared to the gain of $0.7 million and $1.4 million revenue in fair value adjustments related to investments in AGF mutual funds and $0.4 million and $0.9 million of interest income in the comparative prior year period.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Fair value adjustment related to investment in AGF mutual funds	$ (0.1)	$ 0.1	$ 0.7	$ –	$ 1.4
Interest income	0.6	0.7	0.4	1.3	0.9
Other	(0.9)	0.7	0.8	(0.2)	1.3
Other revenue (expense)	**$ (0.4)**	**$ 1.5**	**$ 1.9**	**$ 1.1**	**$ 3.6**

Expenses

Selling, General and Administrative Expenses (SG&A)

For the three and six months ended May 31, 2025, SG&A was $62.8 million and $130.6 million, a decrease of $5.4 million and increase of $4.5 million or 7.9% and 3.6%, compared to $68.2 million and $126.1 million in the comparative prior year period. Excluding compensation related to KCPL LLTIP, severance, and corporate development and acquisition related expenses, adjusted SG&A was $59.5 million and $123.1 million for the three and six months ended May 31, 2025, a decrease of $0.5 million and increase of $9.6 million or 0.8% and 8.5%, compared to $60.0 million and $113.5 million in the comparative prior year period.

(in millions of Canadian dollars)		Three months ended May 31, 2025		Six months ended May 31, 2025
Increase (decrease) in performance-based compensation expenses	$	(2.7)	$	0.7
Increase in non performance-based compensation expenses		0.5		4.1
Increase in stock-based compensation expenses		0.2		0.2
Increase in non-compensation related expenses		1.5		4.6
Total change in adjusted SG&A	**$**	**(0.5)**	**$**	**9.6**
Decrease in corporate development and acquisition related expenses		(1.5)		(4.5)
Increase in severance expenses		1.9		1.6
Decrease in LLTIP expense		(5.3)		(2.2)
Total change in SG&A	**$**	**(5.4)**	**$**	**4.5**

The following explains expense changes in the three and six months ended May 31, 2025, compared to the comparative prior year period:

- Performance-based compensation expenses decreased by $2.7 million and increased by $0.7 million. The decrease for the three months ended May 31, 2025 was primarily driven by compensation adjustments to reflect current market conditions.
- Non performance-based compensation expenses increased by $0.5 million and $4.1 million, driven mainly by the consolidation of KCPL non performance-based compensation expenses.
- Stock-based compensation expenses increased by $0.2 million and $0.2 million. Increases or decreases in the AGF.B share price will create fluctuations in the fair value of unhedged cash-settled Restricted Share Units (RSUs) and Deferred Share Units (DSUs). The Company manages its exposure to changes in the fair value of its vested DSUs and cash-settled RSUs through Total Return Swap agreements (TRS). For additional information, see Note 14(a) of the Condensed Consolidated Interim Financial Statements. As at May 31, 2025, the Company had economically fully hedged its stock-based compensation.
- Non-compensation related expenses increased by $1.5 million and $4.6 million, primarily driven by the consolidation of KCPL non-compensation related expenses and timing of expenses.
- Corporate development and acquisition related expenses decreased by $1.5 million and $4.5 million. Corporate development and acquisition related expenses reflect costs incurred as the Company executes on its strategic objective to deploy capital and expand the AGF Capital Partners business.
- LLTIP expenses decreased by $5.3 million and $2.2 million. KCPL has established a LLTIP whereby specific employees are allocated a portion of the carried interest and performance fees that will be paid in a future period related to investments made prior to the acquisition.

Fair value adjustments on contingent consideration payable and put option liability

This category represents fair value adjustments recorded on contingent consideration payable and put option liability. The fair value adjustments are determined using a combination of the discounted cash flow and weighted probability approaches, which are based on significant unobservable inputs.

For the three and six months ended May 31, 2025, fair value adjustments on contingent consideration payable was reduced by an immaterial amount and $0.4 million and the fair value adjustments on put option liability was reduced by an immaterial amount and $0.1 million, respectively. For additional information, see Note 14 of the Condensed Consolidated Interim Financial Statements.

Amortization and Interest Expense

The category represents depreciation and amortization of management contracts; other intangible assets; right-of-use assets; property, equipment, and computer software; as well as interest expense.

Depreciation decreased by $0.2 million and $nil million for the three and six months ended May 31, 2025, compared to the comparative prior year period.

Interest expense decreased by $0.3 million and $0.7 million for the three and six months ended May 31, 2025, compared to the comparative prior year period, driven by lower interest rate on the outstanding long-term debt balance.

Income Tax Expense

Income tax expense for the three and six months ended May 31, 2025 was $7.9 million and $18.4 million, compared to $5.5 million and $16.3 million in the comparative prior year period.

The effective tax rate for the six months ended May 31, 2025 was 25.4% (2024 – 25.8%). The main items impacting the effective tax rate in the period relate to gains from investments subject to different tax rates and temporary differences for which no deferred tax assets were recognized.

The Company believes that it has adequately provided for income taxes based on all the information that is currently available. The calculation of income taxes in many cases, however, requires significant judgement in interpreting tax rules and regulations. The Company's tax filings are subject to audits, which could materially change the amount of the current and deferred income tax assets and liabilities, and could, in certain circumstances, result in the assessment of interest and penalties.

The result of the audit and appeals process may vary and may be materially different compared to the estimates and assumptions used by management in determining the Company's consolidated income tax provision and in determining the amounts of its income tax assets and liabilities.

Net Income attributable to equity owners of the Company

The impact of the above income and expense items resulted in net income attributable to equity owners of the Company of $24.3 million and $55.2 million for the three and six months ended May 31, 2025, compared to $18.1 million and $48.6 million in the comparative prior year period. Excluding the impact compensation related to KCPL's LLTIP, severance expenses, corporate development, acquisition related expenses, and fair value adjustments on contingent consideration payable and put option liability, adjusted net income attributable to equity owners of the Company is $26.0 million and $58.1 million for the three and six months ended May 31, 2025, compared to $23.6 million and $57.3 million in the corresponding period in 2024.

Earnings per Share attributable to equity owners of the Company

Diluted earnings per share attributable to equity owners of the Company was $0.36 and $0.82 for the three and six months ended May 31, 2025, compared to $0.27 and $0.73 in the comparative prior year period. Excluding the impact of compensation expense related to KCPL's LLTIP, severance expenses, corporate development, acquisition related expenses, and fair value adjustments on contingent consideration payable and put option liability, adjusted diluted earnings per share attributable to equity owners of the Company was $0.39 and $0.87 for the three and six months ended May 31, 2025, compared to earnings of $0.35 and $0.86 per share in the corresponding period in 2024.

Liquidity and Capital Resources

As at May 31, 2025, the Company had total cash and cash equivalents of $33.8 million (November 30, 2024 – $53.0 million). Free cash flow, as defined in the 'Key Performance Indicators, Additional IFRS and Non-IFRS Measures' section of this MD&A, generated was $24.0 million and $55.6 million for the three and six months ended May 31, 2025, compared to $23.7 million and $44.9 million in the comparative prior year period. During the six months ended May 31, 2025, we used $19.2 million (2024 – $6.8 million) in cash as follows:

(in millions of Canadian dollars) **Six months ended**		**May 31, 2025**		**May 31, 2024**
Net cash used in operating activities	$	13.2	$	6.9
Acquisition of Kensington Capital Partners Limited, net of cash acquired		–		(40.8)
Repurchase of shares under normal course issuer bid and purchase of treasury stock for employee benefit trust (EBT)		(4.8)		(6.9)
Issue of Class B non-voting shares		2.1		4.0
Repurchase of NCI shares		(3.0)		–
Dividends paid		(15.4)		(14.4)
Issuance of long-term debt		69.0		74.0
Interest paid		(1.6)		(2.8)
Lease payments		(3.2)		(3.0)
Investment in associates and joint ventures		(1.0)		–
Net purchase of long-term investments		(77.0)		(22.5)
Purchase of property, equipment and computer software, net of disposals		(2.0)		(0.8)
Net return of capital of short-term investments, including seed capital		4.5		3.6
Purchase of convertible note receivable		–		(4.1)
Change in cash and cash equivalents	**$**	**(19.2)**	**$**	**(6.8)**

Total long-term debt outstanding as at May 31, 2025 was $84.0 million (November 30, 2024 – $15.0 million). As at May 31, 2025, $66.0 million was available to be drawn from the revolving credit facility and swingline facility commitment to meet future operational investment needs. AGF drew on the credit facility in order to support the Company's strategic plan.

As at May 31, 2025, the Company has right-of-use assets of $68.0 million and total lease liabilities of $81.4 million recorded on the Condensed Consolidated Interim Statement of Financial Position. The Company has funded $319.1 million (November 30, 2024 – $242.1 million) in funds and investments associated with the AGF Capital Partners business and has $14.9 million (November 30, 2024 – $19.8 million) remaining to be funded. The Company also has an anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund. In addition, the Company is committed to loan up to US$15.0 million to New Holland Capital, LLC through a convertible note agreement with a maturity date of February 9, 2032. As at May 31, 2025, the Company has funded US$9.0 million with US$6.0 million available for future drawdown.

The cash balances and cash flow from operations, together with the available loan facility, will be sufficient in the near term to implement our business plan, fund our AGF Capital Partners business commitments, satisfy regulatory and tax requirements, service debt repayment obligations and pay quarterly dividends. We continue to closely monitor our capital plan and the related impacts of the current market volatility and will reassess and adjust our use of capital as required. Refer to the section 'Market Risk' of this MD&A for more information.

Capital Management Activities

We actively manage our capital to maintain a strong and efficient capital base to maximize risk-adjusted returns to shareholders and to invest in future growth opportunities, while ensuring there is available capital to fund our capital commitments related to the AGF Capital Partners business.

As part of our ongoing strategic and capital planning, the Company regularly reviews our holdings in short- and long-term investments, including its investments in associates and joint ventures, to determine the best strategic use of these assets to achieve our long-term capital and strategic goals.

AGF capital consists of shareholders' equity and long-term debt. The Company reviews its three-year capital plan annually while detailing projected operating budgets and capital requirements. AGF is required to submit this plan to the Executive Management committee for approval prior to seeking Board approval. AGF's Executive Management committee consists of the Executive Chairman, Chief Executive Officer and Chief Investment Officer, President and Head of Global Distribution, Chief Financial Officer, Chief Operating Officer, and Head of AGF Capital Partners. Once approved by the Executive Management committee, the three-year plans are reviewed and approved by AGF's Board of Directors. These plans become the basis for the payment of dividends to shareholders, the repurchase of Class B Non-Voting shares and, combined with the reasonable use of leverage, the source of funds for expansion through organic growth and strategic investments.

Normal Course Issuer Bid

On February 5, 2025, AGF announced that the TSX had approved AGF's notice of intention to renew its NCIB in respect of its Class B Non-Voting shares. Between February 10, 2025 and February 9, 2026, AGF may purchase up to 4,750,792 Class B Non-Voting shares through the facilities of the TSX (or as otherwise permitted by the TSX).

Purchase for cancellation by AGF of outstanding Class B Non-Voting shares may also be used to offset the dilutive effect of treasury stock released for the employee benefit trust (EBT) and of shares issued through the Company's stock option plans and dividend reinvestment plan. AGF relies on an automatic purchase plan during the normal course issuer bid. The automatic purchase plan allows for purchases by AGF of its Class B Non-Voting shares subject to certain parameters. Shares purchased for the EBT are also purchased under the Company's NCIB and recorded as a reduction to capital stock.

During the three and six months ended May 31, 2025, AGF purchased 235,400 and 243,800 (2024 – 106,124 and 574,500) Class B Non-Voting shares for cancellation under NCIB at an average price of $10.16 and $10.18 (2024 – $8.28 and $7.84) per share for a total cost of $2.4 million and $2.5 million (2024 – $0.9 million and $4.5 million).

During the three and six months ended May 31, 2025, $1.0 million and $1.0 million premium (2024 – $0.2 million and $1.0 million) from the recorded capital stock value of the shares repurchased for cancellation was recorded in retained earnings.

During the three and six months ended May 31, 2025, AGF purchased 1,900 and 200,000 (2024 – 200,000 and 305,962) Class B Non-Voting shares for the EBT at an immaterial cost and $2.3 million (2024 – $1.6 million and $2.4 million).

Dividends

The holders of Class B Non-Voting and Class A Voting common shares are entitled to receive cash dividends. Dividends are paid in equal amounts per share on all the Class B Non-Voting shares and all the Class A Voting common shares at the time outstanding without preference or priority of one share over another. No dividends may be declared in the event that there is a default of a condition of our credit facility or where such payment of dividends would create a default.

Our Board of Directors may determine that Class B Non-Voting shareholders shall have the right to elect to receive part or all of such dividend in the form of a stock dividend. They also determine whether a dividend in Class B Non-Voting shares is substantially equal to a cash dividend. This determination is based on the weighted average price at which the Class B Non-Voting shares traded on the TSX during the 10 trading days immediately preceding the record date applicable to such dividend.

The following table sets forth the dividends paid by AGF on Class B Non-Voting shares and Class A Voting common shares for the years indicated:

Years ended November 30	2025[1]	2024	2023	2022	2021
Per share	$ 0.365	$ 0.455	$ 0.430	$ 0.390	$ 0.340

[1] Represents the total dividends paid in January 2025, April 2025 and to be paid in July 2025.

We review our dividend distribution policy on a quarterly basis, taking into account our financial position, profitability, cash flow and other factors considered relevant by our Board of Directors. The quarterly dividend paid on April 23, 2025 was 12.5 cents per share.

On June 24, 2025, the Board of Directors of AGF declared a quarterly dividend on both the Class A Voting common shares and Class B Non-Voting shares of the Company of 12.5 cents per share in respect of the three months ended May 31, 2025.

Outstanding Share Data

Set out below is our outstanding share data as at May 31, 2025 and 2024. For additional detail, see Notes 10 and 16 of the Condensed Consolidated Interim Financial Statements.

	May 31, 2025	May 31, 2024
Shares		
Class A Voting common shares	57,600	57,600
Class B Non-Voting shares	65,040,351	64,538,821
Stock Options		
Outstanding options	2,254,584	3,001,341
Exercisable options	1,747,768	2,298,931

Key Performance Indicators, Additional IFRS and Non-IFRS Measures

We measure the success of our business strategies using a number of key performance indicators (KPIs), which are outlined below. With the exception of income, the following KPIs are non-IFRS measures, which are not defined under IFRS. They should not be considered as an alternative to or comparable with net income attributable to equity owners of the Company or any other measure of performance under IFRS. Non-IFRS measures may not be comparable with similar measures presented by other companies.

Net Management, Advisory and Administration Fees

We define net management, advisory and administration fees as management, advisory and administration fees net of trailing commissions and investment advisory fees. Net management, advisory and administration fees is indicative of our potential to deliver cash flow.

We derive our net management, advisory and administration fees principally from a combination of:

- Management and advisory fees directly related to AUM from our retail, institutional and private wealth lines of businesses;
- Fund administration fees, which are based on a fixed transfer agency administration fee;
- Trailing commissions paid to distributors, which depend on total AUM, the proportion of mutual fund AUM sold on a front-end versus back-end commission basis and the proportion of equity fund AUM versus fixed income fund AUM; and
- Investment advisory fees paid, which depend on AUM.

Total Net Revenue

We define total net revenue as net management, advisory and administration fees, deferred sales charges, revenue from AGF Capital Partners, and other revenue.

Revenue from AGF Capital Partners

We define revenue from AGF Capital Partners as management fee-related earnings, carried interest, performance fees, revenue from other fee arrangements and invested capital and other revenue earned from AGF Capital Partners. The following table outlines how revenue from AGF Capital Partners is determined:

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Management, advisory and administration fees	$ 125.6	$ 129.9	$ 123.0	$ 255.5	$ 231.6
Share of profit of joint ventures	0.3	0.2	–	0.5	0.2
Other income from fee-earning arrangements	0.8	0.8	0.7	1.5	1.5
Other income	0.7	1.4	1.2	2.1	2.2
Fair value adjustments and distribution income	6.4	15.6	5.4	22.0	29.5
Add/(less):					
Management, advisory and administration fees excluding AGF Capital Partners	(119.6)	(122.8)	(116.4)	(242.3)	(225.0)
Other loss (revenue) excluding AGF Capital Partners	0.3	(1.4)	(1.2)	(1.1)	(2.2)
Fair value adjustment related to investment in AGF mutual funds	0.1	(0.1)	(0.7)	–	(1.4)
Revenue from AGF Capital Partners	**$ 14.6**	**$ 23.6**	**$ 12.0**	**$ 38.2**	**$ 36.4**

Other Revenue (Loss)

Other revenue (loss) is defined as fair value adjustments related to AGF mutual funds that are held as seed capital investments and other income. The following table outlines how other revenue is determined:

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Other revenue	$ 0.7	$ 1.4	$ 1.2	$ 2.1	$ 2.2
Add/(less):					
Other revenue from AGF Capital Partners[1]	(1.0)	–	–	(1.0)	–
Fair value adjustment related to investment in AGF mutual funds	(0.1)	0.1	0.7	–	1.4
Other revenue (loss)	**$ (0.4)**	**$ 1.5**	**$ 1.9**	**$ 1.1**	**$ 3.6**

[1] Represents other revenue generated from AGF Capital Partner's affiliated managers.

Non-IFRS Adjusted Measures

We define non-IFRS adjusted measures to exclude the following revenues and expenses, which we believe allows for better analysis of AGF's operating results and permits comparison against companies within the industry:

- Performance fees earned related to KCPL that are to be allocated to the KCPL LLTIP and payment of the contingent consideration liabilities
- Corporate development and acquisition related expenses
- Severance related costs and other expenses that are not part of the Company's normal course of business
- Fair value adjustments on acquisition related liabilities including contingent consideration payable and the put obligation liability
- Non-cash compensation expense relating to the KCPL LLTIP, which represents a non-cash liability that will be funded through future performance fees and carried interest realized from investments made by the funds prior to the acquisition.

Adjusted Selling, General and Administrative Expenses (SG&A)

Adjusted SG&A is defined as selling, general and administrative expenses excluding items as outlined in the Non-IFRS Adjusted Measures section above. The following table outlines how adjusted SG&A is determined:

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Selling, general and administrative	$ 62.8	$ 67.8	$ 68.2	$ 130.6	$ 126.1
Adjusted for:					
Accrued KCPL LLTIP compensation expense	(1.2)	(3.2)	(6.5)	(4.3)	(6.5)
Severance and other expenses	(2.0)	(1.0)	(0.2)	(3.1)	(1.5)
Corporate development and acquisition related expenses	(0.1)	–	(1.5)	(0.1)	(4.6)
Adjusted selling, general and administrative	**$ 59.5**	**$ 63.6**	**$ 60.0**	**$ 123.1**	**$ 113.5**

EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. EBITDA is a measure of performance utilized by management, investors and investment analysts to evaluate and analyze the Company's results. Adjusted EBITDA is defined as EBITDA excluding items as outlined in the Non-IFRS Adjusted Measures section above. The following table outlines how the EBITDA and adjusted EBITDA measure is determined:

	Three months ended			Six months ended	
(in millions of Canadian dollars)	**May 31, 2025**	**February 28, 2025**	**May 31, 2024**	**May 31, 2025**	**May 31, 2024**
Net income	$ 24.1	$ 30.1	$ 16.4	$ 54.2	$ 46.9
Adjustments:					
Amortization, derecognition and depreciation	2.4	2.4	2.6	4.8	4.8
Interest expense	1.8	1.2	2.1	3.0	3.7
Income tax expense	7.9	10.5	5.5	18.4	16.3
EBITDA	**$ 36.2**	**$ 44.2**	**$ 26.6**	**$ 80.4**	**$ 71.7**
Adjusted for:					
Accrued KCPL LLTIP compensation expense	$ 1.2	$ 3.2	$ 6.5	$ 4.3	$ 6.5
Severance and other expenses	2.0	1.0	0.2	3.1	1.5
Corporate development and acquisition related expenses	0.1	–	1.5	0.1	4.6
Fair value adjustment on contingent consideration payable	–	(0.4)	1.0	(0.4)	1.0
Fair value adjustment on put option liability	–	(0.1)	1.2	(0.1)	1.2
Adjusted EBITDA	**$ 39.5**	**$ 47.9**	**$ 37.0**	**$ 87.4**	**$ 86.5**

EBITDA Margin

EBITDA margin provides useful information to management and investors as an indicator of our overall operating performance. EBITDA margin is a valuable measure because it assesses the extent we are able to earn profit from each dollar of net revenue and permits comparison against companies within the industry. EBITDA margin is defined as the ratio of EBITDA to net revenue. Certain comparative figures have been restated to meet the definition of EBITDA margin. Please see the EBITDA section of this MD&A for a reconciliation between EBITDA and net revenue.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	**May 31, 2025**	**February 28, 2025**	**May 31, 2024**	**May 31, 2025**	**May 31, 2024**
EBITDA	$ 36.2	$ 44.2	$ 26.6	$ 80.4	$ 71.7
Divided by net revenue	99.0	111.5	97.0	210.5	200.0
EBITDA margin	**36.6%**	**39.6%**	**27.4%**	**38.2%**	**35.9%**

Adjusted EBITDA Margin

We define adjusted EBITDA margin as the ratio of adjusted EBITDA to adjusted net revenue. Certain comparative figures have been restated to meet the definition of adjusted EBITDA margin. Please see the EBITDA and adjusted EBITDA section of this MD&A for a reconciliation between adjusted EBITDA and net revenue.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Adjusted EBITDA	$ 39.5	$ 47.9	$ 37.0	$ 87.4	$ 86.5
Divided by adjusted net revenue	99.0	111.5	97.0	210.5	200.0
Adjusted EBITDA margin	**39.9%**	**43.0%**	**38.2%**	**41.5%**	**43.3%**

Net Debt to Adjusted EBITDA Ratio

Net debt to adjusted EBITDA ratio provides useful information to management and investors as an indicator of the Company's leverage capabilities. We define the net debt to adjusted EBITDA ratio as long-term debt offset against cash and cash equivalents at the end of the period divided by the 12-month trailing adjusted EBITDA for the period.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Net debt	$ 49.9	$ 52.0	$ 36.3	$ 49.9	$ 36.3
Divided by adjusted EBITDA (12-month trailing)	167.2	164.7	147.8	167.2	147.8
Net debt to adjusted EBITDA ratio	**29.8%**	**31.6%**	**24.6%**	**29.9%**	**24.6%**

Adjusted Net Income – Attributable to equity owners of the Company

We define adjusted net income as net income less after-tax adjusted items as outlined in the Non-IFRS Adjusted Measures section above. The following table outlines how the adjusted net income is determined:

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Net income – attributable to equity owners of the Company	$ 24.3	$ 30.9	$ 18.1	$ 55.2	$ 48.6
Adjusted for pre-tax expenses:					
Accrued KCPL LLTIP compensation expense – attributable to equity owners of the Company	0.7	1.6	3.3	2.4	3.3
Severance and other expenses	1.6	0.5	0.2	2.1	4.6
Corporate development and acquisition related expenses	0.1	–	1.5	0.1	1.5
Fair value adjustment on contingent consideration payable	–	(0.4)	1.0	(0.4)	1.0
Fair value adjustment on put option liability	–	(0.1)	1.2	(0.1)	1.2
Tax impact on adjustments	(0.7)	(0.4)	(1.7)	(1.2)	(2.9)
Adjusted net income – attributable to equity owners of the Company	**$ 26.0**	**$ 32.1**	**$ 23.6**	**$ 58.1**	**$ 57.3**

Free Cash Flow

Free cash flow represents cash available for distribution to our shareholders, share buybacks, investment in the AGF Capital Partners business, and general corporate purposes. We define free cash flow as cash flow from operations before net changes in non-cash balances related to operations less adjusted items as outlined in the Non-IFRS Adjusted Measures section above less interest paid and adjusted for certain tax items outlined below. We believe free cash flow is a relevant measure in our operations. Certain comparative figures have been restated to meet the definition of free cash flow.

	Three months ended			Six months ended	
(in millions of Canadian dollars)	May 31, 2025	February 28, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Net income for the period	$ 24.1	$ 30.1	$ 16.4	$ 54.2	$ 46.9
Adjusted for non-cash items and non-cash working capital balance	13.2	(54.2)	16.5	(41.0)	(40.0)
Net cash provided by (used in) operating activities	$ 37.3	$ (24.1)	$ 32.9	$ 13.2	$ 6.9
Net changes in non-cash working capital balances related to operations	(11.1)	48.6	(13.1)	37.5	28.7
	26.2	24.5	19.8	50.7	35.6
Adjusted for:					
Accrued KCPL LLTIP compensation expense	1.2	3.2	6.5	4.3	6.5
Severance and other expenses	2.0	1.0	0.2	3.1	1.5
Corporate development and acquisition related expenses	0.1	–	1.5	0.1	4.6
	$ 29.5	$ 28.7	$ 28.0	$ 58.2	$ 48.2
Income taxes paid during the period	8.4	14.8	8.0	23.2	17.6
	$ 37.9	$ 43.5	$ 36.0	$ 81.4	$ 65.8
Income taxes related to current period free cash flow	(11.2)	(9.9)	(8.7)	(21.1)	(15.1)
Interest and lease payments	(2.7)	(2.0)	(3.6)	(4.7)	(5.8)
Free cash flow	**$ 24.0**	**$ 31.6**	**$ 23.7**	**$ 55.6**	**$ 44.9**

Assets Under Management

The amount of AUM and the related fee rates are important to our business as these are the drivers of our revenue from our mutual fund, institutional and sub-advisory accounts, private wealth relationships and AGF Capital Partners asset management business. AUM will fluctuate in value as a result of investment performance, sales and redemptions, and crystallization of long-term investments. Mutual fund sales and AUM determine a significant portion of our expenses because we pay trailing commissions to financial advisors as well as investment advisory fees based on the value of AUM.

Fee-earning Assets

The amount of fee-earning assets and related fee rates are important to our business as these are the drivers of the fee income from certain strategic partnerships from our AGF Capital Partners business. Fee-earning assets will fluctuate in value as a result of investment performance and crystallization of long-term investments.

Average AUM

The average AUM is defined as the average of ending monthly AUM, excluding AGF Capital Partners, reported year to date.

Investment Performance

Investment performance, which represents market appreciation (depreciation), is central to the value proposition that we offer advisors and unitholders. Growth in AUM resulting from investment performance increases the wealth of our unitholders and, in turn, we benefit from higher revenues. Alternatively, poor investment performance will reduce our AUM levels and result in lower management fee revenues. Strong relative investment performance may also contribute to growth in gross sales or reduced levels of redemptions. Conversely, poor relative investment performance may result in lower gross sales and higher levels of redemptions. Refer to the 'Risk Factors and Management of Risk' section of our 2024 Annual MD&A.

Net Sales (Redemptions)

Retail gross sales and redemptions are monitored separately and the sum of these two amounts comprises retail net sales (redemptions). Retail net sales (redemptions), together with investment performance and fund expenses, determine the level of average daily mutual fund AUM, which is the basis on which management fees are charged. The average daily mutual fund AUM is equal to the aggregate average daily net asset value of the AGF mutual funds. We monitor AUM in our institutional, sub-advisory, private wealth, and AGF Capital Partners businesses separately. We do not compute an average daily AUM figure for them.

Working Capital

Working capital, defined as current assets less current liabilities, is used as a measure to demonstrate AGF's liquidity and ability to generate cash to pay for its short-term financial obligations.

Market Capitalization

AGF's market capitalization is $764.2 million, compared to its recorded net assets of $1,193 million as at May 31, 2025. In 2024, we completed an assessment to determine the fair value of AGF's cash-generating units (CGUs). Based on the result of the assessment, the recoverable amount of each CGU exceeded its carrying value as at November 30, 2024. There have been no significant changes to the recoverable amount of each CGU as at May 31, 2025; however, a sustained period of market volatility could become a triggering event requiring a write down of AGF's CGUs. Estimating the fair value of CGUs is a subjective process that involves the use of estimates and judgements, particularly related to cash flows, the appropriate discount rates, terminal growth rates, synergy inclusion rates and an applicable control premium.

Managing Risk

AGF is subject to a number of risk factors that may impact our operating and financial performance. These risks and the management of these risks are detailed in our 2024 Annual MD&A in the section entitled 'Risk Factors and Management of Risk'.

Market Risk

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors. The Company is subjected to market risk as the net management fee revenue is calculated as a percentage of the average net asset value of each retail fund or portfolio managed.

Considerations related to global trade policy and tariffs is contributing to higher volatility and could ultimately impact the trajectory of investment returns over the next 12 months.

AGF continually monitors the potential impact of market risk to its capital position and profitability. A significant portion of AGF's net management, advisory and administration fees is driven by its total average AUM excluding AGF Capital Partners. These AUM levels are impacted by both net sales and changes in the market. In general, for every $1.0 billion reduction in average AUM excluding AGF Capital Partners, annualized net management, advisory and administration fees would decline by approximately $7.0 million. In addition, the uncertainty within the global markets may impact the level of merger and acquisition activity and is likely to create challenges in completing transactions.

Foreign Exchange Risk

The Company's main foreign exchange risk derives from the U.S. and international portfolio securities held in AGF Funds. Changes in the value of the Canadian dollar relative to foreign currencies will cause fluctuations in the Canadian-dollar value of non-Canadian AUM upon which our management fees are calculated. This risk is monitored since currency fluctuation may impact the financial results of AGF; however, it is at the discretion of the fund manager to decide whether to enter into foreign exchange contracts to hedge foreign exposure on U.S. and international securities held in AGF Funds. Using average balances for the quarter, the effect of a 5% change in the Canadian dollar in relation to total AUM would have resulted in a corresponding change of approximately $0.4 billion in AUM for the three months ended May 31, 2025. In general, for every $1.0 billion reduction of average AUM, annualized net management, advisory and administration fees would decline by approximately $7.0 million.

The Company is subject to foreign exchange risk on our integrated foreign subsidiaries in the United States and Ireland, which provide investment advisory services. These subsidiaries retain minimal monetary exposure to the local currency and their revenues are calculated in Canadian dollars. The local currency expenses are translated at the average monthly rate, and local currency assets and liabilities are translated at the rate of exchange in effect at the statement of financial position date.

Interest Rate Risk

The Company has exposure to the risk related to changes in interest rates on floating-rate debt and cash balances. Using outstanding debt balances for the quarter, the effect of a 1% change in variable interest rates on floating-rate debt and cash balances in the second quarter of 2025 would have resulted in a corresponding change of approximately $0.2 million in interest expense for the three months ended May 31, 2025. Using maximum available debt balance for the year, the effect of a 1% change in variable interest rates on our floating-rate debt and cash balances in the second quarter of 2025 would have resulted in a corresponding annualized change of approximately $1.5 million in interest expense.

At May 31, 2025, approximately 16.9% of AGF's mutual fund assets under management were held in fixed-income securities, which are exposed to interest rate risk. An increase in interest rates causes market prices of fixed-income securities to fall, while a decrease in interest rates causes market prices to rise. A 1% change in interest rates would have resulted in a corresponding annualized change of approximately $2.5 million in revenue.

Political and Market Risk in Assets Under Management

AGF performance and assets under management are impacted by financial markets and political conditions, including any political change in the United States, Europe and abroad. Changes in these areas may result in significant volatility and decline in the global economy or specific international, regional and domestic financial markets, which are beyond the control of AGF. A general economic downturn, market volatility and an overall lack of investor confidence could result in lower sales, higher redemption levels and lower AUM levels. In addition, market uncertainty could result in retail investors avoiding traditional equity funds in favour of money market funds. Global markets remain volatile due to considerations related to global trade policy and tariffs. Market risk in our AUM transfers to the Company as our net management fee revenue is calculated as a percentage of the average net asset value of each retail fund or portfolio managed. The Company does not quantify this risk in isolation; however, in general, for every $1.0 billion reduction of retail fund AUM, annualized net management fee revenues would decline by approximately $8.5 million. The Company monitors this risk as it may impact earnings; however, it is at the discretion of the fund manager to decide on the appropriate risk-mitigating strategies for each fund.

To provide additional details on the Company's exposure to market risk, the following provides further information on our mutual fund AUM by asset type as at May 31, 2025 and November 30, 2024:

Percentage of total retail fund AUM	May 31, 2025	November 30, 2024
Domestic equity funds	14.6%	14.8%
U.S. and international equity funds	62.7%	61.9%
Domestic balanced funds	0.1%	0.2%
U.S. and international balanced funds	4.6%	5.4%
Domestic fixed-income funds	6.5%	6.0%
U.S. and international fixed-income funds	10.4%	10.7%
Domestic money market funds	1.0%	1.0%
U.S. and International Alternative Funds	0.1%	0.0%
	100.0%	100.0%

Institutional and high-net-worth AUM are exposed to the same market risk as retail fund AUM. In general, for every $1.0 billion reduction of institutional and high-net-worth AUM, annualized management fee revenues would decline by approximately $4.2 million.

Regulatory Risk

AGF is subject to complex and changing legal and regulatory requirements. The Company manages legal and regulatory risk through its efforts to promote a strong culture of compliance. All regulatory developments may impact product structures, pricing, and dealer and advisor compensation. While AGF actively monitors such initiatives, and where feasible comments upon or discusses them with regulators, the ability of AGF to mitigate the imposition of differential regulatory treatment of financial products or services is limited. AGF and AGF's subsidiaries are also subject to regulatory reviews as part of the normal ongoing process of oversight by the various regulators.

AGF, as an investment fund manufacturer, offers a wide range of mutual fund series that align with industry norms. AGF continually reviews our lineup to ensure we have the best representation of the Company's strengths, while providing the Company's partners and clients with the choice and diversity needed to adapt to the evolving regulatory landscape, including that of offering a wide range of product solutions that provide dealers, and their advisors, with the opportunity to structure compensation they determine to be most suitable based on the best interest of the investor.

The current environment of heightened regulatory scrutiny in the financial services sector may reasonably be expected to lead to increasingly stringent interpretation and enforcement of existing laws and rules or additional regulations, changes in existing laws and rules, or changes in interpretation or enforcement of existing laws and rules.

As a longstanding participant in the Canadian financial services industry, the Company and the Company's subsidiaries will continue to be advocates for sound regulatory changes that are grounded in the needs of all investors. The Company strongly believes in upholding the value of advice, preserving investor choice, and limiting the negative effects of unintended consequences.

Information Technology and Cybersecurity Risk

The Company uses information technology and the internet to streamline business operations and to improve client and advisor experiences. However, with the use of information technology and the internet, the Company (and each of the Company's affiliates, subsidiaries and AGF Funds) is exposed to possible information technology events, through cybersecurity breaches, which could potentially have an adverse impact on their business. In general, a cybersecurity breach can result from either a deliberate attack or an unintentional event and may arise from external or internal sources. The increased use of electronic and remote communication tools and services due to the implementation of hybrid work may lead to heightened cybersecurity risk.

While AGF Funds and the Company have established business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, there are inherent limitations in such plans and systems due to the ever-changing nature of technology and cybersecurity attack tactics, and the possibility that certain risks have not been identified. Furthermore, although the Company has vendor oversight policies and procedures, the Company cannot control the cybersecurity plans and systems put in place by the Company's service providers or any other third party whose operations may affect the Company, AGF Funds or their securityholders. As a result, the Company, AGF Funds and their securityholders could be negatively affected.

Internal Control Over Financial Reporting

The CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting (ICFR) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management's assessment was based on the framework established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

There have been no changes to the Company's ICFR during the three and six months ended May 31, 2025 that have materially affected or are reasonably likely to materially affect the Company's ICFR.

Additional Information

Additional information relating to the Company can be found in the Company's Condensed Consolidated Financial Statements and accompanying notes for the three and six months ended May 31, 2025, the Company's 2024 Annual Information Form (AIF) and Annual Report, and other documents filed with applicable securities regulators in Canada, and may be accessed at www.sedarplus.com.

AGF Management Limited

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(unaudited)

For the three and six months ended May 31, 2025 and 2024

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

(unaudited) (in thousands of Canadian dollars)	Note	May 31, 2025	November 30, 2024
Assets			
Current assets			
Cash and cash equivalents		$ 33,827	$ 52,960
Investments	3	15,900	20,171
Accounts receivable, prepaid expenses and other receivables	5	52,749	47,964
Derivative financial instrument	14	2,679	1,081
Income tax receivable	17, 23	5,590	3,534
Total current assets		110,745	125,710
Investment in associates and joint ventures	4	2,172	1,801
Long-term investments	3	409,728	321,243
Preferred limited partnership interest		18,816	18,816
Convertible note receivable	14	12,265	12,583
Management contracts and other intangibles		772,978	773,318
Goodwill		273,961	273,961
Right-of-use assets	7	67,962	68,004
Property, equipment and computer software		25,935	26,073
Deferred income tax assets		10,690	8,188
Other assets	6	3,007	3,007
Total non-current assets		1,597,514	1,506,994
Total assets		**$ 1,708,259**	**$ 1,632,704**
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8, 16	$ 95,004	$ 113,422
Lease liability	7	6,267	6,116
Put option liability	14	3,095	893
Total current liabilities		104,366	120,431
Long-term lease liability	7	75,100	75,055
Long-term debt	9	83,752	14,664
Deferred income tax liabilities		177,962	177,943
Long-term contingent consideration payable	14	29,114	29,536
Long-term put option liability	14	26,793	32,109
Other long-term liabilities	6, 16	18,042	23,886
Total liabilities		515,129	473,624
Equity			
Equity attributable to owners of the Company			
Capital stock	10	396,035	393,218
Contributed surplus	16	42,087	45,142
Retained earnings		724,607	686,863
Accumulated other comprehensive income	11	3,198	3,205
Equity attributable to non-controlling interest holders			
Non-controlling interest	14	27,203	30,652
Total equity		1,193,130	1,159,080
Total liabilities and equity		**$ 1,708,259**	**$ 1,632,704**

(The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.)

AGF MANAGEMENT LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME

(unaudited)		Three months ended		Six months ended	
(in thousands of Canadian dollars, except per share data)	Note	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Income					
Management, advisory and administration fees	12	$ 125,579	$ 123,012	$ 255,523	$ 231,591
Deferred sales charges		1,013	1,889	2,181	3,894
Share of profit of joint ventures	4	260	(49)	478	131
Income from fee-earning arrangements	6	757	733	1,525	1,507
Fair value adjustments and distribution income	3, 22	6,397	5,415	22,035	29,466
Other income	13	696	1,255	2,080	2,383
Total income		134,702	132,255	283,822	268,972
Expenses					
Selling, general and administrative	15	62,813	68,207	130,650	126,101
Trailing commissions and investment advisory fees		35,745	35,219	73,360	68,947
Fair value adjustment on contingent consideration payable	14	(53)	1,027	(422)	1,027
Fair value adjustment on put option liability	14	17	1,242	(130)	1,242
Amortization, depreciation and derecognition	7	2,406	2,424	4,764	4,647
Interest expense	7, 9	1,731	2,231	2,986	3,766
Total expenses		102,659	110,350	211,208	205,730
Income before income taxes		**32,043**	**21,905**	**72,614**	**63,242**
Income tax expense (benefit)					
Current	17	9,831	5,009	20,913	15,054
Deferred	17	(1,854)	518	(2,469)	1,262
Total income tax expense		7,977	5,527	18,444	16,316
Net income for the period		**$ 24,066**	**$ 16,378**	**$ 54,170**	**$ 46,926**
Net income attributable to:					
Equity owners of the Company		$ 24,290	$ 18,101	$ 55,240	$ 48,649
Non-controlling interest		(224)	(1,723)	(1,070)	(1,723)
Earnings per share attributable to equity owners of the					
Basic	18	$ 0.37	$ 0.28	$ 0.85	$ 0.75
Diluted	18	$ 0.36	$ 0.27	$ 0.82	$ 0.73

(The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.)

(unaudited)	Three months ended		Six months ended	
(in thousands of Canadian dollars)	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Net income for the period	$ 24,066	$ 16,378	$ 54,170	$ 46,926
Other comprehensive income, net of tax				
Net unrealized gain (loss) on investments				
Item that may be reclassified to net income				
Unrealized gain (loss)	(38)	211	(7)	43
Total other comprehensive income (loss), net of tax	(38)	211	(7)	43
Comprehensive income	$ 24,028	$ 16,589	$ 54,163	$ 46,969
Comprehensive income attributable to:				
Equity owners of the Company	$ 24,252	$ 18,312	$ 55,233	$ 48,692
Non-controlling interest	(224)	(1,723)	(1,070)	(1,723)
Net comprehensive income for the period	**$ 24,028**	**$ 16,589**	**$ 54,163**	**$ 46,969**

(The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.)

(unaudited) (in thousands of Canadian dollars)	Capital stock	Contributed surplus	Retained earnings	Accumulated comprehensive income (loss)	Non-controlling interest	Total equity
Balance, December 1, 2023	$ 390,502	$ 44,462	$ 651,065	$ 2,867	$ –	**$ 1,088,896**
Net income (loss) for the period	–	–	48,649	–	(1,723)	**46,926**
Other comprehensive income (net of tax)	–	–	–	43	–	**43**
Comprehensive income for the period	–	–	48,649	43	(1,723)	**46,969**
AGF Class B Non-Voting shares issued through dividend reinvestment plan	168	–	–	–	–	**168**
Stock options	4,642	(443)	–	–	–	**4,199**
AGF Class B Non-Voting shares repurchased for cancellation	(3,489)	–	(1,018)	–	–	**(4,507)**
Dividends, including tax of $0.2 million	–	–	(14,712)	–	–	**(14,712)**
Equity-settled Restricted Share Units, net of tax	–	(2,504)	–	–	–	**(2,504)**
Treasury stock purchased	(2,432)	–	–	–	–	**(2,432)**
Treasury stock released	2,640	–	(492)	–	–	**2,148**
Purchase of Kensington Capital Partners Limited	–	–	(30,223)	–	32,954	**2,731**
Balance, May 31, 2024	**$ 392,031**	**$ 41,515**	**$ 653,269**	**$ 2,910**	**$ 31,231**	**$ 1,120,956**
Balance, December 1, 2024	$ 393,218	$ 45,142	$ 686,863	$ 3,205	$ 30,652	**$ 1,159,080**
Net income (loss) for the period	–	–	55,240	–	(1,070)	**54,170**
Other comprehensive income (loss) (net of tax)	–	–	–	(7)	–	**(7)**
Comprehensive income (loss) for the period	–	–	55,240	(7)	(1,070)	**54,163**
AGF Class B Non-Voting shares issued through dividend reinvestment plan	263	–	–	–	–	**263**
Stock options	2,444	(156)	–	–	–	**2,288**
AGF Class B Non-Voting shares repurchased for cancellation	(1,489)	–	(992)	–	–	**(2,481)**
Dividends, including tax of $0.2 million	–	–	(15,815)	–	–	**(15,815)**
Equity-settled Restricted Share Units, net of tax	–	(2,899)	–	–	–	**(2,899)**
Treasury stock purchased	(2,313)	–	–	–	–	**(2,313)**
Treasury stock released	3,912	–	(3,068)	–	–	**844**
NCI Share buyback	–	–	2,379	–	(2,379)	**–**
Balance, May 31, 2025	**$ 396,035**	**$ 42,087**	**$ 724,607**	**$ 3,198**	**$ 27,203**	**$ 1,193,130**

(The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.)

AGF MANAGEMENT LIMITED
CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

(unaudited)		Six months ended	
(in thousands of Canadian dollars)	Note	May 31, 2025	May 31, 2024
Operating Activities			
Net income for the period		$ 54,170	$ 46,926
Adjustments for			
Amortization, depreciation and derecognition		4,764	4,647
Interest expense	7, 9	2,986	3,766
Income tax expense	17	18,444	16,316
Income taxes paid		(23,182)	(17,625)
Stock-based compensation	16	4,946	4,853
Share of profit of joint ventures	4	(478)	(131)
Distributions from joint ventures	4	1,150	1,582
Fair value adjustment on long-term investments	3	(11,539)	(25,493)
Fair value adjustment on contingent consideration payable	14, 22	(422)	1,027
Fair value adjustment on put option liability	14, 22	(130)	1,242
Net realized and unrealized gain on short-term investments		(34)	(1,506)
Other loss		(8)	(7)
		50,667	35,597
Net change in non-cash working capital balances related to operations			
Accounts receivable and other current assets		(9,569)	(18,344)
Other assets		417	156
Accounts payable and accrued liabilities		(21,903)	(17,663)
Other liabilities		(6,409)	7,196
		(37,464)	(28,655)
Net cash provided by operating activities		13,203	6,942
Financing Activities			
Repurchase of Class B Non-Voting shares for cancellation		(2,481)	(4,507)
Issue of Class B Non-Voting shares	10	2,117	4,045
Repurchase of NCI shares		(2,984)	–
Purchase of treasury stock	10	(2,313)	(2,432)
Dividends paid	19	(15,372)	(14,365)
Net issuance of long-term debt	9	69,000	74,000
Interest paid		(1,617)	(2,811)
Lease payments	7	(3,161)	(3,015)
Net cash provided by financing activities		43,189	50,915
Investing Activities			
Investment in associates and joint ventures	4	(1,043)	(111)
Purchase of long-term investments	3	(76,946)	(22,805)
Return of capital from long-term investments	3	–	302
Purchase of property, equipment and computer software, net of disposals		(2,023)	(790)
Purchase of short-term investments		(1,000)	(29,300)
Proceeds from sale of short-term investments		5,487	32,876
Purchase of convertible note receivable	14	–	(4,071)
Acquisition of Kensington Capital Partners Limited, net of cash acquired		–	(40,802)
Net cash used in investing activities		(75,525)	(64,701)
Decrease in cash and cash equivalents		(19,133)	(6,844)
Balance of cash and cash equivalents, beginning of the period		52,960	50,453
Balance of cash and cash equivalents, end of the period		$ 33,827	$ 43,609
Cash and cash equivalents comprise:			
Cash at bank		$ 27,504	$ 40,114
Term deposit		6,323	3,495
Total cash and cash equivalents		$ 33,827	$ 43,609

(The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.)

Notes to the Condensed Consolidated Interim Financial Statements

Note 1: General Information

AGF Management Limited (AGF or the Company) is a limited liability company incorporated and domiciled in Canada under the Business Corporations Act (Ontario). The address of its registered office and principal place of business is CIBC Square, Tower One, 81 Bay Street, Toronto, Ontario.

The Company is an independent and globally diverse asset management firm, whose principal subsidiaries provide investment management of equity, fixed income, alternative and multi-asset investment solutions through its three business lines: AGF Investments, AGF Private Wealth, and AGF Capital Partners. The Company also provides fund administration services to the AGF mutual funds.

AGF Capital Partners business includes strategic investments in Kensington Capital Partners Limited (KCPL) and New Holland Capital (NHC), joint ventures with Stream Asset Financial Management LP (SAFM LP) and AGF SAF Private Credit Management LP (PCMLP), as well as fee-earning arrangements with Instar Group Inc. (Instar) and First Ascent Ventures (First Ascent).

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on June 24, 2025.

Note 2: Material Accounting Policy Information

(a) Basis of Preparation

These condensed consolidated interim unaudited financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to the preparation of interim financial statements, including International Accounting Standard 34 (IAS 34), Interim Financial Reporting. Amounts are expressed in Canadian dollars, unless otherwise stated. The accounting policies in these condensed consolidated interim financial statements are consistent with those disclosed in the Company's annual consolidated financial statements for the year ended November 30, 2024. These condensed consolidated interim financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended November 30, 2024, which have been prepared in accordance with IFRS Accounting Standards.

(b) Adoption of New and Revised Accounting Standards

The Company continues to monitor future accounting standards and analyze the effect the standards may have on the Company's operations. There are no new or revised accounting standards deemed to have a material impact on the Company.

Note 3: Investments and Long-term Investments

(a) Investments

The following table presents a breakdown of investments:

(in thousands of Canadian dollars)		May 31, 2025		November 30, 2024
Fair value through profit or loss				
AGF mutual funds and other	$	14,802	$	19,065
Fair value through other comprehensive income				
Equity securities		1,098		1,106
	$	15,900	$	20,171

For the three and six months ended May 31, 2025, the Company recorded a net negative fair value adjustment related to investments classified as fair value through profit or loss (FVTPL) of $0.1 million and net positive $0.1 million (2024 – net positive $0.7 million and $1.5 million).

During the three and six months ended May 31, 2025 and 2024, no impairment charges were recognized.

(b) Long-term Investments

As at May 31, 2025, the carrying value of the Company's long-term investments in the AGF Capital Partners business was $409.7 million (November 30, 2024 – $321.2 million).

The continuity for the Company's long-term investments, accounted for at FVTPL, for the six months ended May 31, 2025 and 2024 is as follows:

	Six months ended			
(in thousands of Canadian dollars)		May 31, 2025		May 31, 2024
Balance, beginning of the period	$	321,243	$	254,969
Purchase of long-term investments		76,946		22,805
Acquisition related addition		–		5,805
Return of capital		–		(302)
Fair value adjustment[1]		11,539		25,493
Balance, end of the period	$	409,728	$	308,770

[1] Fair value adjustment is based on the net assets of the fund less the Company's portion of the carried interest that would be payable by the fund upon crystallization as well as distributions received.

Fair value adjustments and income distributions related to the Company's long-term investments in AGF Capital Partners are included in fair value adjustments and distribution income in the condensed consolidated interim statement of income. For the three and six months ended May 31, 2025, the Company recorded positive fair value adjustment related to long-term investments of $4.8 million and $11.5 million (2024 – $3.9 million and $25.5 million) and distributions related to long-term investments of $1.7 million and $10.5 million (2024 – $0.8 million and $2.5 million).

The following shows the Company's commitment in funds and investments associated with the AGF Capital Partners business as at May 31, 2025 and 2024.

	Six months ended			
(in thousands of Canadian dollars)		May 31, 2025		May 31, 2024
Commitment, beginning of the period	$	19,818	$	26,571
Additional capital committed		72,063		21,849
Funded capital during the period		(76,946)		(28,418)
Remaining commitment to be funded, end of the period[1]	$	14,935	$	20,002

[1] Excludes anticipated commitment of US$50.0 million upon the successful launch of Instar's third fund.

Note 4: Investment in Associates and Joint Ventures

The Company has ownership in associates and joint ventures that manage certain of our AGF Capital Partners funds. These investments are accounted for using the equity method of accounting. The Company, through its interest in associates and joint ventures, may be entitled to performance-based fees or carried interest distributions. These amounts are recognized by the Company when the fund exceeds the related performance thresholds and when the risk of reversal is low.

The continuity for the six months ended May 31, 2025 and 2024 is as follows:

	Six months ended			
(in thousands of Canadian dollars)		May 31, 2025		May 31, 2024
Balance, beginning of the period	$	1,801	$	2,245
Investment in associates and joint ventures		1,043		111
Share of profit		478		131
Distributions received		(1,150)		(1,582)
Balance, end of the period	$	2,172	$	905

For the three and six months ended May 31, 2025, the Company recognized income of $0.3 million and $0.5 million (2024 – loss of $0.1 million and income of $0.1 million) and received distributions of $1.1 million and $1.2 million (2024 – $1.4 million and $1.6 million) from its AGF Capital Partners joint ventures.

Note 5: Accounts Receivable, Prepaid Expenses and Other Receivables

(in thousands of Canadian dollars)		May 31, 2025		November 30, 2024
Management fee receivable	$	32,644	$	32,042
Prepaid expenses		11,298		8,482
Other receivables		8,807		7,440
Accounts receivable, prepaid expenses and other receivables	$	52,749	$	47,964

Note 6: Other Fee-earning Arrangements

InstarAGF Fee-earning Arrangement

The Company has a fee arrangement with Instar whereby AGF earns annual fees of 14 bps on the assets under management of the InstarAGF Essential Infrastructure Fund I and II (together, the InstarAGF Funds). The fee arrangement is classified as a contract with Instar under IFRS 15. Under IFRS 15, the annual fee will be recorded as income on an accrual basis over the remaining terms of each of the InstarAGF Funds. As at May 31, 2025, the InstarAGF Funds fee-earning assets were $2.0 billion (2024 – $2.0 billion). During the three and six months ended May 31, 2025, the Company recognized $0.7 million and $1.4 million (2024 – $0.7 million and $ 1.4 million) of income related to the fee arrangement.

The Company's carried interest participation in the InstarAGF Funds is classified as a financial instrument under IFRS 9, specifically equity instrument, and measured at FVTPL. The fair value of the carried interest investment as at May 31, 2025 is $3.0 million (November 30, 2024 – $3.0 million) and is included in other assets in the condensed consolidated interim statement of financial position. The Company has $3.0 million in long-term deferred income related to initial recognition of the carried interest entity, which will be recognized in the condensed consolidated interim income statement as distributions are received. Fair value adjustment on the carried interest entities will result in changes to the asset with a corresponding change to deferred income. During the three and six months ended May 31, 2025 and 2024, the Company did not recognize any fair value adjustment in the asset and corresponding deferred income.

First Ascent Fee-earning Arrangement

AGF has a strategic private equity partnership with First Ascent focused on investing in emerging technology companies. Based on the terms of the agreements, AGF has committed a $30.0 million cornerstone investment to First Ascent's second fund (First Ascent Fund) and will earn an annual fee of $0.2 million during the commitment period and 11.5 bps on the net invested capital after the commitment period. As at May 31, 2025, the First Ascent Fund fee-earning asset was $0.1 billion (2024 – $0.1 billion) and during the three and six months ended May 31, 2025, the Company recognized immaterial and $0.1 million (2024 – immaterial and $0.1 million) of income related to the fee arrangement.

Note 7: Right-of-use Assets and Lease Liabilities

The Company leases property and office equipment. As at May 31, 2025, the Company has right-of-use assets of $68.0 million (November 30, 2024 – $68.0 million) and total lease liabilities of $81.4 million (November 30, 2024 – $81.2 million) recorded on the condensed consolidated interim statement of financial position.

The following shows the carrying amounts of the Company's right-of-use assets and lease liabilities by class and the movements during the six months ended May 31, 2025 and 2024:

	Right-of-use assets			Lease liabilities
(in thousands of Canadian dollars)	Property	Equipment	Total	
As at December 1, 2024	$ 67,686	$ 318	$ 68,004	$ 81,171
Depreciation expense	(2,212)	(50)	(2,262)	–
Lease modification and reassessment	2,187	33	2,220	2,204
Interest expense	–	–	–	1,153
Payments	–	–	–	(3,161)
As at May 31, 2025	**$ 67,661**	**$ 301**	**$ 67,962**	**$ 81,367**
As at December 1, 2023	$ 71,428	$ 362	$ 71,790	$ 84,064
Acquisition related addition	908	29	937	937
Depreciation expense	(2,196)	(46)	(2,242)	–
Lease modification and reassessment	644	20	664	664
Interest expense	–	–	–	1,164
Payments	–	–	–	(3,015)
As at May 31, 2024	**$ 70,784**	**$ 365**	**$ 71,149**	**$ 83,814**

Note 8: Accounts Payable and Accrued Liabilities

(in thousands of Canadian dollars)	May 31, 2025	November 30, 2024
Compensation related payable	$ 61,887	$ 81,173
HST payable	8,734	8,694
Non-compensation related payable	24,383	23,555
Accounts payable and accrued liabilities	$ 95,004	$ 113,422

Note 9: Long-term Debt

The Company's unsecured revolving credit facility (the Facility) has a maximum aggregate principal amount of $140.0 million and a $10.0 million swingline facility commitment. Advances under the Facility are made available by prime-rate loans in U.S. or Canadian dollars, under Canadian Overnight Repo Rate Average (CORRA) advances or by issuance of letters of credit. The Facility is due in full on October 31, 2027. During the six months ended May 31, 2025, AGF repaid $99.0 million (2024 – $66.0 million) and drew $168.0 million (2024 – $140.0 million). As at May 31, 2025, AGF had drawn $84.0 million (November 30, 2024 – $15.0 million) against the Facility. There is $66.0 million remaining that is available to be drawn from the Facility and swingline facility commitment. In addition, AGF has an accordion available, subject to credit approval, of $100.0 million with the Facility. AGF incurs transaction fees on the Facility which are amortized over the term of the Facility. As at May 31, 2025, the remaining balance of the transaction fee was $0.2 million.

The financial covenant on the Facility requires AGF to maintain a total debt to annualized earnings before income tax, depreciation and amortization (EBITDA) ratio below 3:1 until October 31, 2027. As at May 31, 2025, AGF is in compliance with the covenant.

Note 10: Capital Stock

(a) Authorized Capital

The authorized capital of AGF consists of an unlimited number of AGF Class B Non-Voting shares and an unlimited number of AGF Class A Voting common shares. The Class B Non-Voting shares are listed for trading on the Toronto Stock Exchange (TSX).

(b) Changes During the Period

The change in capital stock is summarized as follows:

	Six months ended					
	May 31, 2025			May 31, 2024		
(in thousands of Canadian dollars, except per share data)	Shares		Stated value	Shares		Stated value
Class A Voting common shares	57,600	$	–	57,600	$	–
Class B Non-Voting shares						
Balance, beginning of the period	64,642,043	$	393,218	64,271,451	$	390,502
Issued through dividend reinvestment plan	26,610		263	20,991		168
Stock options exercised	339,252		2,444	673,608		4,642
Repurchased for cancellation	(243,800)		(1,489)	(574,400)		(3,489)
Treasury stock purchased for employee benefit trust	(200,000)		(2,313)	(305,962)		(2,432)
Treasury stock released for employee benefit trust	476,246		3,912	453,133		2,640
Balance, end of the period	65,040,351	$	396,035	64,538,821	$	392,031

(c) Class B Non-Voting Shares Purchased for Cancellation

AGF has obtained applicable regulatory approval to purchase for cancellation, from time to time, certain of its Class B Non-Voting shares through the facilities of the TSX (or as otherwise permitted by the TSX). AGF relies on an automatic purchase plan during the normal course issuer bid. The automatic purchase plan allows for purchases by AGF of its Class B Non-Voting shares subject to certain parameters. Under its normal course issuer bid, AGF may purchase up to 10% of the public float outstanding on the date of the receipt of regulatory approval or up to 4,750,792 shares for the period from February 10, 2025 to February 9, 2026. During the three and six months ended May 31, 2025, AGF purchased 235,400 and 243,800 (2024 – 106,124 and 574,400) Class B Non-Voting shares under the normal course issuer bid at an average price of $10.16 and $10.18 (2024 – $8.28 and $7.84) for a total cost of $2.4 million and $2.5 million (2024 – $0.9 million and $4.5 million). During the three and six months ended May 31, 2025, $1.0 million and $1.0 million premium (2024 – $0.2 million and $1.0 million) from the recorded capital stock value of the shares repurchased for cancellation was recorded in retained earnings.

(d) Class B Non-Voting Shares Purchased as Treasury Stock for Employee Benefit Trust

During the three and six months ended May 31, 2025, AGF purchased 1,900 and 200,000 (2024 – 200,000 and 305,962) Class B Non-Voting shares for the employee benefit trust at an immaterial cost and $2.3 million (2024 – $1.6 million and $2.4 million). Shares purchased for the trust are purchased under the Company's normal course issuer bid and recorded as a reduction to capital stock. During the three and six months ended May 31, 2025, 24,552 and 476,246 (2024 – 45,235 and 453,133) Class B Non-Voting shares purchased as treasury stock were released. As at May 31, 2025, 262,963 (November 30, 2024 – 539,209) Class B Non-Voting shares were held as treasury stock.

Note 11: Accumulated Other Comprehensive Income

(in thousands of Canadian dollars)		Foreign currency translation		Fair value through OCI		Total
Accumulated other comprehensive income at December 1, 2024	$	(1,501)	$	4,706	$	3,205
Transactions during the period ended May 31, 2025						
Other comprehensive income		–		(8)		(8)
Income tax expense		–		1		1
Balance, May 31, 2025	$	(1,501)	$	4,699	$	3,198
Accumulated other comprehensive income at December 1, 2023	$	(1,501)	$	4,368	$	2,867
Transactions during the year ended November 30, 2023						
Other comprehensive income		–		390		390
Income tax expense		–		(52)		(52)
Balance, November 30, 2024	$	(1,501)	$	4,706	$	3,205

Note 12: Management, Advisory and Administration Fees

	Three months ended		Six months ended	
(in thousands of Canadian dollars)	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Management, advisory and administration fees	$ 129,748	$ 125,245	$ 264,742	$ 236,634
Fund expenses[1]	(4,169)	(2,233)	(9,219)	(5,043)
	$ 125,579	$ 123,012	$ 255,523	$ 231,591

[1] Effective October 1, 2024, AGF adopted the fixed rate annual administration fee to replace certain operating expenses of each applicable series of the Funds.

Note 13: Other Income

Other income includes interest income earned on term deposit, gain and loss recorded on foreign exchange and other miscellaneous income.

	Three months ended		Six months ended	
(in thousands of Canadian dollars)	May 31, 2025	May 31, 2024	May 31, 2025	May 31, 2024
Interest income	$ 564	$ 428	$ 1,259	$ 948
Other	132	827	821	1,435
	$ 696	$ 1,255	$ 2,080	$ 2,383

Note 14: Financial Instruments

(a) Total Return Swap

The Company entered into Total Return Swap agreements (TRS) to manage its exposure to changes in the fair value of its cash-settled Restricted Share Units (RSUs) and Deferred Share Units (DSUs). The Company has economically fully hedged the applicable units for a total notional of $19.4 million at average price of $10.28 per AGF.B share as at May 31, 2025. The TRS contract expires on November 3, 2025, with the option to extend the contract at the same average price.

The Company has not designated the TRS agreement as a hedging instrument for accounting purposes. The Company presents the fair value changes in the TRS, which includes the benefit of reinvested dividends, along with the associated financing and execution costs of the TRS, together with the corresponding fair value changes of the DSUs within the stock-based compensation expense component of Selling, General and Administrative expenses in the condensed consolidated interim statement of income.

The Company recognized a recovery on the TRS in the condensed consolidated interim statement of income under Selling, General and Administrative expenses of $0.1 million and $1.1 million for the three and six months ended May 31, 2025 (2024 – gain of $0.3 million and $1.5 million).

As at May 31, 2025, the balance of the derivative financial instrument recorded in current assets was $2.7 million (November 30, 2024 – $1.1 million).

The fair value of the total return swap is classified as level 2 under the fair value hierarchy. Refer to Note 22 for additional information.

(b) Convertible Note Receivable

On February 9, 2024, the Company entered into a convertible note agreement with New Holland Capital, LLC (NHC), which allows NHC to borrow up to US$15.0 million. The convertible note provides the Company with the ability to convert into a 24.99% economic interest after February 9, 2026, or if there is a change-of-control event. The convertible note accrues interest at 10% per annum for the first three years, payable on a quarterly basis, and thereafter, the greater of the "mid-term applicable federal rate" provided by the American Internal Revenue Service and 2.5%. In addition, the Company will earn special interest of 24.99% of net aggregate profits in the first three years. The interest is payable in cash or, other than with respect to the special interest, in kind, in which event the amount of the principal outstanding under the convertible note shall be increased by the amount of such interest. The convertible note has a maturity date of February 9, 2032, or otherwise upon exercise of the options discussed below, which mandates the note's conversion. That is, if the Company exercises the investment options below, the convertible notes will be automatically converted.

The arrangement also provides the Company with options to subsequently increase its ownership stake. The first option provides the Company the ability to increase its ownership interest to 51% and is exercisable between February 9, 2026 and February 9, 2027. The second option provides the Company the ability to increase its ownership interest to 66% and is exercisable between February 9, 2026 and February 9, 2027 if the Company exercises the first option, or between February 9, 2029 and February 9, 2030 if the Company does not exercise the first option.

The convertible note, including the embedded derivative relating to the initial conversion option, and the two options are classified as a financial instrument under IFRS 9 and measured at FVTPL. The Company recorded negative $0.1 million and $0.1 million fair value adjustment for the three and six months ended May 31, 2025 (2024 – negative $0.1 million and $0.1 million).

As at May 31, 2025, the balance of the convertible note receivable recorded in non-current assets was $12.3 million (November 30, 2024 - $12.6 million).

The fair value of the convertible note receivable is classified as level 3 under the fair value hierarchy. Refer to Note 22 for additional information.

(c) Contingent Consideration Payable and Put Option Liability

On March 8, 2024, the Company, through its wholly owned subsidiary, AGF Capital Partners Inc., acquired 51% of KCPL for a purchase price consideration of $83.5 million, adjusted for working capital adjustments and specific contingent considerations, which includes contingent consideration liabilities and put option liability.

The contingent consideration liabilities include a liability for a portion of certain carried interest and performance fees related to investments made prior to the acquisition, which will be payable contingent upon carried interest and performance fees being realized by KCPL over a specified period and a preferred share liability, which represents KCPL's preferred limited partnership interest in KCPL Legacy Asset LP for certain assets that are excluded from the transaction. The preferred share liability is recorded as long-term contingent consideration payable on the condensed consolidated interim statement of financial position. This arrangement is intended to be a flow-through with a $nil impact to AGF on a consolidated basis. As at May 31, 2025, AGF recorded contingent consideration liabilities of $29.1 million and recorded negative fair value adjustments of $nil million and $0.4 million on the contingent consideration payable during the three and six months ended May 31, 2025.

The Company has also entered into a put agreement with the 49% non-controlling interest (NCI) holders. Under the agreement, the Company is obligated to purchase shares from the NCI holders at a price determined in part by reference to earnings. The NCI put options will be exercisable commencing in 2025, with the majority exercisable in 2027. The Company has assessed the terms of the transaction to determine that the put option does not give it a present ownership interest in the shares subject to the put. The Company has recognized a financial liability measured as the present value of the redemption amount of the put option and has separately recorded as NCI.

During the three months period ended May 31, 2025, the Company repurchased 4% of the NCI for a cash consideration of $3.0 million. As at May 31, 2025, AGF recorded put option liability of $29.9 million with an ownership of 55% and recorded negative fair value adjustments of $nil million and $0.1 million on the put option liability during the three and six months ended May 31, 2025.

The fair value of the contingent consideration payable and put option liability are classified as level 3 under the fair value hierarchy. Refer to Note 22 for additional information.

Note 15: Expenses by Nature

(in thousands of Canadian dollars)	Three months ended May 31, 2025	Three months ended May 31, 2024	Six months ended May 31, 2025	Six months ended May 31, 2024
Selling, general and administrative				
Salaries and benefits	$ 24,286	$ 23,829	$ 51,004	$ 46,884
Performance-based compensation[1]	15,904	23,910	35,956	37,479
Stock-based compensation[2]	2,517	2,338	5,350	5,164
Severance	2,064	240	3,137	1,546
Non-compensation related expenses	18,042	17,890	35,203	35,028
	$ 62,813	$ 68,207	$ 130,650	$ 126,101

[1] Performance-based compensation includes $1.2 million and $4.3 million related to the KCPL LLTIP for the three and six months ended May 31, 2025 (2024 – $6.5 million and $6.5 million).

[2] Includes derivative financial instrument. Refer to Note 14(a) for more information.

Note 16: Stock-based Compensation and Other Stock-based Payments

(a) Stock Option Plans

Under the Company's stock option plans, an additional maximum of 1,643,487 Class B Non-Voting shares could have been granted as at May 31, 2025 (November 30, 2024 – 1,759,871).

The change in stock options during the six months ended May 31, 2025 and 2024 is summarized as follows:

(in thousands of Canadian dollars)	Six months ended May 31, 2025 Options	Six months ended May 31, 2025 Weighted average exercise price	Six months ended May 31, 2024 Options	Six months ended May 31, 2024 Weighted average exercise price
Class B Non-Voting share options				
Balance, beginning of the period	2,477,452	$ 6.20	3,414,535	$ 6.18
Options granted	116,384	11.17	260,414	7.73
Options exercised	(339,252)	6.24	(673,608)	6.00
Balance, end of the period	2,254,584	$ 6.45	3,001,341	$ 6.36

During the three and six months ended May 31, 2025, nil and 116,384 (2024 – nil and 260,414) stock options were granted and compensation expense and contributed surplus of $0.1 million and $0.2 million (2024 – $0.1 million and $0.2 million) was recorded. The fair value of options granted during the three and six months ended May 31, 2025 has been estimated at $nil and $2.71 per option using the Black-Scholes option-pricing model. The following assumptions were used to determine the fair value of the options granted during the six months ended May 31, 2025 and 2024.

Six months ended	**May 31, 2025**	**May 31, 2024**
Risk-free interest rate	2.8%	3.3%
Expected dividend yield	4.0%	5.6%
Five-year historical-based expected share price volatility	36.1%	37.2%
Forfeiture rate	4.3%	4.3%
Option term	5.4 years	5.3 years

(b) Other Stock-based Compensation

Other stock-based compensation includes RSUs and DSUs. Compensation expense related to cash-settled RSUs and DSUs for the three and six months ended May 31, 2025 was $0.5 million and $1.3 million (2024 – $0.6 million and $1.5 million) and the liability recorded as at May 31, 2025 related to cash-settled RSUs and DSUs was $21.3 million (November 30, 2024 – $19.8 million). Compensation expense related to equity-settled RSUs for the three and six months ended May 31, 2025 was $2.1 million and $4.0 million (2024 – $1.6 million and $3.5 million) and contributed surplus related to equity-settled RSUs, net of tax, as at May 31, 2025 was $8.6 million (November 30, 2024 – $11.1 million).

The change in share units of RSUs and DSUs during the six months ended May 31, 2025 and 2024 is as follows:

	Six months ended	
	May 31, 2025	**May 31, 2024**
(in thousands of Canadian dollars)	**Number of share units**	**Number of share units**
Outstanding, beginning of the period	4,088,598	3,864,135
Issued		
Initial grant	850,656	1,066,560
In lieu of dividends	86,805	95,991
Settled in cash	(548,160)	(522,627)
Settled in equity, net of tax	(536,267)	(548,177)
Forfeited and cancelled	(30,307)	(49,978)
Outstanding, end of the period	3,911,325	3,905,904
Cash-settled, end of the period	1,923,983	1,784,091
Equity-settled, end of the period	1,987,342	2,121,813

Note 17: Income Tax Expense

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The effective tax rate for the six months ended May 31, 2025 was 25.4% (2024 – 25.8%).

The main items impacting the effective tax rate in the period relate to gains from investments subject to different tax rates and temporary differences for which no deferred tax assets were recognized.

Note 18: Earnings per Share

(in thousands of Canadian dollars, except per share amounts)	Three months ended May 31, 2025	Three months ended May 31, 2024	Six months ended May 31, 2025	Six months ended May 31, 2024
Numerator				
Net income attributable to equity owners for the period	$ 24,290	$ 18,101	$ 55,240	$ 48,649
Denominator				
Weighted average number of shares – basic	65,071,539	64,611,582	65,129,299	64,630,147
Dilutive effect of employee stock-based compensation awards	2,099,968	1,996,378	1,987,689	1,836,923
Weighted average number of shares – diluted	67,171,507	66,607,960	67,116,988	66,467,070
Earnings per share for the period				
Basic	$ 0.37	$ 0.28	$ 0.85	$ 0.75
Diluted	$ 0.36	$ 0.27	$ 0.82	$ 0.73

Note 19: Dividends

During the three and six months ended May 31, 2025, the Company paid dividends of 12.5 cents and 24.0 cents (2024 – 11.5 cents and 22.5 cents) per share. Total dividends paid, including dividends reinvested, in the three and six months ended May 31, 2025 were $8.1 million and $15.6 million (2024 – $7.3 million and $14.4 million). On June 24, 2025, the Board of Directors of AGF declared a quarterly dividend on both the Class A Voting common shares and Class B Non-Voting shares of the Company of 12.5 cents per share in respect of the three months ended May 31, 2025, amounting to a total dividend of approximately $8.1 million. These condensed consolidated interim financial statements do not reflect this dividend.

Note 20: Related Party Transactions

The Company is controlled by Blake C. Goldring, Executive Chairman, through his indirect ownership of all the voting shares of Goldring Capital Corporation, which owns 100% of the Company's Class A Voting common shares.

The remuneration of Directors and other key management personnel of AGF is as follows:

(in thousands of Canadian dollars)	Three months ended May 31, 2025	Three months ended May 31, 2024	Six months ended May 31, 2025	Six months ended May 31, 2024
Salaries and other short-term employee benefits	$ 2,030	$ 2,216	$ 4,266	$ 4,388
Share-based compensation	1,590	2,082	4,592	4,644
	$ 3,620	$ 4,298	$ 8,858	$ 9,032

Note 21: Risk Management

While the current tariff reprieve is a welcome relief for investors, it is still largely unclear how these tariffs will impact the global economy, partly because their effect is expected to come with a lag and won't show up in key economic factors for a few months.

While the situation continues to evolve and long-term impacts remain uncertain, tariffs have the potential to reshape global trade policies and alliances. The Company will continue to monitor any new developments and assess the potential impacts to its business and operations.

Material market disruptions, including tariffs, retaliatory tariffs, or other trade protectionist measures, can adversely impact local and global markets and normal market operations. Such disruptions could have an adverse impact on the value of the Company's investments and performance.

A significant portion of AGF's revenue is driven by its total average assets under management (AUM). These AUM levels are impacted by both net sales and changes in the market. In general, for every $1.0 billion reduction in average AUM excluding AGF Capital Partners, annualized management, advisory and administration fee revenues, net of trailer commissions and investment advisory fees, would decline by approximately $7.0 million.

Note 22: Fair Value of Financial Instruments

The carrying value of accounts receivable and other assets, accounts payable and accrued liabilities approximates fair value due to their short-term nature. Long-term debt, if any, approximates fair value as a result of the floating rate portion of the effective interest rate.

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities,

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the group's assets and liabilities that are measured at fair value:

May 31, 2025 (in thousands of Canadian dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Financial assets at fair value through profit or loss				
Cash and cash equivalents	$ 33,827	$ –	$ –	$ 33,827
AGF mutual funds and other	14,802	–	–	14,802
Derivative financial instrument	–	2,679	–	2,679
Long-term investments	–	–	409,728	409,728
Carried interest	–	–	2,997	2,997
Preferred limited partnership interest	–	–	18,816	18,816
Convertible note receivable	–	–	12,265	12,265
Financial assets at fair value through other comprehensive income				
Equity securities	1,098	–	–	1,098
Total financial assets	$ 49,727	$ 2,679	$ 443,806	$ 496,212
Liabilities				
Financial liabilities at fair value through profit or loss				
Put option liability	$ –	$ –	$ 3,095	$ 3,095
Long-term contingent consideration payable	–	–	29,114	29,114
Long-term put option liability	–	–	26,793	26,793
Long-term deferred income on carried interest	–	–	2,997	2,997
Total financial liabilities	$ –	$ –	$ 61,999	$ 61,999

November 30, 2024 (in thousands of Canadian dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Financial assets at fair value through profit or loss				
Cash and cash equivalents	$ 52,960	$ –	$ –	$ 52,960
AGF mutual funds and other	19,065	–	–	19,065
Derivative financial instrument	–	1,081	–	1,081
Long-term investments	–	–	321,243	321,243
Carried interest	–	–	2,997	2,997
Preferred limited partnership interest	–	–	18,816	18,816
Convertible note receivable	–	–	12,583	12,583
Financial assets at fair value through other comprehensive income				
Equity securities	1,106	–	–	1,106
Total financial assets	$ 73,131	$ 1,081	$ 355,639	$ 429,851
Liabilities				
Financial liabilities at fair value through profit or loss				
Put option liability	$ –	$ –	$ 893	$ 893
Long-term contingent consideration payable	–	–	29,536	29,536
Long-term put option liability	–	–	32,109	32,109
Long-term deferred income on carried interest	–	–	2,997	2,997
Total financial liabilities	$ –	$ –	$ 65,535	$ 65,535

The fair value of financial instruments traded in active markets is determined using the quoted prices where they represent those at which regularly and recently occurring transactions take place.

Level 1 instruments include investments in AGF mutual funds as well as highly liquid temporary deposits with Irish banks.

Level 2 instruments include derivative instruments with major Canadian chartered banks and Canadian federal government debt. Canadian federal government debt is measured at amortized cost and its fair value approximates its carrying value due to its short-term nature.

Level 3 instruments include long-term investments related to the AGF Capital Partners business, fair value of the convertible note from NHC, fair value of the preferred limited partnership interest from KCPL, fair value of the carried interest investments related to the InstarAGF Funds and fair value of the contingent consideration payable and put option liability related to KCPL. Instruments classified in this category have a parameter input or inputs that are unobservable and that have a more than insignificant impact on either the fair value of the instrument or the profit or loss of the instrument.

The fair value of the Company's long-term investments as at May 31, 2025 has been estimated using the net asset value (NAV) as calculated by the asset manager of the fund. If the NAV were to increase or decrease by 10%, the fair value of the Company's long-term investment and pre-tax income would increase or decrease by $41.0 million. Refer to Note 3(b) for additional information.

The fair value of the Company's carried interest related to the InstarAGF Funds has been estimated using the financial information and NAV provided by the investees with consideration over the timing, amount of expected future cash flows and appropriate discount rates used. Refer to Note 6 for additional information.

The fair value of the Company's convertible note from NHC has been estimated using the financial information provided by NHC with consideration over the timing and appropriate discount rates used. Refer to Note 14(b) for additional information.

The fair value of the Company's preferred limited partnership interest from KCPL has been estimated using the earnings multiple or discounted cash flow approach with consideration over the timing and appropriate discount rates used.

The fair value of the put option liability and contingent consideration payable was determined using a combination of the discounted cash flow and weighted probability approaches which are based on significant unobservable inputs. Refer to Note 14(c) for additional information.

The fair value of the put option payable also included assumptions regarding earnings and the timing in which the minority shareholders will require the Company to purchase these non-controlling interests.

The following table presents changes in level 3 instruments for the six months ended May 31, 2025.

	Six months ended	
(in thousands of Canadian dollars)	May 31, 2025	May 31, 2024
Long-term investments		
Balance, beginning of the period	$ 321,243	$ 254,969
Purchase of investment	76,946	22,805
Acquisition related addition	–	5,805
Return of capital	–	(302)
Fair value adjustment recognized in profit or loss[1]	11,539	25,493
Balance, end of the period	$ 409,728	$ 308,770
Carried interest		
Balance, beginning of the period	$ 2,997	$ 1,864
Fair value adjustment	–	–
Balance, end of the period	$ 2,997	$ 1,864
Preferred limited partnership interest		
Balance, beginning of the period	$ 18,816	$ –
Payment/ write-off	–	25,741
Balance, end of the period	$ 18,816	$ 25,741
Convertible Note Receivable		
Balance, beginning of the period	$ 12,583	$ –
Purchase of investment	–	3,972
Revaluation	(318)	–
Balance, end of the period	$ 12,265	$ 3,972
Contingent consideration payable		
Balance, beginning of the period	$ 29,536	$ –
Acquisition related addition	–	35,650
Fair value adjustment	(422)	1,027
Balance, end of the period	$ 29,114	$ 36,677
Put option liability		
Balance, beginning of the period	$ 33,002	$ –
Acquisition related addition	–	30,224
Fair value adjustment	(130)	1,242
NCI share repurchase	(2,984)	–
Balance, end of the period	$ 29,888	$ 31,466

[1] The change in unrealized income in investments currently held included in level 3 of the fair value hierarchy is $11,539 and $25,493 for the six months ended May 31, 2025 and 2024.

There were no transfers into or out of level 1 and level 2 during the three months ended May 31, 2025.

Note 23: Contingencies

There are certain claims and potential claims against the Company. None of these claims are expected to have a material adverse effect on the condensed consolidated interim financial position of the Company.

The Company believes that it has adequately provided for income taxes based on all of the information that is currently available. The calculation of income taxes in many cases, however, requires significant judgement in interpreting tax rules and regulations. The Company's tax filings are subject to audits, which could materially change the amount of the current and deferred income tax assets and liabilities, and could, in certain circumstances, result in the assessment of interest and penalties.

The final result of the audit and appeals process may vary and may be materially different compared to the estimates and assumptions used by management in determining the Company's consolidated income tax provision and in determining the amounts of its income tax assets and liabilities.

Invested in Discipline

At AGF, our approach is defined by three principles; shared intelligence, measured approach and active accountability. Together, they create a disciplined process that is transparent, repeatable, and deeply woven into our DNA – delivering consistent outcomes for our clients, whatever tomorrow may bring.

It Takes a Tiger™

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