

Annual Management Report of Fund Performance

AGF Global Defensive Portfolio Fund

September 30, 2022



Management Discussion of Fund Performance

This management discussion of fund performance represents the portfolio management team's view of the significant factors and developments affecting the portfolio's performance and outlook.

Investment Objective and Strategies

Pursuant to the Declaration of Trust, the investment objective of AGF Global Defensive Portfolio Fund (the "Portfolio") is to preserve capital by investing primarily in a global diversified mix of fixed income funds. To achieve this objective, AGF Investments Inc. ("AGFI"), as portfolio manager, generally allocates the Portfolio's assets among underlying mutual funds (the "Underlying Funds") and exchange traded funds ("ETFs") managed by third parties or AGFI (or an AGFI affiliate). AGFI has set, and reviews quarterly, target dynamic allocations between income, bond and money market funds for the Portfolio, consistent with the Portfolio's investment objective. During periods of market downturn or for other reasons, a significant portion of the Portfolio's assets may be held in cash or cash equivalents.

Risk

The risks of investing in the Portfolio remain as disclosed in the current prospectus. Any changes to the Portfolio over the period have not affected the overall level of risk of the Portfolio.

The Portfolio continues to be suitable for investors investing for the medium to longer term with a low tolerance for risk. The suitability of the Portfolio has not changed from what has been disclosed in the prospectus.

Results of Operations

The Portfolio commenced operations in July 2022.

The Portfolio is constructed based on an asset allocation framework that allocates to a diverse array of mutual funds and ETFs representing distinct global asset class opportunities, each with unique risk and return expectations.

The Portfolio holds Series O Units of the Underlying Funds. The Portfolio's major portfolio categories, as a percentage of Net Asset Value as at September 30, 2022, include approximately 91.0% in fixed income funds, 1.0% in foreign equity funds and 8.0% in cash and cash equivalents.

Recent Developments

AGFI, as portfolio manager, monitors and reviews the Portfolio and the strategic asset allocation on a quarterly basis. Rebalancing of the allocation of funds within the Portfolio occurs quarterly, or as deemed appropriate.

The global economy had to contend with a series of challenges in the year ended September 30, 2022. Global equity and bond markets were adversely impacted by central banks' measures to fight inflation through substantial rate hikes at the risk of slower economic growth. Russia's invasion of Ukraine and its impact on commodity markets, supply chains and inflation further contributed to slower global growth.

Global equities came under pressure as investors priced in aggressive interest rate hikes from central banks and mounting recession fears. In the U.S., equity markets fell and experienced a period of heightened volatility as worries about inflation and policy response from the U.S. Federal Reserve (the "Fed") weighed on investor sentiment. European shares had a roller-coaster ride as the war in Ukraine escalated and concerns grew over potential gas shortages. Higher inflation dented consumer confidence, prompting the European Central Bank to raise interest rates. Meanwhile, Japanese equities slipped as the Japanese Yen weakened sharply against the U.S. dollar. Emerging market equities declined significantly on a strengthening U.S. dollar and significantly under-performed developed market equities.

Global bond prices tumbled over the past year, led by elevated inflation and hawkish central bank actions. Although government bond yields rose sharply, the amplitude varied across markets. Government bonds modestly out-performed corporate bonds, as corporate spreads widened due to concerns about slowing growth. The Fed began to taper its bond buying program in November 2021 to reduce the size of its balance sheet and decrease monetary stimulus. The U.S. 2-year/10-year treasury yield spread inverted from 1.24% to -0.39% over the year, as markets priced in the Fed's aggressive interest rate hikes to combat rising inflation. Bond markets across Europe took a beating from surging inflation, led by gas prices. The yield on 10-year German bonds rose from -0.26% to 2.11% over the year on inflation worries and a slowdown in business activity. The spread between German 2-year and 10-year bond yields slipped from 0.48% to 0.33%. Emerging market bonds suffered declines due to tighter monetary policy, economic concerns and currencies weakening against the U.S. dollar. Local currency bonds were slightly more resilient than hard currency bonds.

The portfolio manager, while remaining positive on U.S. equities relative to those in the rest of the world, believes near term volatility is likely to persist given tightening monetary policy. Interest rates are expected to rise further as the Fed struggles to combat inflation. This phenomenon has increased the odds of a recession, although it may be shallow due to the general lack of imbalances in the economy. The portfolio manager believes most of the sell-off in bonds is

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

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

behind us. However, the yield curve is likely to remain inverted in the near term as it may take inflation some time to wane, and the central banks are reluctant to halt the rate hike cycle until inflation retreats to a more tolerable range. The portfolio manager also believes the U.S. dollar will likely remain strong while the Fed maintains its hiking cycle.

Related Party Transactions

AGFI is the manager ("Manager") and trustee of the Portfolio. Pursuant to the management agreement between the Portfolio and AGFI, AGFI is responsible for the day-to-day business of the Portfolio. AGFI also acts as the investment (portfolio) manager of the Portfolio, providing analysis and making decisions as to which Underlying Funds and ETFs the Portfolio invests in and the target weighting of the Portfolio's assets. Fees payable to AGFI for such services are payable directly by unitholders and are not expenses of the Portfolio.

AGFI pays for all of the operating expenses relating to the operation of the Portfolio, except for certain costs as disclosed in the current prospectus, in exchange for a fixed rate administration fee. The administration fee is calculated based on the Net Asset Value of the Portfolio at a fixed annual rate of 0.32%. Administration fees of approximately \$1,000 were incurred by the Portfolio during the period from commencement of operations to September 30, 2022.

AGFI is an indirect wholly-owned subsidiary of AGF Management Limited.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Portfolio, including its strategy, expected performance and condition. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Portfolio action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Portfolio and economic factors.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Portfolio can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based

upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Portfolio. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, taxation, changes in government regulations, unexpected judicial or regulatory proceedings, technological changes, cybersecurity, the possible effects of war or terrorist activities, outbreaks of disease or illness that affect local, national or international economies (such as COVID-19), natural disasters and disruptions to public infrastructure, such as transportation, communications, power or water supply or other catastrophic events.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Portfolio has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Financial Highlights

The following tables show selected key financial information about the Portfolio and are intended to help you understand the Portfolio's financial performance for the past five years as applicable.

Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)	Sept 30, 2019 (\$)	Sept 30, 2018 (\$)
Net Assets, beginning of period⁽¹⁾	25.00*	-	-	-	-
Increase (decrease) from operations:					
Total revenue	0.29	-	-	-	-
Total expenses	(0.02)	-	-	-	-
Realized gains (losses)	(0.11)	-	-	-	-
Unrealized gains (losses)	(1.02)	-	-	-	-
Total increase (decrease) from operations⁽²⁾	(0.86)	-	-	-	-
Distributions:					
From income (excluding dividends)	(0.17)	-	-	-	-
From dividends	(0.00)	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(0.17)	-	-	-	-
Net Assets, end of period⁽⁴⁾	24.73	-	-	-	-

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

Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019	Sept 30, 2018
Total Net Asset Value (\$000's)	1,961	-	-	-	-
Number of units outstanding (000's)	79	-	-	-	-
Management expense ratio ⁽⁵⁾	0.40%	-	-	-	-
Management expense ratio before waivers or absorptions	0.40%	-	-	-	-
Trading expense ratio ⁽⁶⁾	0.02%	-	-	-	-
Portfolio turnover rate ⁽⁷⁾	34.93%	-	-	-	-
Net Asset Value per unit	24.73	-	-	-	-

Explanatory Notes

- (1) a) This information is derived from the Portfolio's audited annual financial statements. Under International Financial Reporting Standards ("IFRS"), investments that are traded in an active market are generally valued at closing price, which is determined to be within the bid-ask spread and most representative of fair value. As a result, there is no difference between the net assets per unit presented in the financial statements ("Net Assets") and the net asset value per unit calculated for fund pricing purposes ("Net Asset Value").
- b) The Portfolio commenced operations in July 2022, which represents the date upon which securities were first made available for purchase by investors.
- (2) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.
- (3) Distributions were paid in cash/reinvested in additional units of the Portfolio, or both. The characterization of the distributions is based on management's estimate of the actual income for the year.
- (4) This is not a reconciliation of the beginning and ending Net Assets per unit.
- (5) The management expense ratio ("MER") is calculated in accordance with National Instrument 81-106, based on all the expenses of the Portfolio (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding foreign withholding taxes, commissions and other portfolio transaction costs) and the Portfolio's proportionate share of the MER, if applicable, of the underlying funds and ETFs in which the Portfolio has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (6) The trading expense ratio represents total commissions and other portfolio transaction costs, including the Portfolio's proportionate share of the commissions, if applicable, of the underlying funds and ETFs in which the Portfolio has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (7) The Portfolio's portfolio turnover rate ("PTR") indicates how actively the Portfolio's portfolio advisor manages its portfolio investments. A PTR of 100% is equivalent to the

Portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's PTR in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

PTR is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

Management Fees

The Portfolio is managed by AGFI. AGFI is responsible for the day-to-day operations of the Portfolio, which include providing investment and management services as well as other administrative services required by the Portfolio. The management fees for such services are payable directly by the unitholders, not by the Portfolio.

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

Past Performance

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

Summary of Investment Portfolio

As at September 30, 2022

The major portfolio categories and top holdings (up to 25) of the Portfolio at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Portfolio and the next quarterly update will be in the Quarterly Portfolio Disclosure as at December 31, 2022.

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

Portfolio by Sector	Percentage of Net Asset Value (%)
Fixed Income Funds	83.4
ETFs - International Fixed Income	7.8
Cash & Cash Equivalents	7.6
ETFs - International Equity	1.0

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

AGF Global Defensive Portfolio Fund

SEPTEMBER 30, 2022

Top Holdings	Percentage of Net Asset Value (%)
AGF Fixed Income Plus Fund	48.0
AGF Total Return Bond Fund	25.5
AGFiQ Global Multi-Sector Bond ETF	7.8
Cash & Cash Equivalents	7.6
AGF Global Corporate Bond Fund	6.0
AGF Floating Rate Income Fund	3.9
AGFiQ Global Infrastructure ETF	1.0
Total Net Asset Value (thousands of dollars)	\$ 1,961



For more information contact your investment advisor or:

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