

Annual Management Report of Fund Performance

AGF U.S. Sector Fund

September 30, 2024

Management Discussion of Fund Performance

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

Investment Objective and Strategies

Pursuant to the Declaration of Trust, the investment objective of AGF U.S. Sector Fund (the "Fund") is to provide long-term capital appreciation while normally maintaining lower than market volatility. The Fund incorporates embedded downside risk management in order to protect capital in periods of falling equity markets. The Fund seeks to obtain exposure to a diversified portfolio consisting primarily of, but not limited to, any combination of U.S. sector based exchange traded funds ("ETFs") and/or equity securities, short-term instruments as well as cash and cash equivalents. AGF Investments Inc. ("AGFI"), as portfolio manager, uses quantitative models that utilize fundamental, macroeconomic and market risk measurement factors to establish allocations to primary sector S&P 500 ETFs as well as to allocate cash and cash equivalents. The portfolio manager seeks to provide risk controls in down markets and enhanced alpha in up markets. Alpha is the excess return of the portfolio over the benchmark. While the Fund is typically not expected to invest in fixed income securities other than short-term instruments (cash equivalents), the portfolio manager may obtain exposure to bonds from time to time, should market conditions warrant such an allocation. During periods of market downturn or for other reasons, a significant portion of the Fund's assets may be held in cash, cash equivalents or fixed income securities.

Risk

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

The Fund continues to be suitable for investors investing for the medium to long-term, seeking the growth potential of U.S. equity securities, who are comfortable holding 100% cash and/or short-term instruments in down markets and who have a low to medium tolerance for risk. The suitability of the Fund has not changed from what has been disclosed in the prospectus.

Results of Operations

Throughout the reporting period, the Fund remained focused on its objective of protection in down markets, while participating in up markets.

During the last calendar quarter of 2023, specifically in November, the Fund underwent a sector change due to rank changes in its sector model. In particular, the Materials sector rank deteriorated significantly due to a lower sentiment score as well as the machine learning and regime factor ranks. Meanwhile, the Financials sector had seen improvements in both value and sentiment ranks, and the Information Technology sector had slightly better sentiment and regime ranks. After the allocation change, the Fund was overweight the Communication Services, Consumer Staples, Energy and Information Technology sectors, while being underweight in the Industrials, Materials, Health Care and Utilities sectors. The Fund had a neutral weight to the Consumer Discretionary, Financials and Real Estate sectors.

Close to the end of the first calendar quarter of 2024, the Fund made further changes to its sector allocation to incorporate rank changes in its sector model, triggered by the introduction of a new machine learning factor. In particular, the Health Care sector rank improved significantly due to better valuation and above average rank received from the new machine learning factor. On the other hand, the Energy sector rank dropped resulting from bottom ranking from the new machine learning factor and deterioration in regime rank. After the allocation changes, the Fund was overweight the Consumer Discretionary, Communication Services, Consumer Staples and Health Care sectors, while being underweight the Financials, Real Estate, Materials and Utilities sectors. The Fund had a neutral weight to the Information Technology, Industrials and Energy sectors.

In the second calendar quarter of 2024, the sector positions remained the same as the end of the first calendar quarter.

In the third calendar quarter of 2024, sector allocation changes were done in July, triggered by rank changes. The Discretionary sector rank deteriorated mainly due to lower scores in machine learning, sentiment and macro factors. The Energy sector rank improved significantly, supported by machine learning and regime factors. The Financials sector rank also improved, driven by more attractive valuation and better machine learning scores. The Fund's current sector weights are listed below:

- Overweight in Energy (up from neutral), Communication Services, Consumer Staples and Health Care;
- Neutral weight in Information Technology, Financials (up from underweight) and Industrials; and
- Underweight in Consumer Discretionary (down from overweight), Real Estate, Materials and Utilities.

The Fund has gradually exited its defensive positions in the first half of the reporting period. In early October 2023, the Market Risk Model highlighted a potential tactical bounce

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1 800 268-8583, by writing to us at AGF Investments Inc., CIBC SQUARE, Tower One, 81 Bay Street, Suite 4000, Toronto, Ontario, Canada M5J 0G1 attention: Client Services, or by visiting our website at www.agf.com or SEDAR+ at www.sedarplus.ca.

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

opportunity in equity markets and the Fund trimmed down its AGF US Market Neutral Anti-Beta CAD-Hedged ETF ("AGF US MNAB ETF") position by 2.0% and later added to equity. In mid-November, the Fund continued to trim down a further 2.0% to further take profit and avoid potential pull back risk around that month's consumer price index release. Because the Fund had very small asset base in the first few months when it was launched in July 2023, daily cash inflows caused higher fluctuations in the weights of holdings than what typically resulted from market drifts, but this stabilized by February 2024. In early February 2024, the Fund trimmed down AGF US MNAB ETF by another 1.5%, which was subject to pull back risk after a solid January run and exited the remaining 2.0% by the end of the month. In mid-August, the Fund reduced its equity exposure by 5.0% and moved to cash. At the time, the S&P 500 Index had quickly recovered most of the July to August drawdown. The short-term momentum indicator in the model suggested the rally was too strong and subject to reversal risk. As of September 30, 2024, the Fund held 98.0% equities and 2.0% cash. The portfolio manager will continue to monitor the risk through the lens of the Market Risk Model.

A 5.0% hedge in U.S. dollar was initiated when the Fund commenced operations in July 2023, which was later diluted to a smaller portion given the large impact of cash inflows in the first few months. In January 2024, when U.S. dollar was around the lower end of recent trading range, the hedge position was closed. In mid-April, the Fund reinitiated a 5.0% hedge position through foreign exchange forward contracts after a sharp rise of U.S. dollar. In late July 2024, the Fund increased its hedge in U.S. dollar to 15.0% after Bank of Canada ("BoC") cut rate by another 0.25% and U.S. dollar/Canadian dollar exchange rate spiked.

The Fund entered into foreign exchange forward contracts during the period under review. As of September 30, 2024, the Fund was long Canadian dollar and short U.S. dollar in order to hedge its currency exposure.

The Fund had net subscriptions of approximately \$52 million for the current period, as compared to net subscriptions of approximately \$150,000 in the prior period. Rebalancing by fund on fund programs resulted in net subscriptions of approximately \$9 million in the Fund. The portfolio manager does not believe that subscription activity had a meaningful impact on the Fund's performance or the ability to implement its investment strategy.

Recent Developments

Global equities performed well during the reporting period driven by a resilient U.S. economy. Investors continued to be focused on economic conditions and their ramifications on monetary policy. Though "higher for longer" expectations had increasingly become consensus, expectations stabilized throughout the reporting period as the economy showed signs of making slow progress on stubborn and persistent inflation.

Markets felt some relief during the latter half of the reporting period as central banks in the developed world took a more accommodative stance to their monetary policy. The U.S. Federal Reserve (the "Fed"), the European Central Bank and the BoC initiated rate cuts midway through 2024 as inflationary pressures on their respective economies began to ease. Meanwhile, the Bank of Japan tightened its key policy rate at the end of July 2024, which resulted in a resurgent Japanese Yen unwinding global carry trades. China's economic slowdown and continuing property sector crisis compounded the macroeconomic obstacles. The People's Bank of China implemented multi-pronged stimulus measures to alleviate the deflationary trend of the Chinese economy. Over the reporting period, the conflict in the Middle East continued to be a source of major concern, adding to the existing market volatility, especially impacting the energy sector.

The U.S. economy continued to expand quarter-on-quarter over the reporting period. However, the pace of growth began to decelerate during the last calendar quarter of 2023 and this continued into 2024. Furthermore, the annual inflation rate declined through the latter half of the reporting period, after peaking at 3.5% in March 2024. Supported by decelerating inflation figures and softer labour market data, the Fed cut interest rates by 0.5% in September, putting an end to a 23-year high and bringing rates to a target range of 4.75%-5.00%. This move marked the first cut by the Fed since the start of the COVID-19 pandemic in March 2020.

While the U.S. equity market continued to perform strongly following the rate cut, softer inflation and labour market data spurred a sector rotation into cyclicals and small capitalization stocks, which are more sensitive to interest rates.

Subjective forecasts of market outlook do not have a role in the Fund's investment methodology, except as can be implied from portfolio positioning, which is based on the output of quantitative models.

The Fund remains focused on its objective of protection in down markets, particularly against heightened volatility in U.S. markets, and participation in up markets. The Market Risk Model continues to monitor market risk on a daily basis to dynamically adjust the Fund's equity exposure to protect the portfolio from significant drawdowns. The Sector Allocation Model continually scores sectors based on well-known drivers of equity market returns. The sector allocation is based on a blending of momentum, value, sentiment, quality, profitability and size (small capitalization) as well as the regime factor and macro machine learning factors into a composite ranking from which over/under weights are assigned to the sectors; this is done relative to the benchmark.

Related Party Transactions

AGFI is the manager ("Manager") and trustee of the Fund. Pursuant to the management agreement between the Fund and AGFI, AGFI is responsible for the day-to-day business of the Fund. AGFI also acts as the investment

(portfolio) manager, managing the investment portfolio of the Fund. The Fund was also party to an investment advisory agreement with AGFI and AGF Investments LLC. AGF Investments LLC acts as the investment advisor and provides investment advisory services to the Fund. Under the management and investment advisory agreements, the Fund (except for Series I, Series O, Series Q and Series W Units, if applicable) pays management and advisory fees, calculated based on the Net Asset Value of the respective series of the Fund. Management and advisory fees of approximately \$178,000 were incurred by the Fund during the period ended September 30, 2024.

All of the operating expenses relating to the operation of the Fund (except for certain costs as disclosed in the current prospectus) are paid directly by AGFI and in exchange, a fixed rate administration fee is payable by the Mutual Fund Series, Series F and Series I Units, as applicable, of the Fund. The administration fee is calculated based on the Net Asset Value of the respective series of the Fund at a fixed annual rate, as disclosed in the current prospectus. Administration fees of approximately \$1,000 were incurred by the Fund during the period ended September 30, 2024.

AGFI and AGF Investments LLC are indirect wholly-owned subsidiaries of AGF Management Limited.

Caution Regarding Forward-looking Statements

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

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

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Fund can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

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

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

Financial Highlights

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

Mutual Fund Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)
Net Assets, beginning of period⁽¹⁾	10.05	10.00*	-	-	-
Increase (decrease) from operations:					
Total revenue	0.18	0.05	-	-	-
Total expenses	(0.29)	(0.02)	-	-	-
Realized gains (losses)	0.19	0.01	-	-	-
Unrealized gains (losses)	2.10	0.01	-	-	-
Total increase (decrease) from operations⁽²⁾	2.18	0.05	-	-	-
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.04)	-	-	-	-
From capital gains	(0.02)	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(0.06)	-	-	-	-
Net Assets, end of period⁽⁴⁾	12.47	10.05	-	-	-

* represents initial Net Assets

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

Mutual Fund Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020
Total Net Asset Value (\$000's)	970	112	-	-	-
Number of units outstanding (000's)	78	11	-	-	-
Management expense ratio ⁽⁵⁾	3.53%	0.31%	-	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	3.53%	0.31%	-	-	-
Trading expense ratio ⁽⁷⁾	0.02%	0.06%	-	-	-
Portfolio turnover rate ⁽⁸⁾	34.00%	11.56%	-	-	-
Net Asset Value per unit	12.47	10.05	-	-	-

Series F Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)
Net Assets, beginning of period⁽¹⁾	10.05	10.00*	-	-	-
Increase (decrease) from operations:					
Total revenue	0.17	0.05	-	-	-
Total expenses	(0.13)	(0.02)	-	-	-
Realized gains (losses)	0.16	0.01	-	-	-
Unrealized gains (losses)	2.02	0.01	-	-	-
Total increase (decrease) from operations⁽²⁾	2.22	0.05	-	-	-
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.05)	-	-	-	-
From capital gains	(0.02)	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	(0.07)	-	-	-	-
Net Assets, end of period⁽⁴⁾	12.65	10.05	-	-	-

Series F Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020
Total Net Asset Value (\$000's)	262	38	-	-	-
Number of units outstanding (000's)	21	4	-	-	-
Management expense ratio ⁽⁵⁾	2.37%	0.25%	-	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.37%	0.25%	-	-	-
Trading expense ratio ⁽⁷⁾	0.02%	0.06%	-	-	-
Portfolio turnover rate ⁽⁸⁾	34.00%	11.56%	-	-	-
Net Asset Value per unit	12.65	10.05	-	-	-

Series S Units - Net Assets per Unit⁽¹⁾

For the periods ended	Sept 30, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)
Net Assets, beginning of period⁽¹⁾	11.08*	-	-	-	-
Increase (decrease) from operations:					
Total revenue	0.09	-	-	-	-
Total expenses	(0.03)	-	-	-	-
Realized gains (losses)	0.09	-	-	-	-
Unrealized gains (losses)	0.89	-	-	-	-
Total increase (decrease) from operations⁽²⁾	1.04	-	-	-	-
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽³⁾	-	-	-	-	-
Net Assets, end of period⁽⁴⁾	12.00	-	-	-	-

Series S Units - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020
Total Net Asset Value (\$000's)	55,958	-	-	-	-
Number of units outstanding (000's)	4,665	-	-	-	-
Management expense ratio ⁽⁵⁾	0.30%	-	-	-	-
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.89%	-	-	-	-
Trading expense ratio ⁽⁷⁾	0.02%	-	-	-	-
Portfolio turnover rate ⁽⁸⁾	34.00%	-	-	-	-
Net Asset Value per unit	12.00	-	-	-	-

Explanatory Notes

(1) a) This information is derived from the Fund's audited annual financial statements. Under International Financial Reporting Standards ("IFRS"), investments that are traded in an active market are generally valued at closing price, which is determined to be within the bid-ask spread and most representative of fair value. As a result, there is no difference between the net assets per unit presented in the financial statements ("Net Assets") and the net asset value per unit calculated for fund pricing purposes ("Net Asset Value").

b) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first made available for purchase by investors.

Mutual Fund Units	July 2023
Series F Units	July 2023
Series S Units	April 2024

(2) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both. The computation of the distributions per unit does not take into account the management fee distributions, if applicable (see note 5 below). The characterization of the distributions is based on management's estimate of the actual income for the year.

(4) This is not a reconciliation of the beginning and ending Net Assets per unit.

(5) The management expense ratio ("MER") of a particular series is calculated in accordance with National Instrument 81-106, based on all the expenses of the Fund (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding foreign withholding taxes, commissions and other portfolio transaction costs) and the Fund's proportionate share of the MER, if applicable, of the underlying funds and exchange traded funds ("ETFs") in which the Fund has invested, allocated to that series, expressed as an annualized percentage of average daily Net Asset Value of that series during the period. For new series launched during the period, the MER is annualized from the date of the first external purchase.

AGFI may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund and directing the Fund to make management fee distributions to these unitholders in amounts equal to the amounts of the management fee

* represents initial Net Assets

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

reduction. The MER does not take into account the reduction in management fees due to management fee distributions to unitholders.

- (6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of AGFI and AGFI can terminate the waiver or absorption at any time.
- (7) The trading expense ratio represents total commissions and other portfolio transaction costs, including the Fund's proportionate share of the commissions, if applicable, of the underlying funds and ETFs in which the Fund has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (8) The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio advisor manages its portfolio investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's PTR in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

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

Management Fees

The Fund is managed by AGFI. As a result of providing investment advisory and management services, AGFI receives a monthly management and advisory fee, based on the Net Asset Value of the respective series, calculated daily and payable monthly. Management and advisory fees in respect of Series I, Series O, Series Q and Series W Units, if applicable, are arranged directly between the Manager and investors and are not expenses of the Fund. AGFI uses these management and advisory fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's units, investment advice, as well as for general administrative expenses such as overhead, salaries, rent, legal and accounting fees relating to AGFI's role as manager.

As a percentage of management and advisory fees			
	Annual rates	Dealer compensation	General administration and investment advice
Mutual Fund Units	1.90%	39.87%	60.13%
Series F Units	0.75%	-	100.00%
Series S Units	0.75%	-	100.00%

Past Performance

It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. Mutual Fund Series and

Series F Units commenced operations in July 2023 with the first external purchases in October 2023 and November 2023, respectively. Series S Units commenced operations in April 2024.

Summary of Investment Portfolio

As at September 30, 2024

The major portfolio categories and top holdings (up to 25) of the Fund at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and the next quarterly update will be in the Quarterly Portfolio Disclosure as at December 31, 2024.

The prospectus and other information about the ETFs are available on the internet at www.sedarplus.ca and/or www.sec.gov/edgar.shtml, as applicable.

Portfolio by Sector	Percentage of Net Asset Value (%)
ETFs - United States Equity	93.0
ETFs - United States Short-Term Income	4.8
Cash & Cash Equivalents	2.0
Foreign Exchange Forward Contracts	(0.0)
Other Net Assets (Liabilities)	0.2

Top Holdings	Percentage of Net Asset Value (%)
The Technology Select Sector SPDR Fund	28.5
The Health Care Select Sector SPDR Fund	12.2
The Financial Select Sector SPDR Fund	12.0
The Communication Services Select Sector SPDR Fund	10.7
The Industrial Select Sector SPDR Fund	8.3
The Consumer Discretionary Select Sector SPDR Fund	6.9
The Consumer Staples Select Sector SPDR Fund	6.6
SPDR Bloomberg 1-3 Month T-Bill ETF	4.8
The Energy Select Sector SPDR Fund	4.7
Cash & Cash Equivalents	2.0
The Utilities Select Sector SPDR Fund	1.1
The Materials Select Sector SPDR Fund	1.0
The Real Estate Select Sector SPDR Fund	1.0
Foreign Exchange Forward Contracts	(0.0)
Total Net Asset Value (thousands of dollars)	\$ 57,190



For more information contact your investment advisor or:

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