

Annual Management Report of Fund Performance

Harmony Maximum Growth Portfolio Class

SEPTEMBER 30, 2018

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

As described in the Simplified Prospectus, the investment objective of Harmony Maximum Growth Portfolio Class (the "Portfolio") is to provide long-term growth by obtaining exposure primarily to a diversified mix of Canadian and foreign equity through investments in, or exposure to, securities of one or more Harmony pools (the "Underlying Pools"). AGF Investments Inc. ("AGFI"), as portfolio manager, in consultation with a third party consultant, determines from time to time the target weighting and allocation of the Portfolio's assets that will be invested in the Underlying Pools. In periods of unusual market conditions, a portion of the Portfolio's assets may be held in cash or money market instruments.

Risk

The risks of investing in the Portfolio remain as disclosed in the current prospectus. The Portfolio continues to be suitable for investors who are investing for the longer term with a tolerance for volatility consistent with the growth potential of equities and a medium tolerance for risk.

Results of Operations

For the year ended September 30, 2018, the Wrap Series Shares of the Portfolio returned 8.1% (net of expenses) while the MSCI World Index, the S&P/TSX Composite Index ("S&P/TSX Index") and the Blended Benchmark returned 15.8%, 5.9% and 12.3%, respectively. The Blended Benchmark is composed of 65% MSCI World Index/35% S&P/TSX Index. The performance of the other series of the Portfolio is substantially similar to that of the Wrap Series Shares, save for differences in expense structure. Refer to "Past Performance" section for performance information of such series.

The Portfolio under-performed both the MSCI World Index and the Blended Benchmark as all the Underlying Pools under-performed with the exception of Harmony U.S. Equity Pool, which returned 21.9%. The Portfolio out-performed the S&P/TSX Index due to out-performance of approximately 32.0% of the Underlying Pools. The biggest holding, which accounted for 32.3% of the Portfolio and performed in line with the S&P/TSX Index, also contributed to performance.

During the period under review, the Portfolio's exposure amongst the Underlying Pools remained relatively the same.

The following illustrates significant factors and developments affecting the Underlying Pools' performance and outlook.

As the Portfolio holds Wrap Series Units of the Underlying Pools, reference to performance figures below are for Wrap Series Units only.

During the period under review, Harmony Canadian Equity Pool performed in-line with the S&P/TSX Index, both returning 5.9%. Strong stock selection in the consumer discretionary and materials sectors along with an overweight allocation to the information technology sector contributed to performance. This was partially offset by stock selection in the health care sector, which detracted. Connor, Clark & Lunn Investment Management Ltd. out-performed the S&P/TSX Index during the reporting period due to strong stock selection in the consumer discretionary and energy sectors along with an overweight allocation to the information technology sector. This was partially offset by stock selection in the utilities sector, which dragged on performance. Highstreet Asset Management Inc. out-performed the S&P/TSX Small Cap Index due to strong stock selection in the consumer discretionary and information technology sectors. Stock selection in the energy and industrials sector detracted from performance. The exchange traded fund ("ETF") portion of the pool slightly detracted, returning 5.4%. The pool remained unchanged in its exposure to domestic equity ETFs during the reporting period.

During the period under review, Harmony U.S. Equity Pool slightly under-performed the S&P 500 Index by 0.2% due to stock selection in the industrials sector, which dragged on performance. This was partially offset by strong stock selection in the consumer discretionary and health care sectors. C.S. McKee, L.P. out-performed due to strong stock selection in the information technology and health care sectors. This was partially offset by stock selection in the consumer discretionary and industrials sectors, which dragged on performance. The portion of the pool managed by AGFI boosted performance due to strong stock selection in the consumer discretionary, consumer staples and health care sectors, while stock selection in the industrials and materials sectors dragged on performance. Eagle Boston Investment Management, Inc. also boosted performance due to strong stock selection in the consumer discretionary and consumer staples sectors, while stock selection in the energy and information technology sectors detracted during the period. The pool's tactical positioning, via its ETF holdings, hindered performance during the reporting period, returning 17.0%. During the period under review, exposure to Vanguard Mega Cap ETF was removed and exposure to iShares S&P 500 Value ETF was added.

During the period under review, Harmony Overseas Equity Pool under-performed the MSCI EAFE Index by 2.2%. Negative performance was due to stock selection in the consumer staples sector. This was partially offset by stock selection and an underweight allocation in the financials sector. Barrow, Hanley, Mewhinney & Strauss, LLC out-performed the MSCI EAFE Index due to strong stock selection in the energy and financials sectors. On the other hand, poor stock selection in the consumer staples sector hindered performance. The portion of the pool managed by AGFI added value due to strong stock selection in the consumer staples, energy and financials sectors, relative to the MSCI Emerging Markets Index. This was partially offset by stock selection in the health care sector. The pool's tactical positioning, via its ETF holdings, was positive on an absolute basis during the reporting period,

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 1 800 387-2563, by writing to us at AGF Investments Inc., 55 Standish Court, Suite 1050, Mississauga, Ontario, Canada L5R 0G3 attention: Harmony Client Services, 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.

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returning 6.8%, slightly lagged the MSCI EAFE Index, which returned 6.9%. The pool remained fairly unchanged in its exposure to international equity ETFs during the reporting period.

The Portfolio had net redemptions of approximately \$0.02 million for the current period, as compared to net redemptions of approximately \$0.2 million in the prior period. The portfolio manager does not believe that redemption activity had a meaningful impact on the ability of AGFI as investment (portfolio) manager, to implement its investment strategy.

Total expenses vary period over period mainly as a result of changes in average Net Asset Values (see Explanatory Note (1) a)) and investor activity, such as number of investor accounts and transactions. The increase in shareholder servicing and administrative fees accounted for most of the increase in expenses during the period when compared to the previous period due to an increase in investor activity. The increase in independent review committee fees was due to variances between the accrued amounts versus the actual expenses incurred in the previous period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

AGFI, as portfolio manager, and the third party investment consultant hired to provide advice and recommendations to AGFI, monitor and review the Portfolio and the strategic asset allocation on a quarterly basis, as needed. Rebalancing of the allocations to the Underlying Pools within the Portfolio occurs in the event that actual allocations deviate from the most recently determined strategic targets by a predetermined percentage.

Moving into the third calendar quarter of 2018, the portfolio management team remains cautiously optimistic regarding global economies and global equities. Strong earnings growth has helped to bring equity valuations closer to historical averages, while economic growth remains resilient. The portfolio management team continues to expect a moderate economic growth environment in the near future, and therefore believes that the current economic landscape warrants low (relative to historical averages) interest rates in longer dated issues and lower expected returns across risk asset classes. Within the U.S., the portfolio management team is maintaining an underweight stance as it relates to growth stocks relative to their value counterparts. The portfolio management team is maintaining an overweight position in foreign, non-Canadian equities relative to U.S. equities based on the current political and economic stability in Europe relative to recent years, and attractive valuations in continental Europe and emerging markets.

The Canadian equity market, as measured by the S&P/TSX Index, returned -0.6% in the third calendar quarter of 2018. Canada's gross domestic product ("GDP") increased 2.9% year-over-year in the second calendar quarter of 2018, the strongest growth since the second calendar quarter of 2014. The Canadian dollar appreciated 1.8% relative to the U.S. dollar during the third calendar quarter of 2018.

The U.S. equity market was positive in the third calendar quarter of 2018, with the S&P 500 Index returning 5.3%. Real GDP rose during the second calendar quarter of 2018, expanding 4.2% on an annualized basis. The 10-year U.S. Treasury yield increased, starting the third calendar quarter at 2.85% and ending September 2018 at 3.05%.

Developed foreign markets posted negative performance for the third calendar quarter of 2018, with the MSCI EAFE Index falling 0.4% and the MSCI Emerging Markets Index returning -2.8%.

Fixed income returns were negative in the third calendar quarter of 2018, with the FTSE TMX Canada Universe Bond Index returning -1.0% and the Citi World Government Bond Index returning -3.3%.

There have been no material changes in regards to the strategic position of the Portfolio. Additionally, there were no known material trends, commitments, events or uncertainties that might reasonably be expected to affect the Portfolio.

Related Party Transactions

AGFI is the manager ("Manager") of the Portfolio. The Portfolio is designed to offer strategic asset allocation and diversification through direct investments in units of one or more Underlying Pools. Shareholders of the Embedded Series Shares agree to pay management fees, calculated based on the Net Asset Value of such series of the Portfolio. Shareholders of the Wrap Series Shares pay service fees directly to their dealers and do not pay management fees. A portion of such service fee is retained by AGFI.

AGFI also acts as the investment (portfolio) manager of the Portfolio and certain of the Underlying Pools which the Portfolio invests in. As portfolio manager of the Portfolio, AGFI does not charge any direct investment management fees to the Portfolio in order to avoid duplication of investment management fees. Management fees of approximately \$11,000 were incurred by the Portfolio during the period ended September 30, 2018.

AGF CustomerFirst Inc. ("AGFC") provides transfer agency services to the Portfolio pursuant to a services agreement with AGFI. Shareholder servicing and administrative fees of approximately \$600 incurred by the Portfolio were paid to AGFC during the period ended September 30, 2018.

AGFI and AGFC are indirect wholly-owned subsidiaries 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

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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, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and 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. The Portfolio adopted International Financial Reporting Standards ("IFRS") on October 1, 2014. All per share information presented for the period ended September 30, 2014, including opening net assets, reflects retrospective adjustments in accordance with IFRS. Previously, financial statements were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

Wrap Series Shares - Net Assets per Share⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	18.39	17.60	17.45	17.03	14.93
Increase (decrease) from operations:					
Total revenue	0.19	0.35	0.18	0.42	0.25
Total expenses	(0.27)	(0.25)	(0.22)	(0.20)	(0.14)
Realized gains (losses)	1.15	2.15	1.58	2.19	1.63
Unrealized gains (losses)	0.46	(0.92)	(0.34)	(1.52)	1.04
Total increase (decrease) from operations⁽²⁾	1.53	1.33	1.20	0.89	2.78
Distributions:					
From income (excluding dividends)	—	—	—	—	—
From dividends	(0.12)	(0.16)	(0.11)	(0.13)	(0.16)
From capital gains	(0.28)	(0.34)	(1.09)	—	(0.30)
Return of capital	—	—	—	—	—
Total annual distributions⁽³⁾	(0.40)	(0.50)	(1.20)	(0.13)	(0.46)
Net Assets, end of period⁽⁴⁾	19.49	18.39	17.60	17.45	17.03

Wrap Series Shares - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	324	335	469	650	987
Number of shares outstanding (000's)	17	18	27	37	58
Management expense ratio ⁽⁵⁾	1.96%	1.95%	1.89%	1.60%	1.38%
Management expense ratio before waivers or absorptions ⁽⁶⁾	13.70%	12.31%	10.80%	7.99%	6.05%
Trading expense ratio ⁽⁷⁾	0.07%	0.10%	0.14%	0.12%	0.08%
Portfolio turnover rate ⁽⁸⁾	10.65%	27.58%	7.14%	5.11%	4.68%
Net Asset Value per share	19.49	18.39	17.60	17.45	17.03

Embedded Series Shares - Net Assets per Share⁽¹⁾

For the periods ended	Sept 30, 2018 (\$)	Sept 30, 2017 (\$)	Sept 30, 2016 (\$)	Sept 30, 2015 (\$)	Sept 30, 2014 (\$)
Net Assets, beginning of period⁽¹⁾	15.02	14.74	15.02	15.01	13.50
Increase (decrease) from operations:					
Total revenue	0.17	0.31	0.16	0.32	0.22
Total expenses	(0.64)	(0.60)	(0.57)	(0.56)	(0.49)
Realized gains (losses)	0.93	1.85	1.43	1.87	1.55
Unrealized gains (losses)	0.34	(0.85)	(0.41)	(1.53)	0.70
Total increase (decrease) from operations⁽²⁾	0.80	0.71	0.61	0.10	1.98
Distributions:					
From income (excluding dividends)	—	—	—	—	—
From dividends	(0.10)	(0.13)	(0.09)	(0.11)	(0.15)
From capital gains	(0.23)	(0.29)	(0.95)	—	(0.27)
Return of capital	—	—	—	—	—
Total annual distributions⁽³⁾	(0.33)	(0.42)	(1.04)	(0.11)	(0.42)
Net Assets, end of period⁽⁴⁾	15.49	15.02	14.74	15.02	15.01

Embedded Series Shares - Ratios/Supplemental Data⁽¹⁾

For the periods ended	Sept 30, 2018	Sept 30, 2017	Sept 30, 2016	Sept 30, 2015	Sept 30, 2014
Total Net Asset Value (\$000's)	488	466	495	551	622
Number of shares outstanding (000's)	32	31	34	37	41
Management expense ratio ⁽⁵⁾	4.70%	4.58%	4.53%	4.13%	3.94%
Management expense ratio before waivers or absorptions ⁽⁶⁾	15.64%	14.56%	14.41%	10.86%	9.17%
Trading expense ratio ⁽⁷⁾	0.07%	0.10%	0.14%	0.12%	0.08%
Portfolio turnover rate ⁽⁸⁾	10.65%	27.58%	7.14%	5.11%	4.68%
Net Asset Value per share	15.49	15.02	14.74	15.02	15.01

Explanatory Notes

(1) a) This information is derived from the Portfolio's audited annual financial statements. Under 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 share presented in the financial statements ("Net Assets") and the net asset value per share calculated for fund pricing purposes ("Net Asset Value").

Total Net Asset Value and number of shares outstanding presented as at September 30, 2015 may have been adjusted to include certain transactions, if applicable, for the purpose of comparability with subsequent reporting periods. These adjustments have no effect on the Net Asset Value per share.

b) The following series of the Portfolio commenced operations on the following dates, which represents the date upon which

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

securities of a series were first made available for purchase by investors.

Wrap Series Shares August 2008
 Embedded Series Shares August 2008

- (2) Net Assets, dividends and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period.
- (3) Dividends and distributions were paid in cash/reinvested in additional shares of the Portfolio, or both.
- (4) This is not a reconciliation of the beginning and ending Net Assets per share.
- (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 Portfolio (including Harmonized Sales Tax, Goods and Services Tax, income tax and interest, but excluding commissions and other portfolio transaction costs) attributable to that series, expressed as an annualized percentage of average daily Net Asset Value of that series during the period.

As a result of the Portfolio's investment in the Underlying Pools, the MER is calculated based on the expenses of the Portfolio allocated to that series, including expenses indirectly incurred by the Portfolio attributable to its investment in the Underlying Pools, divided by the average daily Net Asset Value of that series of the Portfolio during the period.

- (6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Portfolio. 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 ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average daily Net Asset Value during the period.

As a result of the Portfolio's investment in the Underlying Pools, the TER is calculated based on commissions and other portfolio transaction costs of the Portfolio, including such costs that are indirectly incurred by the Portfolio attributable to its investment in the Underlying Pools, divided by the average daily Net Asset Value of the Portfolio during the period.

- (8) 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. As a result of providing management services, AGFI receives a monthly management fee, based on the Net Asset Value of the Embedded Series Shares, calculated daily and payable monthly. Shareholders of Wrap Series Shares pay service fees directly to their dealers and do not pay management fees. These service fees are not expenses of the Portfolio. Since the Underlying Pools held by the Portfolio invest in ETFs, the Portfolio will bear indirectly the management fees (which includes investment management fees) of the ETFs indirectly borne by the Underlying Pools, after giving effect to any rebates and waivers, as applicable. AGFI uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Portfolio's shares, 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 fees		
	Annual rates	Dealer compensation	General administration and investment advice
Embedded Series Shares	2.25%	51.68%	48.32%

Past Performance*

The performance information shown assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional securities of the Portfolio. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Portfolio has performed in the past does not necessarily indicate how it will perform in the future.

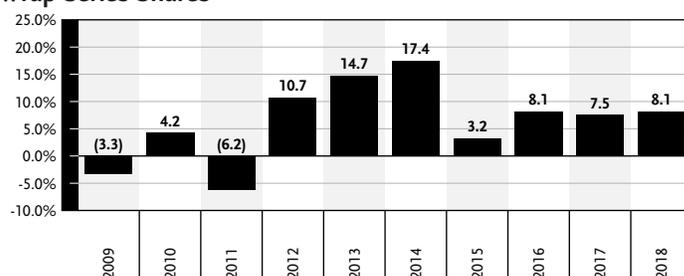
It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money.

All rates of return are calculated based on the Net Asset Value.

Year-By-Year Returns

The following bar charts show the Portfolio's annual performance for each of the past 10 years to September 30, 2018 as applicable, and illustrate how the Portfolio's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

Wrap Series Shares



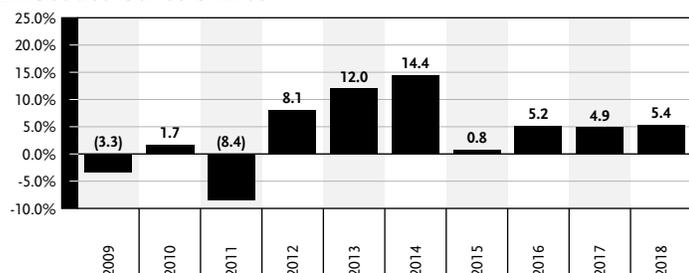
* The indicated rates of return shown here are the historical annual compounded total returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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Embedded Series Shares



Annual Compound Returns

The following table compares the historical annual compound returns for each series with the indices, for each of the periods ended September 30, 2018.

Percentage Return:	1 Year	3 Years	5 Years	10 Years	Since Inception
Wrap Series Shares	8.1	7.9	8.8	6.2	N/A
MSCI World Index	15.8	13.0	15.0	11.4	N/A
S&P/TSX Composite Index	5.9	9.7	7.8	6.3	N/A
Blended Benchmark	12.3	12.0	12.5	9.7	N/A
Embedded Series Shares	5.4	5.2	6.1	3.9	N/A
MSCI World Index	15.8	13.0	15.0	11.4	N/A
S&P/TSX Composite Index	5.9	9.7	7.8	6.3	N/A
Blended Benchmark	12.3	12.0	12.5	9.7	N/A

The MSCI World Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets.

The S&P/TSX Composite Index is a capitalization-weighted index designed to measure market activity of stocks and trusts listed on the Toronto Stock Exchange.

For a discussion of the relative performance of the Portfolio as compared to the indices, see Results of Operations in the Management Discussion of Fund Performance.

Summary of Investment Portfolio

As at September 30, 2018

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, 2018.

The prospectus and other information about the Underlying Pools are available on the internet at www.sedar.com.

Portfolio by Sector	Percentage of Net Asset Value (%)
Equity Funds	90.1
Cash & Cash Equivalents	11.5

Top Holdings	Percentage of Net Asset Value (%)
Harmony Canadian Equity Pool	32.3
Harmony U.S. Equity Pool	31.8
Harmony Overseas Equity Pool	26.0
Total Net Asset Value (thousands of dollars)	\$ 812



For more information contact your investment advisor or:

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