

Interim Management Report of Fund Performance

# AGF Emerging Markets ex China Fund

March 31, 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.

### Results of Operations

AGF Emerging Markets ex China Fund (the "Fund") commenced operations in October 2023.

### Recent Developments

Despite ongoing global macroeconomic and geopolitical uncertainties, the portfolio manager maintains a positive outlook on equities in the emerging markets. The portfolio manager's optimism is founded on the resilience of earnings growth alongside the potential for multiple expansion in the emerging markets. This is fueled by increasing concerns over U.S. earnings per share risk. Additionally, the anticipated U.S. Federal Reserve rate cutting cycle could weaken the U.S. dollar, bolstering non-U.S. equities, particularly emerging markets currencies and equities.

The relative growth acceleration of the emerging markets compared to the developed markets remains a significant tailwind, supported by the expectation of rate cuts by central banks in the emerging markets to align with a favourable macroeconomic environment. The portfolio manager believes these developments, alongside attractive valuations in the emerging markets compared to the developed markets, could present significant investment opportunities.

The portfolio manager is positive on the outlook for equities in the emerging markets (excluding China) as fueled by structural and market-driven factors. China's economic uncertainties that have prevailed over the last several years may continue amid continued shifts in global supply chains, a weak housing market, low private sector confidence and ongoing geopolitical tensions with the U.S.

The structural demand for the emerging markets (excluding China) continues to rise as some investors prefer to avoid the direct domestic challenges facing China for geopolitical reasons, or to seek indirect exposure to China's longer term growth given China's already high weight in emerging markets benchmarks. Emerging markets countries have become increasingly attractive given their favourable growth potential (such as India, Saudi Arabia and Indonesia) and their indirect exposure to China's economy through sectors like technology and commodities (such as South Korea, Taiwan, Brazil and Chile).

### Related Party Transactions

AGF Investments Inc. ("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. Under the management agreement, the Fund (except for Series I, Series O, Series Q and Series W Units, if applicable) pays management fees, calculated based on the Net Asset Value of the respective series of the Fund. Management fees of approximately \$14,000 were incurred by the Fund during the six months ended March 31, 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, ETF 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 \$4,000 were incurred by the Fund during the six months ended March 31, 2024.

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 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

This interim management report of fund performance contains financial highlights, but does not contain either the interim or annual financial statements of the investment fund. You can get a copy of the interim or 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](http://www.agf.com) or SEDAR+ at [www.sedarplus.ca](http://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.

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 six months ended March 31, 2024 and the past five years as applicable.

### ETF Series Units - Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)	Sept 30, 2019 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>24.93</b>	<b>25.00*</b>	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.32	-	-	-	-	-
Total expenses	(0.27)	(0.02)	-	-	-	-
Realized gains (losses)	0.27	0.00	-	-	-	-
Unrealized gains (losses)	2.48	(0.05)	-	-	-	-
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>2.80</b>	<b>(0.07)</b>	-	-	-	-
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	(0.00)	-	-	-	-	-
From capital gains	(0.02)	-	-	-	-	-
Return of capital	-	-	-	-	-	-
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.02)</b>	-	-	-	-	-
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>27.84</b>	<b>24.93</b>	-	-	-	-

\* represents initial Net Assets  
(1), (2), (3), (4), (5), (6), (7), (8) and (9) see Explanatory Notes

### ETF Series Units - Ratios/Supplemental Data<sup>(1)</sup>

For the periods ended	Mar 31, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019
Total Net Asset Value (\$000's)	4,454	1,496	-	-	-	-
Number of units outstanding (000's)	160	60	-	-	-	-
Management expense ratio <sup>(5)</sup>	1.29%	0.00%	-	-	-	-
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.31%	0.00%	-	-	-	-
Trading expense ratio <sup>(7)</sup>	0.50%	13.10%	-	-	-	-
Portfolio turnover rate <sup>(8)</sup>	49.30%	0.00%	-	-	-	-
Net Asset Value per unit	27.84	25.00	-	-	-	-
Closing market price <sup>(9)</sup>	27.88	N/A	-	-	-	-

### Series F Units - Net Assets per Unit<sup>(1)</sup>

For the periods ended	Mar 31, 2024 (\$)	Sept 30, 2023 (\$)	Sept 30, 2022 (\$)	Sept 30, 2021 (\$)	Sept 30, 2020 (\$)	Sept 30, 2019 (\$)
<b>Net Assets, beginning of period<sup>(1)</sup></b>	<b>9.93</b>	<b>10.00*</b>	-	-	-	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.12	-	-	-	-	-
Total expenses	(0.05)	(0.01)	-	-	-	-
Realized gains (losses)	0.09	0.00	-	-	-	-
Unrealized gains (losses)	1.10	(0.06)	-	-	-	-
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.26</b>	<b>(0.07)</b>	-	-	-	-
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	(0.02)	-	-	-	-	-
From capital gains	(0.04)	-	-	-	-	-
Return of capital	-	-	-	-	-	-
<b>Total annual distributions<sup>(3)</sup></b>	<b>(0.06)</b>	-	-	-	-	-
<b>Net Assets, end of period<sup>(4)</sup></b>	<b>11.13</b>	<b>9.93</b>	-	-	-	-

### Series F Units - Ratios/Supplemental Data<sup>(1)</sup>

For the periods ended	Mar 31, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019
Total Net Asset Value (\$000's)	168	149	-	-	-	-
Number of units outstanding (000's)	15	15	-	-	-	-
Management expense ratio <sup>(5)</sup>	0.31%	0.00%	-	-	-	-
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.31%	0.00%	-	-	-	-
Trading expense ratio <sup>(7)</sup>	0.50%	13.10%	-	-	-	-
Portfolio turnover rate <sup>(8)</sup>	49.30%	0.00%	-	-	-	-
Net Asset Value per unit	11.13	10.00	-	-	-	-

## Explanatory Notes

(1) a) This information is derived from the Fund's audited annual financial statements and unaudited interim 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"). Net Assets however, differed from Net Asset Value for the Fund as of September 30, 2023 and an explanation of such differences can be found in the notes to the financial statements.

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.

ETF Series Units	October 2023
Series F Units	October 2023

- (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 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.

- (9) Closing market price on the last trading day of the period, as applicable, as reported on Cboe Canada. Mid price is disclosed if no transaction took place on the last business day of the period.

## Management Fees

The Fund is managed by AGFI. As a result of providing investment and management services, AGFI receives a monthly management fee, based on the Net Asset Value of the respective series, calculated daily and payable monthly. Management 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 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. Management fees have not yet been incurred in respect of Series F Units since the commencement of operations, as all issued units of the series were held by the Manager.

	As a percentage of management fees		
	Annual rates	Dealer compensation	General administration and investment advice
ETF Series Units	0.90%	-	100.00%
Series F Units	0.90%	-	100.00%

## Past Performance

It is AGFI's policy to report rates of return for a fund in existence greater than one year. The Fund commenced operations in October 2023.

## Summary of Investment Portfolio

As at March 31, 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 June 30, 2024.

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

# AGF Emerging Markets ex China Fund

MARCH 31, 2024

Portfolio by Country	Percentage of Net Asset Value (%)
Taiwan	21.7
India	17.5
South Korea	17.4
Brazil	8.1
Cash & Cash Equivalents	5.1
Indonesia	4.7
Greece	3.5
United Arab Emirates	3.0
Thailand	3.0
Hong Kong	2.6
Mexico	2.5
Saudi Arabia	2.4
United Kingdom	2.3
Chile	1.5
Qatar	1.4
Czech Republic	1.2
Italy	1.1
South Africa	0.9
Other Net Assets (Liabilities)	0.1

Portfolio by Sector	Percentage of Net Asset Value (%)
Information Technology	26.5
Financials	22.9
Industrials	13.3
ETFs – International Equity	8.9
Materials	8.3
Cash & Cash Equivalents	5.1
Energy	4.1
Consumer Staples	3.1
Consumer Discretionary	2.8
Communication Services	1.9
Real Estate	1.7
Utilities	1.3
Other Net Assets (Liabilities)	0.1

Portfolio by Asset Mix	Percentage of Net Asset Value (%)
International Equity	94.8
Cash & Cash Equivalents	5.1
Other Net Assets (Liabilities)	0.1

Top Holdings	Percentage of Net Asset Value (%)
Taiwan Semiconductor Manufacturing Company Limited	10.9
Samsung Electronics Company Limited	7.8
Franklin FTSE India ETF	7.5
Cash & Cash Equivalents	5.1
Chailease Holding Company Limited	3.8
HDFC Bank Limited	3.8
Wistron Corporation	3.5
Reliance Industries Limited	3.0
Salik Company PJSC	3.0
Airports of Thailand Public Company Limited	3.0
PT Bank Mandiri (Persero) Tbk	2.8
AIA Group Limited	2.6
Southern Copper Corporation	2.5
Saudi Awwal Bank	2.4
Anglo American PLC	2.3
Embraer SA	2.2
Larsen & Toubro Limited	2.1
Airtac International Group	2.0
SK Hynix Inc.	2.0
Hellenic Telecommunications Organization SA	1.9
PT MAP Aktif Adiperkasa Tbk	1.9
Hansol Chemical Company Limited	1.8
BGF Retail Company Limited	1.7
Allos SA	1.7
Vale SA	1.7
<b>Total Net Asset Value (thousands of dollars)</b>	<b>\$ 4,622</b>



For more information contact your investment advisor or:

**AGF Investments Inc.**

CIBC SQUARE, Tower One  
81 Bay Street, Suite 4000  
Toronto, Ontario M5J 0G1  
Toll Free: (800) 268-8583  
Web: [AGF.com](http://AGF.com)

Securities of the funds are offered and sold in the United States only in reliance on exemptions from registration. No securities regulatory authority has expressed an opinion about these securities. It is an offence to claim otherwise.

® / TM The "AGF" logo and all associated trademarks are registered trademarks of AGF Management Limited and used under licence.