

Annual Management Report of Fund Performance

December 2019

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 request a copy of the annual financial statements, at no cost, by calling 514-350-5050 or toll free 1-888-377-7337 or by writing to us at 2 Complexe Desjardins, East Tower, 31st Floor, P. O. Box 1116, Montréal, Québec H5B 1C2, or by visiting our website at www.professionalsf.com or SEDAR's website at www.sedar.com.

You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure records and quarterly portfolio disclosure.

PERFORMANCE ANALYSIS

Investment Objective and Strategies

The Portfolio aims to achieve long-term capital growth through investment diversification. The Portfolio invests primarily in equity securities of mostly large capitalization Canadian issuers, but also of small or medium capitalization Canadian issuers. It may also invest in equity securities of foreign issuers, and in debt instruments of Canadian and foreign issuers. A bottom-up approach is used by the Portfolio's Manager to select stocks offering the best investment opportunities and a top-down approach to control risks in terms of positions in different industrial sectors. Securities selection in each sector and their respective weighting in the portfolio are based on the most promising corporations identified and deemed to be the most attractive in terms of earnings growth, financial solvency and other key criteria. The Portfolio will generally invest in most sectors represented by the Toronto Stock Exchange S&P/TSX Index.

Risk

The Portfolio invests primarily in equities of Canadian issuers. Derivatives may also be used for hedging purposes or to establish market positions. The risks related to investments in the Portfolio remain as set out in the Simplified Prospectus. The risks associated with the Portfolio and its holdings are as follows: stock market risk, credit risk, sector risk, large transactions risk, specific issuer risk, derivatives risk, currency risk, foreign security risk, securities lending risk, exchange-traded funds risk, interest rate risk, underlying funds risk, multi-series risk, short selling risk and loss restrictions risk.

Operating Results

The FDP Canadian Equity Portfolio, Series A posted a net return of 23.3% for 2019, versus -8.4% for 2018. The FDP Canadian Equity Portfolio, Series I posted a net return of 24.7% for 2019.

The Canadian stock market, as measured by the S&P/TSX Composite Index, posted a 22.9% return for 2019, with 10 of the 11 sectors within the index yielding positive returns. Unlike in 2018, rising oil prices, which went from USD45.41 a barrel in late December 2018 to USD61.06 as at December 31, 2019, representing a 34.4% increase, enabled the Energy sector to post a 21.7% return over the year. Information Technology (64.1%), Utilities (37.4%) and Industrials (25.5%) all contributed significantly to the index's performance. Health Care was the only sector posting negative returns on the back of declining cannabis stocks.

Recent Developments

There are currently no events to report for 2020.

Related Party Transactions

The Manager of the FDP Canadian Equity Portfolio is Professionals' Financial – Mutual Funds Inc. The Manager is in charge of the portfolio's research, analyses, selections and transactions. The Investment Committee of Professionals' Financial – Mutual Funds Inc. supervises the execution of the mandates entrusted to the internal managers and to other external managers, as the case may be.

Monthly management fees, calculated daily at an annual percentage of the Portfolio's net assets after deducting the value of interfund investments, are paid to the Manager.

FINANCIAL HIGHLIGHTS

The following tables illustrate key financial data concerning the Portfolio. Their purpose is to help you understand its financial results for the past five years.

This information comes from the December 31, 2019 audited annual financial statements of the Fund. You can obtain the financial statements on the website at www.professionalsf.com.

Portfolio's Distributions and Net Assets per Unit (in dollars)

Series A	Years ended December 31				
	2019	2018	2017	2016	2015
Net assets, beginning of year	23.684	26.469	25.424	23.929	25.993
Increase (decrease) from operations:					
Total revenue	0.631	0.496	0.597	0.612	0.631
Total expenses	(0.377)	(0.367)	(0.324)	(0.315)	(0.331)
Realized gains (losses)	1.311	0.508	0.795	1.780	0.510
Unrealized gains (losses)	3.941	(2.741)	0.372	1.560	(1.146)
Total increase (decrease) from operations ⁽¹⁾	5.506	(2.104)	1.440	3.637	(0.336)
Distributions:					
from income	–	–	–	–	–
from dividends	0.196	0.107	0.234	0.220	0.207
from capital gains	1.066	0.445	0.157	1.909	1.422
from capital returns	–	–	0.007	–	–
Total distributions ⁽²⁾	1.262	0.552	0.398	2.129	1.629
Net assets at the end of the year	27.928	23.684	26.469	25.424	23.929

Series I	Years ended December 31				
	2019	2018	2017	2016	2015
Net assets, beginning of year	10.233	11.410	10.896	10.191	10.000
Increase (decrease) from operations:					
Total revenue	0.274	0.216	0.257	0.266	0.225
Total expenses	(0.029)	(0.027)	(0.018)	(0.016)	(0.020)
Realized gains (losses)	0.571	0.209	0.348	0.840	(0.297)
Unrealized gains (losses)	1.655	(1.304)	0.175	0.786	(0.150)
Total increase (decrease) from operations ⁽¹⁾	2.471	(0.906)	0.762	1.876	(0.242)
Distributions:					
from income	–	–	–	–	–
from dividends	0.214	0.172	0.192	0.183	0.118
from capital gains	0.340	0.174	0.027	0.775	0.040
from capital returns	–	–	0.006	–	–
Total distributions ⁽²⁾	0.554	0.346	0.225	0.958	0.158
Net assets at the end of the year	12.194	10.233	11.410	10.896	10.191

⁽¹⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽²⁾ Distributions were reinvested in additional units of the Portfolio.

FDP CANADIAN EQUITY PORTFOLIO, SERIES A AND I (CONTINUED)

Ratios and Supplemental Data

Series A	Years ended December 31				
	2019	2018	2017	2016	2015
Net asset value (in thousands of dollars) ⁽¹⁾	238,407	196,984	236,216	263,330	205,558
Number of units outstanding (thousands) ⁽¹⁾	8,536	8,317	8,924	10,358	8,590
Management expense ratio (%) ⁽³⁾	1.379	1.392	1.254	1.237	1.244
Management expense ratio before waivers and absorptions (%)	1.379	1.392	1.254	1.237	1.244
Portfolio turnover rate (%) ⁽⁴⁾	88.59	114.80	195.72	318.80	290.65
Trading expense ratio (%) ⁽⁵⁾	0.14	0.17	0.33	0.58	0.48
Net asset value per unit	27.928	23.684	26.469	25.424	23.929

Series I	Years ended December 31				
	2019	2018	2017	2016	2015
Net asset value (in thousands of dollars) ⁽²⁾	188,021	140,442	127,149	119,723	52,944
Number of units outstanding (thousands) ⁽²⁾	15,419	13,725	11,144	10,988	5,195
Management expense ratio (%) ⁽³⁾	0.242	0.236	0.163	0.148	0.190
Management expense ratio before waivers and absorptions (%)	0.242	0.236	0.163	0.148	0.190
Portfolio turnover rate (%) ⁽⁴⁾	88.59	114.80	195.72	318.80	290.65
Trading expense ratio (%) ⁽⁵⁾	0.14	0.17	0.33	0.58	0.48
Net asset value per unit	12.194	10.233	11.410	10.896	10.191

⁽¹⁾ The information is derived from audited annual financial statements in accordance with International Financial Reporting Standards (IFRS). In compliance with these Standards, net assets per unit presented in the financial statements generally equal the net asset value calculated to establish unit prices.

⁽²⁾ Management expense ratio includes management fees and operating expenses. It excludes income tax withheld on dividend income and transaction costs, and is expressed as a percentage of the daily average annualized net asset value during the fiscal year.

⁽³⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate 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 portfolio turnover rate 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.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value of each series during the year.

MANAGEMENT FEES

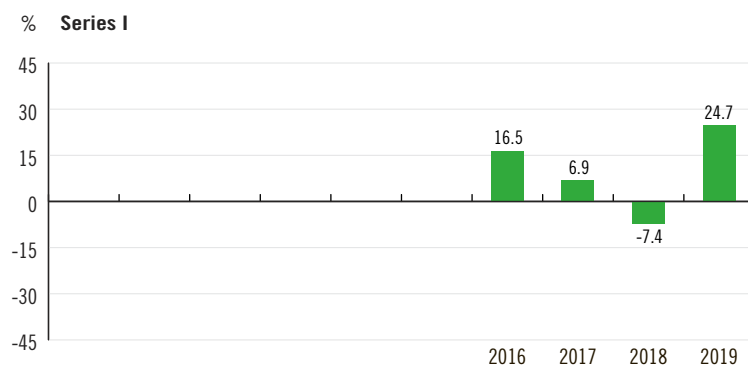
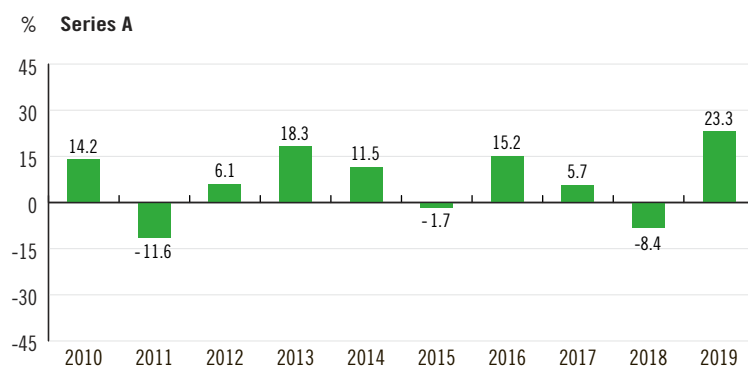
Series A and Series I units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 1.10% and 0.10% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For 2019, Series A units paid \$2,869,000 and \$195,000 for Series I to the Manager.

PAST PERFORMANCE

Information on performance presupposes that the Portfolio's distributions during the years presented have been totally reinvested in additional units of the same series. The returns do not include deductions for sales fees, transfer, redemption or other optional fees (because there are none) or income taxes payable, and would be lower if they included such items. The Portfolio's past performance is not necessarily indicative of future performance.

Annual Performance

The following bar graphs indicate the Portfolio's annual returns for each year. They show the year-to-year variation in the Portfolio's return. The graphs present, in percentage form, what would have been the upward or downward variation, on the last day of the year, of an investment made on the first day of that year.



Annual Compound Returns

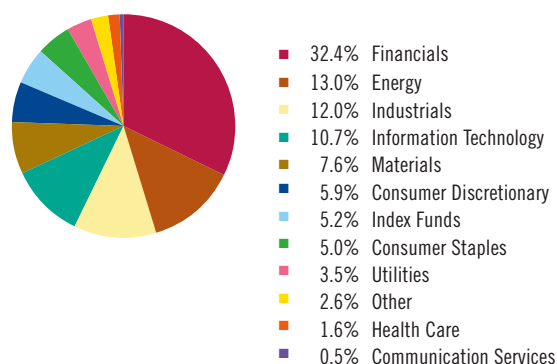
The following graph indicates the Portfolio's annual composite returns and highlights Portfolio performance fluctuations from one fiscal year to the next, ending on December 31, for each year, as well as those of the Portfolio's benchmark.

	1 yr %	3 yrs %	5 yrs %	10 yrs %
FDP Canadian Equity Portfolio, Series A	23.29	6.08	6.19	6.66
FDP Canadian Equity Portfolio, Series I	24.71	7.28	–	–
S&P/TSX Composite Index	22.88	6.89	6.28	6.90

FDP CANADIAN EQUITY PORTFOLIO, SERIES A AND I (CONTINUED)

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top 25 Portfolio Holdings

	% of net asset value
Royal Bank of Canada	6.6
The Toronto-Dominion Bank	5.3
Brookfield Asset Management Inc., Cl. A	5.0
Canadian Pacific Railway Limited	4.2
iShares S&P/TSX 60 Index ETF	2.9
Sun Life Financial Inc.	2.7
National Bank of Canada	2.6
Thomson Reuters Corporation	2.6
Cash and Cash Equivalent	2.6
TC Energy Corporation	2.3
iShares Core S&P/TSX Capped Composite Index ETF	2.3
Suncor Energy Inc.	2.2
Shopify Inc., Cl. A	2.1
Alimentation Couche-Tard Inc., Cl. B	2.1
Quebecor Inc., Cl. B	1.9
Constellation Software Inc.	1.9
Air Canada	1.8
Barrick Gold Corporation	1.8
CGI Inc.	1.8
Waste Connections, Inc.	1.7
Canadian Natural Resources Ltd.	1.7
Parkland Fuel Corporation	1.6
Pembina Pipeline Corporation	1.6
Canadian Apartment Properties REIT	1.5
Boyd Group Income Fund	1.3

This portfolio may change due to continual trading in the Portfolio. An update of this data is available every quarter on our website at www.professionalsf.com.