

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 seeks to achieve long-term capital growth through investment diversification. The Portfolio invests primarily in equity securities of issuers listed on a stock exchange and located in emerging countries or having commercial interests in such countries. The Portfolio Manager seeks to replicate the performance and characteristics of the markets of emerging countries, as faithfully as possible, based on a sampling of representative securities.

Risk

The Portfolio invests primarily in equities of issuers from emerging markets, where the economic and financial environment may be more volatile than in Western countries, which have traditionally offered a greater diversification and market stability. Derivatives may also be used for hedging purposes or to establish market positions. The Portfolio's investment risks are as set forth in the Simplified Prospectus. The risks associated with the Portfolio and the securities that compose it are as follows: stock market risk, sector risk, specific issuer risk, foreign securities risk, credit risk, currency risk, large transactions risk, derivatives risk, emerging markets risk, securities lending risk, exchange-traded funds risk, interest rate risk, multi-series risk, short selling risk and loss restrictions risk.

Operating Results

The FDP Emerging Markets Equity Portfolio, Series A posted a net return of 8.8% for 2019, versus -10.1% for 2018. The FDP Emerging Markets Equity Portfolio, Series I posted a net return of 10.3% for 2019. The global stock market, as measured by the MSCI World Index, posted a net return of 12.4% in Canadian dollars for 2019.

Despite a positive performance, the slowdown in global economic growth and trade tensions between the United States and China had negative repercussions on emerging markets' stock market performance in 2019. However, the announcement in December of a partial trade deal ("Phase One deal") between the United States and China boosted the Chinese stock market late in the year.

Recent Developments

There are currently no events to report for 2020.

Related Party Transactions

The Manager of the FDP Emerging Markets 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	13.677	16.020	13.154	12.642	13.247
Increase (decrease) from operations:					
Total revenue	0.366	0.391	0.437	0.353	0.398
Total expenses	(0.239)	(0.258)	(0.287)	(0.247)	(0.258)
Realized gains (losses)	(0.059)	0.668	0.040	(0.280)	(0.075)
Unrealized gains (losses)	1.109	(2.501)	2.832	0.842	(0.062)
Total increase (decrease) from operations ⁽¹⁾	1.177	(1.700)	3.022	0.668	0.003
Distributions:					
from income	0.186	0.152	0.176	0.173	0.053
from dividends	–	–	–	–	–
from capital gains	–	0.552	–	–	–
from capital returns	–	–	–	–	0.006
Total distributions ⁽²⁾	0.186	0.704	0.176	0.173	0.059
Net assets at the end of the year	14.687	13.677	16.020	13.154	12.642

Series I	Years ended December 31				
	2019	2018	2017	2016	2015
Net assets, beginning of year	10.139	11.878	9.675	9.261	10.000
Increase (decrease) from operations:					
Total revenue	0.284	0.308	0.456	0.260	0.306
Total expenses	(0.028)	(0.032)	(0.033)	(0.044)	(0.041)
Realized gains (losses)	(0.046)	0.569	0.015	(0.202)	(0.086)
Unrealized gains (losses)	0.820	(1.971)	1.586	0.664	(0.886)
Total increase (decrease) from operations ⁽¹⁾	1.030	(1.126)	2.024	0.678	(0.707)
Distributions:					
from income	0.270	0.257	0.216	0.230	0.171
from dividends	–	–	–	–	–
from capital gains	–	0.426	–	–	–
from capital returns	–	–	–	–	0.019
Total distributions ⁽²⁾	0.270	0.683	0.216	0.230	0.190
Net assets at the end of the year	10.909	10.139	11.878	9.675	9.261

⁽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 EMERGING MARKETS 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⁾	11,444	11,464	12,501	10,030	10,072
Number of units outstanding (thousands) ⁽¹⁾	779	838	780	763	797
Management expense ratio (%) ⁽³⁾	1.771	1.678	1.893	1.928	1.871
Management expense ratio before waivers and absorptions (%)	1.771	1.678	1.893	1.928	1.871
Portfolio turnover rate (%) ⁽⁴⁾	84.86	173.02	3.14	1.96	6.36
Trading expense ratio (%) ⁽⁵⁾	0.04	0.19	0.10	0.01	0.01
Net asset value per unit	14.687	13.677	16.020	13.154	12.642

Series I	Years ended December 31				
	2019	2018	2017	2016	2015
Net asset value (in thousands of dollars) ⁽²⁾	97,604	85,625	72,117	13,553	10,621
Number of units outstanding (thousands) ⁽²⁾	8,947	8,445	6,072	1,401	1,147
Management expense ratio (%) ⁽³⁾	0.352	0.299	0.294	0.468	0.426
Management expense ratio before waivers and absorptions (%)	0.352	0.299	0.294	0.468	0.426
Portfolio turnover rate (%) ⁽⁴⁾	84.86	173.02	3.14	1.96	6.36
Trading expense ratio (%) ⁽⁵⁾	0.04	0.19	0.10	0.01	0.01
Net asset value per unit	10.909	10.139	11.878	9.675	9.261

⁽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 1.25% 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 \$165,000 and \$106,000 for Series I to the Manager.

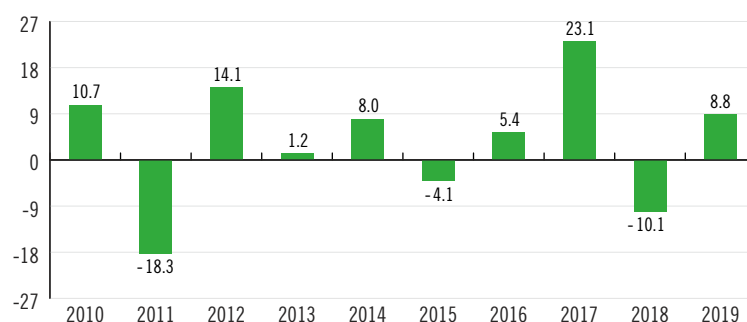
PAST PERFORMANCE

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 acquisition, 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.

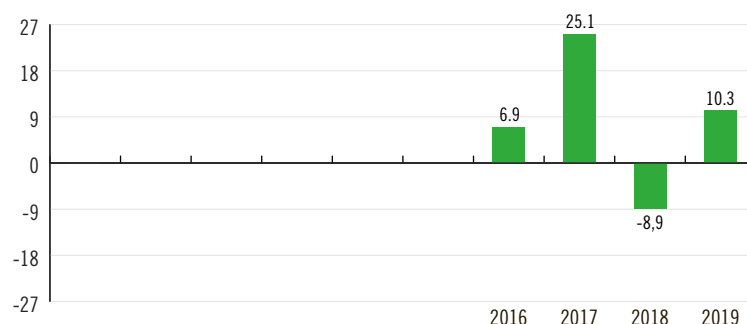
Annual Performance

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.

% Series A



% Series I



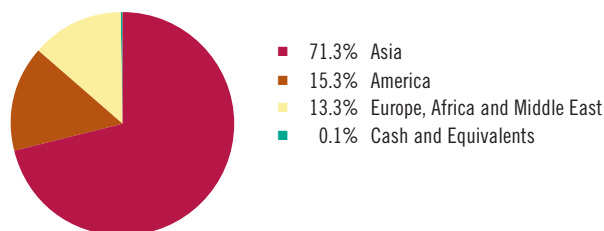
Annual Compound Returns

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 Emerging Markets Equity Portfolio, Series A	8.75	6.36	3.99	3.21
FDP Emerging Markets Equity Portfolio, Series I	10.30	7.93	–	–
MSCI Emerging Market (All Countries)	12.45	10.33	7.95	5.93

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top Portfolio Holdings

	% of net asset value
iShares Core MSCI Emerging Markets ETF JDR	83.6
Vanguard FTSE Emerging Markets ETF	5.1
SPDR S&P 500 ETF Trust	4.1
iShares China Large-Cap ETF	3.9
iShares Edge MSCI Min Vol Emerging Markets ETF	2.1
Cash and Cash Equivalent	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.