

Annual Management Report of Fund Performance

December 2018

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 -10.1% for 2018, versus 23.1% for 2017. The FDP Emerging Markets Equity Portfolio, Series I posted a net return of -8.9% for 2018.

Despite the positive growth of the global economy, markets across emerging countries struggled due to the resurgence of volatility after posting excellent returns in 2017. Threats of a trade war with China, the unique political climate in certain emerging countries, as well as tightening monetary policies in the U.S. and the U.K., among other nations, had more negative repercussions on emerging markets than their developed counterparts.

Yield gaps among the emerging markets index's component countries reflect the disparity between current economic and political conditions. On the one hand, some countries, including Russia (9.6%) and Brazil (8.8%), posted positive returns. On the other, China (-13.0%), impeded by an unfavourable political environment, and South Korea (-14.1%), which together represent 39.7% of the total weight of the index, further detracted from performance.

Recent Developments

There are currently no events to report for 2019.

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, 2018 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				
	2018	2017	2016	2015	2014
Net assets, beginning of year	16.020	13.154	12.642	13.247	12.357
Increase (decrease) from operations:					
Total revenue	0.391	0.437	0.353	0.398	0.329
Total expenses	(0.258)	(0.287)	(0.247)	(0.258)	(0.245)
Realized gains (losses)	0.668	0.040	(0.280)	(0.075)	0.298
Unrealized gains (losses)	(2.501)	2.832	0.842	(0.062)	0.578
Total increase (decrease) from operations ⁽¹⁾	(1.700)	3.022	0.668	0.003	0.960
Distributions:					
from income	0.152	0.176	0.173	0.053	0.099
from dividends	–	–	–	–	–
from capital gains	0.552	–	–	–	–
from capital returns	–	–	–	0.006	–
Total distributions ⁽²⁾	0.704	0.176	0.173	0.059	0.099
Net assets at the end of the year	13.677	16.020	13.154	12.642	13.247

Series I	Years ended December 31				
	2018	2017	2016	2015	2014
Net assets, beginning of year	11.878	9.675	9.261	10.000	n.a.
Increase (decrease) from operations:					
Total revenue	0.308	0.456	0.260	0.306	n.a.
Total expenses	(0.032)	(0.033)	(0.044)	(0.041)	n.a.
Realized gains (losses)	0.569	0.015	(0.202)	(0.086)	n.a.
Unrealized gains (losses)	(1.971)	1.586	0.664	(0.886)	n.a.
Total increase (decrease) from operations ⁽¹⁾	(1.126)	2.024	0.678	(0.707)	n.a.
Distributions:					
from income	0.257	0.216	0.230	0.171	n.a.
from dividends	–	–	–	–	n.a.
from capital gains	0.426	–	–	–	n.a.
from capital returns	–	–	–	0.019	n.a.
Total distributions ⁽²⁾	0.683	0.216	0.230	0.190	n.a.
Net assets at the end of the year	10.139	11.878	9.675	9.261	n.a.

⁽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				
	2018	2017	2016	2015	2014
Net asset value (in thousands of dollars) ⁽¹⁾	11,464	12,501	10,030	10,072	21,739
Number of units outstanding (thousands) ⁽¹⁾	838	780	763	797	1,641
Management expense ratio (%) ⁽³⁾	1.678	1.893	1.928	1.871	1.877
Management expense ratio before waivers and absorptions (%)	1.678	1.893	1.928	1.871	1.877
Portfolio turnover rate (%) ⁽⁴⁾	173.02	3.14	1.96	6.36	27.10
Trading expense ratio (%) ⁽⁵⁾	0.19	0.10	0.01	0.01	0.03
Net asset value per unit	13.677	16.020	13.154	12.642	13.247

Series I	Years ended December 31				
	2018	2017	2016	2015	2014
Net asset value (in thousands of dollars) ⁽²⁾	85,625	72,117	13,553	10,621	n.a.
Number of units outstanding (thousands) ⁽²⁾	8,445	6,072	1,401	1,147	n.a.
Management expense ratio (%) ⁽³⁾	0.299	0.294	0.468	0.426	n.a.
Management expense ratio before waivers and absorptions (%)	0.299	0.294	0.468	0.426	n.a.
Portfolio turnover rate (%) ⁽⁴⁾	173.02	3.14	1.96	6.36	n.a.
Trading expense ratio (%) ⁽⁵⁾	0.19	0.10	0.01	0.01	n.a.
Net asset value per unit	10.139	11.878	9.675	9.261	n.a.

⁽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⁾ The results shown are for the period from inception to December 31, 2015.

⁽³⁾ 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.

⁽⁴⁾ 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.

⁽⁵⁾ 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

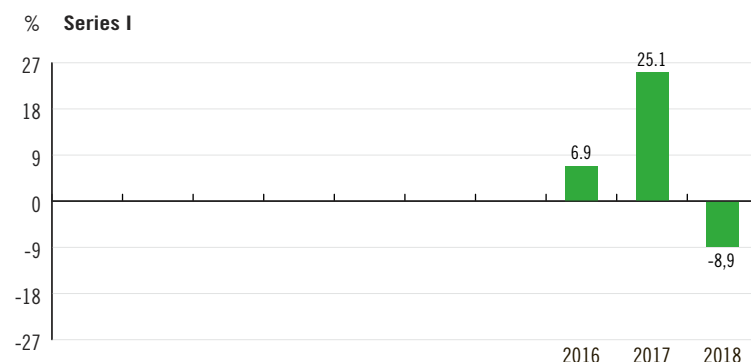
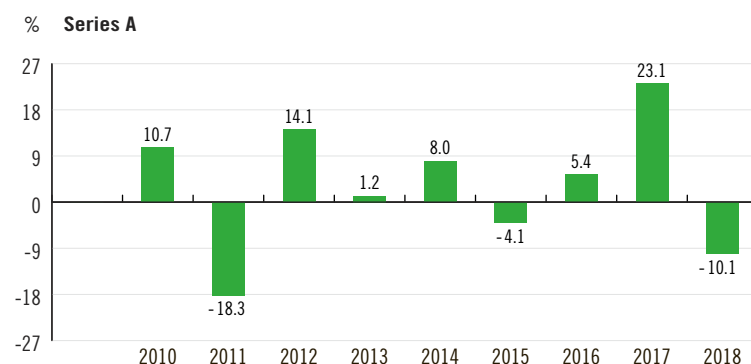
Series A and Series I units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 1.25% and 0.10% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For 2018, Series A units paid \$180,000 and \$94,000 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.



Annual Compound Returns

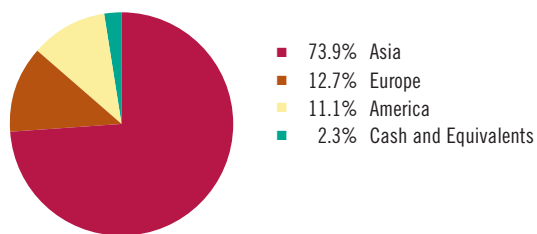
The following graph indicates the Portfolio's annual composite returns and highlights Portfolio performance fluctuations from one fiscal year to the next, ending on December 31, for each year, as well as those of the Portfolio's benchmark.

	1 yr %	3 yrs %	5 yrs %	10 yrs %
FDP Emerging Markets Equity Portfolio, Series A	-10.14	5.27	3.84	–
FDP Emerging Markets Equity Portfolio, Series I	-8.89	6.82	–	–
MSCI Emerging Market (All Countries)	-6.87	8.64	6.89	9.12

FDP EMERGING MARKETS EQUITY PORTFOLIO, SERIES A AND I (CONTINUED)

OVERVIEW OF PORTFOLIO

Portfolio Mix



Top Portfolio Holdings

	% of net asset value
iShares Core MSCI Emerging Markets ETF JDR	82.0
iShares China Large-Cap ETF	7.3
Vanguard FTSE Emerging Markets ETF	3.7
Cash and Cash Equivalent	2.7
iShares MSCI India ETF	2.4
iShares MSCI Brazil ETF	1.9

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.