

Annual Management Report of Fund Performance

December 2022

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 fdpgp.ca/en 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 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 -8.8% for 2022, versus 22.8% for 2021. The FDP Canadian Equity Portfolio, Series I posted a net return of -7.9% for 2022.

Rate hikes and a potential recession had a negative effect on the Canadian market in the first six months of 2022. The Canadian stock market, as measured by the S&P/TSX Composite Index, posted a -5.8% return for 2022. Only four of the index's eleven component sectors posted positive returns for the period: Energy (+30.3%), Consumer Staples (+10.1%), Materials (+1.7%) and Industrials (+1.4%). Meanwhile, all the other component sectors of index closed the period in negative territory, chiefly Health Care (-61.6%), Information Technology (-52.0%, mostly due to the sharp drop of Shopify) and Real Estate (-21.5%). Oil prices (WTI) soared from USD75.30 in late December 2021 to USD107.80 as at June 30, 2022, before dropping to USD80.30 by the end of the year. The Fund's slight underweight to Energy detracted the most value (-87 basis points). However, stock selection within this sector added 33 basis points since the portfolio manager favoured oil and gas exploration companies and added to the existing positions amid the current environment.

Meanwhile, Information Technology added 203 basis points relative to the benchmark, mostly due to the underweight to headline-grabbing Shopify, which significantly underperformed. Moreover, value-style securities substantially outperformed their growth-style counterparts during the period, with each posting a 7.4% and -8.2% return, respectively.

Equities' rise—an upward trend that started in 2020—was finally slowed by inflation, the labour shortage, rising interest rates and the fear of an economic slowdown.

Recent Developments

There are currently no events to report for 2023.

Description of the Benchmark Index

The S&P/TSX Composite Index has been the leading indicator of market activity for the Canadian equity market since 1977. It is a capitalization-weighted index and covers approximately 95% of the Canadian equity market. This index is the primary measure for the performance of Canadian, Toronto Stock Exchange-listed companies.

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, 2022 audited annual financial statements of the Portfolio. You can obtain the financial statements on the website at fdpgp.ca/en.

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

Series A (created in 1987)	Years ended December 31				
	2022	2021	2020	2019	2018
Net assets, beginning of year	31.983	29.604	27.928	23.684	26.469
Increase (decrease) from operations:					
Total revenue	0.655	0.943	0.576	0.631	0.496
Total expenses	(0.410)	(0.453)	(0.373)	(0.377)	(0.367)
Realized gains (losses)	0.502	4.380	0.709	1.311	0.508
Unrealized gains (losses)	(3.561)	1.820	1.413	3.941	(2.741)
Total increase (decrease) from operations ⁽¹⁾	(2.814)	6.690	2.325	5.506	(2.104)
Distributions:					
from income	—	—	—	—	—
from dividends	0.295	0.189	0.161	0.196	0.107
from capital gains	0.195	4.099	0.490	1.066	0.445
from capital returns	—	—	—	—	—
Total distributions ⁽²⁾	0.490	4.288	0.651	1.262	0.552
Net assets at the end of the year	28.674	31.983	29.604	27.928	23.684

FDP Canadian Equity Portfolio, Series A and I (continued)

	Years ended December 31				
Series I (created in 2014)	2022	2021	2020	2019	2018
Net assets, beginning of year	14.066	12.925	12.194	10.233	11.410
Increase (decrease) from operations:					
Total revenue	0.286	0.413	0.252	0.274	0.216
Total expenses	(0.039)	(0.038)	(0.026)	(0.029)	(0.027)
Realized gains (losses)	0.229	1.905	0.321	0.571	0.209
Unrealized gains (losses)	(1.571)	0.774	0.645	1.655	(1.304)
Total increase (decrease) from operations ⁽¹⁾	(1.095)	3.054	1.192	2.471	(0.906)
Distributions:					
from income	—	—	—	—	—
from dividends	0.270	0.238	0.203	0.214	0.172
from capital gains	0.094	1.695	0.218	0.340	0.174
from capital returns	—	—	—	—	—
Total distributions ⁽²⁾	0.364	1.933	0.421	0.554	0.346
Net assets at the end of the year	12.604	14.066	12.925	12.194	10.233

⁽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.

Ratios and Supplemental Data

	Years ended December 31				
Series A (created in 1987)	2022	2021	2020	2019	2018
Net asset value (in thousands of dollars) ⁽¹⁾	296,659	325,194	264,173	238,407	196,984
Number of units outstanding (thousands) ⁽¹⁾	10,346	10,168	8,924	8,536	8,317
Management expense ratio (%) ⁽²⁾	1.375	1.367	1.379	1.379	1.392
Management expense ratio before waivers and absorptions (%)	1.375	1.367	1.379	1.379	1.392
Portfolio turnover rate (%) ⁽³⁾	130.10	125.72	130.52	88.59	114.80
Trading expense ratio (%) ⁽⁴⁾	0.14	0.16	0.19	0.14	0.17
Net asset value per unit	28.674	31.983	29.604	27.928	23.684

	Years ended December 31				
Series I (created in 2014)	2022	2021	2020	2019	2018
Net asset value (in thousands of dollars)	260,983	295,716	222,514	188,021	140,442
Number of units outstanding (thousands)	20,707	21,024	17,215	15,419	13,725
Management expense ratio (%) ⁽²⁾	0.299	0.263	0.229	0.242	0.236
Management expense ratio before waivers and absorptions (%)	0.299	0.263	0.229	0.242	0.236
Portfolio turnover rate (%) ⁽³⁾	130.10	125.72	130.52	88.59	114.80
Trading expense ratio (%) ⁽⁴⁾	0.14	0.16	0.19	0.14	0.17
Net asset value per unit	12.604	14.066	12.925	12.194	10.233

⁽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 Portfolio's portfolio turnover rate indicates how actively the Portfolio's portfolio manager manages its portfolio investments. A portfolio turnover rate 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 Portfolio's portfolio turnover rate in a year, the greater the trading costs payable by the Portfolio 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 Portfolio.

⁽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 0.15% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For 2022, Series A units paid \$3,878,000 and \$477,000 for Series I to the Manager.

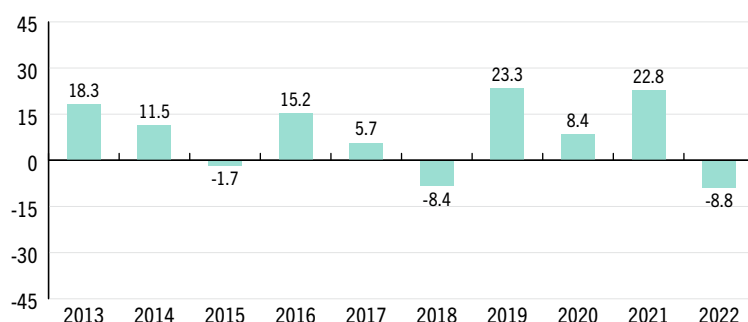
Past Performance

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, 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.

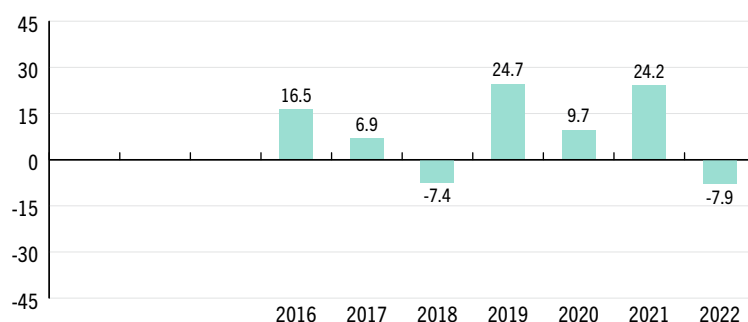
Annual Performance

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 (created in 1987)



% Series I (created in 2014)



FDP Canadian Equity Portfolio, Series A and I (continued)

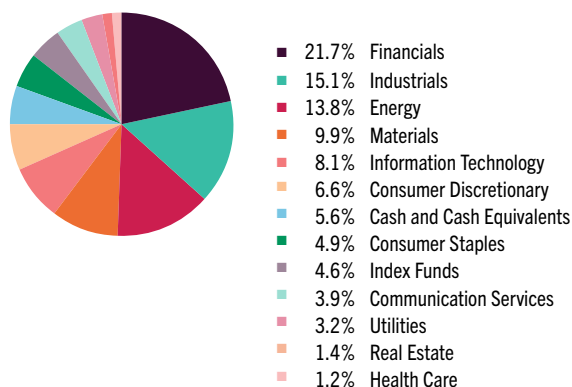
Annual Compound Returns

The following table 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 index.

	1 yr %	3 yrs %	5 yrs %	10 yrs %	From its creation if <10 years %
FDP Canadian Equity Portfolio, Series A	-8.84	6.67	6.50	8.01	–
FDP Canadian Equity Portfolio, Series I	-7.86	7.86	7.71	–	8.15
S&P/TSX Composite Index	-5.84	7.54	6.85	7.74	7.32

Overview of Portfolio

Portfolio Mix



Top 25 Portfolio Holdings

	% of net asset value
Royal Bank of Canada	6.0
Cash and Cash Equivalents	5.6
The Toronto-Dominion Bank	4.9
Canadian Pacific Railway Limited	4.4
Canadian National Railway Company	4.0
Canadian Natural Resources Limited	3.2
Constellation Software Inc.	3.0
iShares Core S&P/TSX Capped Composite Index ETF	2.8
Alimentation Couche-Tard Inc.	2.7
Bank of Montreal	2.4
Franco-Nevada Corporation	2.3
Rogers Communications Inc., Cl. B	2.2
Dollarama Inc.	2.2
Pembina Pipeline Corporation	2.2
Waste Connections, Inc.	2.1
Brookfield Corporation	1.9
Cenovus Energy Inc.	1.8
Intact Financial Corporation	1.8
iShares S&P/TSX Capped Financials Index ETF	1.8
Imperial Oil Limited	1.7
Loblaw Companies Limited	1.6
Restaurant Brands International Inc.	1.6
Agnico Eagle Mines Limited	1.5
Tourmaline Oil Corp.	1.4
Nutrien Ltd.	1.4

This portfolio may change due to continual trading in the Portfolio. An update of this data is available every quarter on our website at fdpgp.ca/en.