

DynamicEdge Balanced Growth Portfolio

Interim Management Report of Fund Performance

For the period ended December 31, 2016

This interim management report of fund performance contains financial highlights but does not contain either the interim financial statements or annual financial statements of the investment fund. You can get a copy of the interim financial statements or annual financial statements at your request, and at no cost, by calling toll-free 1-800-268-8186, by writing to us at 1832 Asset Management L.P., Dynamic Funds Tower, 1 Adelaide Street East, 28th Floor, Toronto, ON, M5C 2V9 or by visiting our website at www.dynamic.ca or SEDAR at www.sedar.com.

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.

1832 Asset Management L.P. is the manager (the "Manager") of the fund. In this document, "we", "us", "our" and the "Manager" refer to 1832 Asset Management L.P. and the "Fund" refers to DynamicEdge Balanced Growth Portfolio.

The term "net asset value" or "net asset value per unit" in this document refers to the net asset value determined in accordance with Part 14 of National Instrument 81-106 – Investment Fund Continuous Disclosure ("National Instrument 81-106"); while the term "net assets" or "net assets per unit" refers to total equity or net assets attributable to unitholders of the Fund as determined in accordance with International Financial Reporting Standards ("IFRS").

Caution Regarding Forward-Looking Statements

Certain portions of this report, including, but not limited to, "Recent Developments", may contain forward-looking statements about the Fund and the underlying funds, as applicable, including statements with respect to strategies, risks, expected performance events and conditions. 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", "projects" and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future action by the Fund is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among

other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, current assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance and actual results or events 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, such as interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive. Some of these risks, uncertainties and other factors are described in the Fund's simplified prospectus, under the heading "Risk Factors".

We encourage you to consider these and other factors carefully before making any investment decisions. Forward-looking statements should not be unduly relied upon. 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, and that the forward-looking statements speak only to the date of this management report of fund performance.

Results of Operations

For the six month period ended at December 31, 2016 (the "period"), the Series A units of the Fund returned 3.0%. Fund returns are reported net of all management fees and expenses for all series, unlike the returns of the Fund's benchmark, which is based on the performance of an index that does not pay fees or incur expenses. Returns for other series of the Fund will be similar to Series A with any difference in performance being primarily due to different management fees, operating expenses and other expenses that are applicable to that particular series. Please see the "Past Performance" section for the performance of the Fund's other series.

The Fund's broad-based benchmarks, the S&P/TSX Composite Index and the FTSE TMX Canada Universe Bond Index, returned 10.2% and -2.3%, respectively, during the same period. In accordance with National Instrument 81-106, we have included a comparison to broad-based indices to help you understand the Fund's performance relative to the general performance of the

market, but caution that the Fund's mandate may be significantly different from the indices shown.

The Fund's blended benchmark, 22.75% S&P/TSX Composite Index, 35% FTSE TMX Canada Universe Bond Index and 42.25% MSCI World Index (C\$), returned 5.7% during the same period. We have included this comparison, which more closely reflects the market sectors and/or asset classes in which the Fund invests, to provide a more useful comparative to the performance of the Fund.

To achieve its long term asset allocation mandate, the Fund invests directly in funds managed by the Manager ("Underlying Funds"). As a result, the following commentary on investment portfolio activity relates to the Underlying Funds. Commentary on income, expenses and unitholder activity relate to the Fund.

The Fund has a long-term asset allocation of 65% equity (22.75% Canadian, 42.25% global) and 35% bonds. The Fund underperformed its blended benchmark mainly due to its exposure to certain underlying Canadian and global equity funds that underperformed the S&P/TSX Composite Index and MSCI World Index (C\$), respectively.

The Canadian bond market represented by the FTSE TMX Canada Universe Bond Index lost 2.3% as yields increased over the second half of the year. Corporate bonds (−0.3%) fell much less than government bonds (−3.0%) during the period. Canadian long-term bonds (10+ years) were hit especially hard returning −5.3% in the last 6-months. Fueled by a continued recovery in the oil and gas industry, high-yield bonds as represented by the Bloomberg Barclays U.S. High Yield Very Liquid Index (C\$, Hedged) returned +7.0%. Over the period, the funds in the fixed income component maintained exposure to corporate bonds and higher yielding securities which helped overall performance. In addition, the focus on shorter maturities in Dynamic Canadian Bond Fund, which has the largest fixed income allocation, helped it outperform the index and protect investor assets. As a result, the combined weighted return of the funds in the bond component outperformed the FTSE TMX Canada Universe Bond Index.

The Canadian equity market rallied in the second half of the year gaining 10.2%. During the period, the strongest returns came from Financials (+18.1%), followed by Industrials (+16.6%) and Energy (+13.6%). Materials (−7.3%) experienced a setback after making significant gains in the first half of the year when commodity prices rebounded off the lows. Health Care, which is a very small weight in the index, had the lowest return for the period (−22.1%). Income-oriented securities outperformed as the S&P/TSX Equity Income Index finished up 12.0% while Canadian small-cap stocks represented by the BMO Blended Small Cap Weighted Index (+9.6%) performed in line with the broad equity market. In the Canadian equity component, Dynamic Power Canadian Growth Fund helped by favourable security selection in the Energy sector had the strongest returns and outperformed the index. The remaining funds in the Canadian equity component (Dynamic Power Small Cap Fund, Dynamic Dividend Fund and Dynamic Value Fund of Canada) also gained ground

but underperformed the index mainly because they maintained an underweight in Financials, the best performing sector. Consequently, the combined weighted return of the funds in the Canadian equity component underperformed the S&P/TSX Composite Index over the period.

The global equity market, represented by the MSCI World Index, gained 6.8% in U.S. dollars and 10.3% in Canadian dollars as Canadian investors benefited from a weaker loonie. Global value stocks outperformed global growth stocks as the MSCI World Value Index (C\$) gained 14.7% compared to 6.4% for the MSCI World Growth Index (C\$). U.S. equities outperformed international equities as the Standard & Poor's 500 Index (C\$) gained 11.3% compared to 9.1% for the MSCI EAFE Index (C\$). For the period, all of the funds in the global equity component underperformed the index. The strongest returns came from Dynamic Global Value Fund and Dynamic U.S. Dividend Advantage Fund, followed closely by Dynamic Global Equity Fund and Dynamic Global Dividend Fund which had solid positive returns but underperformed the index mainly because they maintained an underweight in U.S. Financials, the best performing sector. Dynamic Power Global Growth Class' portfolio of growth stocks underperformed due to unfavourable security selection in Information Technology and Health Care as investors favoured value over growth stocks, while Dynamic Blue Chip Equity Fund lagged due to unfavourable security selection in Financials and Consumer Staples.

The Fund's net asset value increased by 0.3% to \$559.5 million at December 31, 2016, from \$557.6 million at June 30, 2016. This change was composed of investment performance of \$17.0 million, cash distributions of \$0.3 million and net redemptions of \$14.8 million. The investment performance of the Fund includes income and expenses which vary year over year. The Fund's income and expenses changed compared to the previous year mainly as a result of fluctuations in average net assets, portfolio activity and changes in the Fund's income earning investments.

Certain series of the Fund, as applicable, may make distributions at a rate determined by the Manager from time to time. If the aggregate amount of distributions in such series exceeds the portion of net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The Manager does not believe that the return of capital distributions made by such series of the Fund have a meaningful impact on the Fund's ability to implement its investment strategy or to fulfill its investment objective.

Recent Developments

IFRS 9, Financial Instruments

The final version of IFRS 9, Financial Instruments was issued by the International Accounting Standards Board ("IASB") in July 2014 and will replace IAS 39, Financial Instruments: Recognition and Measurement, related to the classification and measurement of financial assets and financial liabilities.

IFRS 9 relates to the classification and measurement of financial assets and financial liabilities in the Fund. The new standard is effective for the Fund for its fiscal year beginning July 1, 2018. The Fund is evaluating the impact of this standard on its financial statements and will amend disclosures if required in the financial statements following the effective date.

Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia (“Scotiabank”). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc., HollisWealth Advisory Services Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc. (which includes HollisWealth, ScotiaMcLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Fund, may enter into transactions or arrangements with other members of Scotiabank or certain other companies that are related or connected to the Manager (each a “related party”). All transactions between the Fund and the related parties are in the normal course of business and are carried out at arm’s length terms.

The purpose of this section is to provide a brief description of any transaction involving the Fund and a related party.

Management Fees

The Manager is responsible for the day-to-day management and operations of the Fund. Certain series of the Fund pay the Manager a management fee for its services as described in the “Management Fee” section later in this document. The management fee is an annualized rate based on the net asset value of each series of the Fund, calculated and paid monthly.

Fixed Administration Fees and Other Fund Costs

The Manager pays the operating expenses of the Fund, other than Other Fund Costs, in exchange for the payment by the Fund of a fixed rate administration fee (the “Fixed Administration Fee”) to the Manager with respect to each series of the Fund. The expenses charged to the Fund in respect of the Fixed Administration Fee are disclosed in the Fund’s financial statements. The Fixed Administration Fee is equal to a specified percentage of the net asset value of a series, calculated and paid in the same manner as the management fees for the Fund. Further details about the Fixed Administration Fee can be found in the Fund’s most recent simplified prospectus.

In addition, each series of the Fund is responsible for its proportionate share of certain operating expenses (“Other Fund Costs”). Further details about Other Fund Costs can be found in the Fund’s most recent simplified prospectus.

The Manager, at its sole discretion, may waive or absorb a portion of a series’ expenses. These waivers or absorptions may be terminated at any time without notice.

Distribution Services

Certain registered dealers through which units of the Fund are distributed are related parties to the Fund and the Manager. The Manager pays to these related parties a trailer commission out of its management fees, representing distribution and servicing fees, based on the amount of assets held in the investors’ accounts. These fees are paid on the same basis and at the same rates that the Manager pays to non-affiliated dealers.

Other Fees

The Manager, or its affiliates, may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, foreign exchange and derivatives transactions. The Manager, or its affiliates, may earn a foreign exchange spread when unitholders switch between series of funds denominated in different currencies.

Independent Review Committee

The Manager has established an independent review committee (the “IRC”) in accordance with National Instrument 81-107 – Independent Review Committee for Investment Funds (“NI 81-107”) with a mandate to review and provide recommendations or approval, as required, on conflict of interest matters referred to it by the Manager on behalf of the Fund. The IRC is responsible for overseeing the Manager’s decisions in situations where the Manager is faced with any present or perceived conflicts of interest, all in accordance with NI 81-107.

The IRC may also approve certain mergers between the Fund and other funds, and any change of the auditor of the Fund. Subject to any corporate and securities law requirements, no securityholder approval will be obtained in such circumstances, but you will be sent a written notice at least 60 days before the effective date of any such transaction or change of auditor. In certain circumstances, securityholder approval may be required to approve certain mergers.

The IRC has five members, Carol S. Perry (Chair), Brahm Gelfand, Simon Hitzig, D. Murray Paton and Jennifer L. Witterick, each of whom is independent of the Manager.

The IRC prepares and files a report to the securityholders each fiscal year that describes the IRC and its activities for securityholders as well as contains a complete list of the standing instructions. These standing instructions enable the Manager to act in a particular conflict of interest matter on a continuing basis provided the Manager complies with its policies and procedures established to address that conflict of interest matter and reports periodically to the IRC on the matter. This report to the securityholders is available on the Manager’s website or, at no cost, by contacting the Manager.

The compensation and other reasonable expenses of the IRC will be paid out of the assets of the Fund as well as out of the assets of the other investment funds for which the IRC may act as the independent review committee. The main components of compensation are an annual retainer and a fee for each

committee meeting attended. The chair of the IRC is entitled to an additional fee. Expenses of the IRC may include premiums for insurance coverage, travel expenses and reasonable out-of-pocket expenses.

The Fund received the following standing instructions from the IRC with respect to related party transactions:

- Paying brokerage commissions and spreads to a related party for effecting security transactions on an agency and principal basis on behalf of the Fund;
- Purchases or sales of securities of an issuer from or to another investment fund managed by the Manager;
- Investments in the securities of issuers for which a related underwriter acted as an underwriter during the distribution of such securities and the 60-day period following the completion of such distribution;
- Executing foreign exchange transactions with a related party on behalf of the Fund;
- Purchases of securities of a related party;
- Entering into over-the-counter derivatives on behalf of the Fund with a related party;
- Entering into securities lending transactions with a related party;

- Outsourcing products and services to related parties which can be charged to the Fund;
- Acquisition of prohibited securities as defined by securities regulations;
- Trading in mortgages with a related party.

The Manager is required to advise the IRC of any breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to a related party transaction: (a) is made by the Manager free from any influence by an entity related to the Manager and without taking into account any consideration to any associate or affiliate of the Manager; (b) represents the business judgment of the Manager uninfluenced by considerations other than the best interests of the Fund; and (c) is made in compliance with the Manager's written policies and procedures. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC to monitor compliance.

The Fund did not rely on IRC standing instructions regarding related party transactions during the period.

Financial Highlights

The following tables show selected key financial information about each series the Fund and are intended to help you understand the Fund's financial performance for the periods indicated. The information on the following tables is based on prescribed regulations and as a result, is not expected to add down due to the increase (decrease) in net assets from operations being based on average units outstanding during the period and all other numbers being based on actual units outstanding at the relevant point in time. Footnotes for the tables are found at the end of the Financial Highlights section.

The Fund's Net Assets per Unit (\$)⁽¹⁾

| For the period ended | Net Assets, beginning of period | Increase (decrease) from operations | | | | | Distributions | | | | | Net Assets, end of period ⁽¹⁾ |
|----------------------|---------------------------------|-------------------------------------|----------------|--|--|--|--|----------------|--------------------|-------------------|------------------------------------|--|
| | | Total revenue | Total expenses | Realized gains (losses) for the period | Unrealized gains (losses) for the period | Total increase (decrease) from operations ⁽²⁾ | From net investment income (excluding dividends) | From dividends | From capital gains | Return of capital | Total distributions ⁽³⁾ | |
| Series A | | | | | | | | | | | | |
| Dec. 31, 2016 | 13.88 | 0.52 | (0.16) | 0.16 | (0.10) | 0.42 | — | — | (0.07) | — | (0.07) | 14.23 |
| June 30, 2016 | 14.57 | 0.26 | (0.32) | 0.65 | (0.94) | (0.35) | — | — | (0.35) | — | (0.35) | 13.88 |
| June 30, 2015 | 13.11 | 0.26 | (0.32) | 0.85 | 0.68 | 1.47 | — | — | — | — | — | 14.57 |
| June 30, 2014 | 11.31 | 0.31 | (0.29) | 0.57 | 1.21 | 1.80 | — | — | — | — | — | 13.11 |
| June 30, 2013 | 10.44 | 0.20 | (0.25) | 0.29 | 0.68 | 0.92 | — | (0.07) | — | — | (0.07) | 11.31 |
| June 30, 2012 | 11.10 | 0.24 | (0.24) | 0.09 | (0.72) | (0.63) | — | — | (0.05) | — | (0.05) | 10.44 |
| Series F | | | | | | | | | | | | |
| Dec. 31, 2016 | 14.56 | 0.60 | (0.09) | 0.16 | (0.19) | 0.48 | — | — | (0.18) | — | (0.18) | 14.90 |
| June 30, 2016 | 15.18 | (0.06) | (0.18) | 0.94 | (0.73) | (0.03) | — | — | (0.43) | — | (0.43) | 14.56 |
| June 30, 2015 | 13.50 | 0.14 | (0.17) | 0.98 | 0.71 | 1.66 | — | — | — | — | — | 15.18 |
| June 30, 2014 | 11.52 | 0.28 | (0.15) | 0.60 | 1.16 | 1.89 | — | — | — | — | — | 13.50 |
| June 30, 2013 | 10.64 | 0.22 | (0.13) | 0.29 | 0.72 | 1.10 | — | (0.20) | — | — | (0.20) | 11.52 |
| June 30, 2012 | 11.33 | 0.24 | (0.12) | 0.10 | (0.74) | (0.52) | — | — | (0.18) | — | (0.18) | 10.64 |

DYNAMICEDGE BALANCED GROWTH PORTFOLIO

| For the period ended | Net Assets, beginning of period | Increase (decrease) from operations | | | | | Distributions | | | | | Net Assets, end of period ⁽¹⁾ |
|----------------------|---------------------------------------|-------------------------------------|-------------------|--|--|--|--|-------------------|--------------------------|-------------------------|---------------------------------------|--|
| | | Total revenue | Total expenses | Realized gains (losses) for the period | Unrealized gains (losses) for the period | Total increase (decrease) from operations ⁽²⁾ | From net investment income (excluding dividends) | From dividends | From capital gains | Return of capital | Total distributions ⁽³⁾ | |
| Series FT | | | | | | | | | | | | |
| Dec. 31, 2016 | 9.67 | 0.34 | (0.06) | 0.11 | (0.06) | 0.33 | — | — | (0.08) | (0.23) | (0.31) | 9.71 |
| June 30, 2016 | 10.41 | (0.06) | (0.12) | 0.64 | (0.49) | (0.03) | — | — | — | (0.60) | (0.60) | 9.67 |
| June 30, 2015 | 9.81 | 0.08 | (0.12) | 0.67 | 0.47 | 1.10 | — | — | — | (0.59) | (0.59) | 10.41 |
| June 30, 2014 | 8.87 | 0.24 | (0.11) | 0.43 | 0.90 | 1.46 | — | — | — | (0.55) | (0.55) | 9.81 |
| June 30, 2013 | 8.53 | 0.17 | (0.10) | 0.23 | 0.56 | 0.86 | — | (0.15) | — | (0.37) | (0.52) | 8.87 |
| June 30, 2012 | 9.51 | 0.20 | (0.10) | 0.08 | (0.63) | (0.45) | — | — | (0.14) | (0.40) | (0.54) | 8.53 |
| Series G | | | | | | | | | | | | |
| Dec. 31, 2016 | 13.96 | 0.52 | (0.15) | 0.16 | (0.09) | 0.44 | — | — | (0.09) | — | (0.09) | 14.29 |
| June 30, 2016 | 14.65 | 0.24 | (0.31) | 0.67 | (0.93) | (0.33) | — | — | (0.37) | — | (0.37) | 13.96 |
| June 30, 2015 | 13.16 | 0.25 | (0.30) | 0.85 | 0.68 | 1.48 | — | — | — | — | — | 14.65 |
| June 30, 2014 | 11.34 | 0.30 | (0.27) | 0.58 | 1.22 | 1.83 | — | — | — | — | — | 13.16 |
| June 30, 2013 | 10.46 | 0.27 | (0.23) | 0.22 | 0.80 | 1.06 | — | (0.08) | — | — | (0.08) | 11.34 |
| June 30, 2012 | 11.12 | 0.24 | (0.23) | 0.09 | (0.71) | (0.61) | — | — | (0.06) | — | (0.06) | 10.46 |
| Series I | | | | | | | | | | | | |
| Dec. 31, 2016 | 15.22 | 0.61 | (0.01) | 0.17 | (0.16) | 0.61 | — | — | (0.38) | — | (0.38) | 15.47 |
| June 30, 2016 | 15.89 | 0.23 | (0.01) | 0.75 | (1.00) | (0.03) | — | — | (0.65) | — | (0.65) | 15.22 |
| June 30, 2015 | 13.99 | 0.15 | (0.01) | 1.00 | 0.67 | 1.81 | — | — | — | — | — | 15.89 |
| June 30, 2014 | 11.80 | 0.29 | (0.01) | 0.65 | 0.97 | 1.90 | — | — | — | — | — | 13.99 |
| June 30, 2013 | 10.88 | 0.20 | (0.01) | 0.32 | 0.70 | 1.21 | — | (0.31) | — | — | (0.31) | 11.80 |
| June 30, 2012 | 11.54 | 0.25 | (0.01) | 0.10 | (0.75) | (0.41) | — | — | (0.25) | — | (0.25) | 10.88 |
| Series IT | | | | | | | | | | | | |
| Dec. 31, 2016 | 10.58 | 0.41 | — | 0.12 | (0.11) | 0.42 | — | — | (0.14) | (0.19) | (0.33) | 10.69 |
| June 30, 2016 | 11.27 | 0.27 | (0.01) | 0.48 | (0.79) | (0.05) | — | — | — | (0.65) | (0.65) | 10.58 |
| June 30, 2015 | 10.50 | 0.20 | (0.01) | 0.67 | 0.54 | 1.40 | — | — | — | (0.63) | (0.63) | 11.27 |
| June 30, 2014 | 9.38 | (0.11) | (0.01) | 0.79 | 0.32 | 0.99 | — | — | — | (0.59) | (0.59) | 10.50 |
| June 30, 2013 | 8.92 | 0.18 | (0.01) | 0.24 | 0.58 | 0.99 | — | (0.25) | — | (0.29) | (0.54) | 9.38 |
| June 30, 2012 | 9.83 | 0.21 | (0.01) | 0.08 | (0.61) | (0.33) | — | — | (0.24) | (0.32) | (0.56) | 8.92 |
| Series O | | | | | | | | | | | | |
| Dec. 31, 2016 | 13.93 | 0.53 | (0.01) | 0.16 | (0.68) | 0.00 | — | — | (0.37) | — | (0.37) | 14.14 |
| June 30, 2016 | 14.61 | 0.24 | (0.01) | 0.67 | (0.93) | (0.03) | — | — | (0.66) | — | (0.66) | 13.93 |
| June 30, 2015 | 13.08 | 0.22 | (0.01) | 0.25 | 0.76 | 1.22 | — | — | — | — | — | 14.61 |
| June 30, 2014 | 11.04 | 0.22 | (0.01) | 0.63 | 0.95 | 1.79 | — | — | — | — | — | 13.08 |
| June 30, 2013 | 10.05 | 0.20 | (0.01) | 0.31 | 0.66 | 1.16 | — | (0.16) | — | — | (0.16) | 11.04 |
| June 30, 2012* | 10.00 | 0.22 | — | 0.05 | (0.01) | 0.26 | — | — | (0.03) | — | (0.03) | 10.05 |

* The start date for Series O was September 8, 2011.

| | | | | | | | | | | | | |
|----------------------|-------------|-------------|---------------|-------------|---------------|-------------|---|--------|---------------|---------------|---------------|-------------|
| Series T | | | | | | | | | | | | |
| Dec. 31, 2016 | 8.80 | 0.33 | (0.10) | 0.10 | (0.07) | 0.26 | — | — | (0.02) | (0.26) | (0.28) | 8.79 |
| June 30, 2016 | 9.59 | 0.11 | (0.21) | 0.46 | (0.57) | (0.21) | — | — | — | (0.56) | (0.56) | 8.80 |
| June 30, 2015 | 9.14 | 0.18 | (0.21) | 0.57 | 0.47 | 1.01 | — | — | — | (0.55) | (0.55) | 9.59 |
| June 30, 2014 | 8.35 | 0.23 | (0.20) | 0.41 | 0.91 | 1.35 | — | — | — | (0.52) | (0.52) | 9.14 |
| June 30, 2013 | 8.12 | 0.18 | (0.19) | 0.19 | 0.57 | 0.75 | — | (0.05) | — | (0.44) | (0.49) | 8.35 |
| June 30, 2012 | 9.15 | 0.19 | (0.19) | 0.08 | (0.63) | (0.55) | — | — | (0.04) | (0.48) | (0.52) | 8.12 |

(1) This information is derived from the Fund's interim and audited annual financial statements. The net assets per unit presented in the financial statements may differ from the net asset value calculated for Fund pricing purposes. An explanation of these differences can be found in note 2 of the Fund's financial statements. The net asset value per unit at the end of the period is disclosed in Ratios and Supplemental Data. Information related to 2013 and prior was prepared in accordance with Part V of the CPA Handbook (Pre-Changeover Accounting Standards) and subsequent to 2013 was prepared in accordance with Part I of the CPA Handbook (International Financial Reporting Standards).

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant series at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding for the relevant series over the period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

Ratios and Supplemental Data

| As at | Total net asset value (in \$000s) ⁽¹⁾ | Number of units outstanding ⁽¹⁾ | Management expense ratio ("MER") (%) ⁽²⁾ | MER before waivers or absorptions (%) ⁽²⁾ | Trading expense ratio (%) ⁽³⁾ | Portfolio turnover ratio (%) ⁽⁴⁾ | Net asset value per unit (\$) |
|----------------------|--|--|---|--|--|---|-------------------------------|
| Series A | | | | | | | |
| Dec. 31, 2016 | 392,864 | 27,617,299 | 2.33* | 2.33* | 0.14* | 5.52 | 14.23 |
| June 30, 2016 | 399,366 | 28,776,824 | 2.35 | 2.35 | 0.14 | 8.99 | 13.88 |
| June 30, 2015 | 416,769 | 28,602,667 | 2.33 | 2.33 | 0.13 | 12.60 | 14.57 |
| June 30, 2014 | 401,613 | 30,640,483 | 2.33 | 2.33 | 0.18 | 21.13 | 13.11 |
| June 30, 2013 | 363,204 | 32,111,558 | 2.35 | 2.38 | 0.15 | 6.71 | 11.31 |
| June 30, 2012 | 308,793 | 29,591,890 | 2.32 | 2.35 | 0.18 | 21.17 | 10.44 |

DYNAMICEDGE BALANCED GROWTH PORTFOLIO

| As at | Total net asset value (in \$000s) ⁽¹⁾ | Number of units outstanding ⁽¹⁾ | Management expense ratio ("MER") (%) ⁽²⁾ | MER before waivers or absorptions (%) ⁽²⁾ | Trading expense ratio (%) ⁽³⁾ | Portfolio turnover ratio (%) ⁽⁴⁾ | Net asset value per unit (\$) |
|----------------------|--|--|---|--|--|---|-------------------------------|
| Series F | | | | | | | |
| Dec. 31, 2016 | 42,129 | 2,828,064 | 1.23* | 1.23* | 0.14* | 5.52 | 14.90 |
| June 30, 2016 | 34,168 | 2,347,008 | 1.25 | 1.25 | 0.14 | 8.99 | 14.56 |
| June 30, 2015 | 18,639 | 1,227,885 | 1.22 | 1.22 | 0.13 | 12.60 | 15.18 |
| June 30, 2014 | 9,172 | 679,355 | 1.20 | 1.20 | 0.18 | 21.13 | 13.50 |
| June 30, 2013 | 6,367 | 552,636 | 1.22 | 1.23 | 0.15 | 6.71 | 11.52 |
| June 30, 2012 | 5,841 | 549,152 | 1.19 | 1.19 | 0.18 | 21.17 | 10.64 |
| Series FT | | | | | | | |
| Dec. 31, 2016 | 1,025 | 105,511 | 1.21* | 1.21* | 0.14* | 5.52 | 9.71 |
| June 30, 2016 | 1,014 | 104,843 | 1.23 | 1.23 | 0.14 | 8.99 | 9.67 |
| June 30, 2015 | 607 | 58,240 | 1.21 | 1.21 | 0.13 | 12.60 | 10.41 |
| June 30, 2014 | 414 | 42,201 | 1.20 | 1.20 | 0.18 | 21.13 | 9.81 |
| June 30, 2013 | 309 | 34,851 | 1.23 | 1.24 | 0.15 | 6.71 | 8.87 |
| June 30, 2012 | 288 | 33,707 | 1.22 | 1.22 | 0.18 | 21.17 | 8.53 |
| Series G | | | | | | | |
| Dec. 31, 2016 | 94,296 | 6,597,155 | 2.18* | 2.18* | 0.14* | 5.52 | 14.29 |
| June 30, 2016 | 95,724 | 6,857,978 | 2.21 | 2.21 | 0.14 | 8.99 | 13.96 |
| June 30, 2015 | 95,759 | 6,537,091 | 2.19 | 2.19 | 0.13 | 12.60 | 14.65 |
| June 30, 2014 | 89,554 | 6,805,994 | 2.18 | 2.18 | 0.18 | 21.13 | 13.16 |
| June 30, 2013 | 83,069 | 7,326,590 | 2.20 | 2.21 | 0.15 | 6.71 | 11.34 |
| June 30, 2012 | 155,164 | 14,834,014 | 2.19 | 2.22 | 0.18 | 21.17 | 10.46 |
| Series I | | | | | | | |
| Dec. 31, 2016 | 17,328 | 1,120,103 | 0.14* | 0.14* | 0.14* | 5.52 | 15.47 |
| June 30, 2016 | 15,640 | 1,027,518 | 0.14 | 0.14 | 0.14 | 8.99 | 15.22 |
| June 30, 2015 | 13,946 | 877,425 | 0.11 | 0.11 | 0.13 | 12.60 | 15.89 |
| June 30, 2014 | 8,446 | 603,958 | 0.12 | 0.12 | 0.18 | 21.13 | 13.99 |
| June 30, 2013 | 3,873 | 328,078 | 0.14 | 0.15 | 0.15 | 6.71 | 11.80 |
| June 30, 2012 | 3,009 | 276,457 | 0.13 | 0.13 | 0.18 | 21.17 | 10.88 |
| Series IT | | | | | | | |
| Dec. 31, 2016 | 952 | 89,125 | 0.14* | 0.14* | 0.14* | 5.52 | 10.69 |
| June 30, 2016 | 860 | 81,216 | 0.14 | 0.14 | 0.14 | 8.99 | 10.58 |
| June 30, 2015 | 831 | 73,701 | 0.11 | 0.11 | 0.13 | 12.60 | 11.27 |
| June 30, 2014 | 781 | 74,358 | 0.13 | 0.13 | 0.18 | 21.13 | 10.50 |
| June 30, 2013 | 6 | 689 | 0.13 | 0.14 | 0.15 | 6.71 | 9.38 |
| June 30, 2012 | 6 | 649 | 0.12 | 0.12 | 0.18 | 21.17 | 8.92 |
| Series O | | | | | | | |
| Dec. 31, 2016 | 6 | 395 | 0.13* | 0.14* | 0.14* | 5.52 | 14.14 |
| June 30, 2016 | 5 | 385 | 0.13 | 0.14 | 0.14 | 8.99 | 13.93 |
| June 30, 2015 | 5 | 368 | 0.11 | 0.11 | 0.13 | 12.60 | 14.61 |
| June 30, 2014 | 7,895 | 603,389 | 0.10 | 0.11 | 0.18 | 21.13 | 13.08 |
| June 30, 2013 | 2,700 | 244,551 | 0.10 | 0.15 | 0.15 | 6.71 | 11.04 |
| June 30, 2012 | 1,341 | 133,442 | 0.08* | 0.08* | 0.18 | 21.17 | 10.05 |
| Series T | | | | | | | |
| Dec. 31, 2016 | 10,948 | 1,245,922 | 2.31* | 2.31* | 0.14* | 5.52 | 8.79 |
| June 30, 2016 | 10,802 | 1,227,110 | 2.33 | 2.33 | 0.14 | 8.99 | 8.80 |
| June 30, 2015 | 10,383 | 1,083,148 | 2.31 | 2.31 | 0.13 | 12.60 | 9.59 |
| June 30, 2014 | 10,749 | 1,176,494 | 2.30 | 2.30 | 0.18 | 21.13 | 9.14 |
| June 30, 2013 | 11,588 | 1,387,545 | 2.30 | 2.31 | 0.15 | 6.71 | 8.35 |
| June 30, 2012 | 15,108 | 1,860,582 | 2.30 | 2.30 | 0.18 | 21.17 | 8.12 |

* Annualized

(1) This information is provided as at the period end of the years shown.

(2) The management expense ratio is based on the total expenses of each series of the Fund, including sales tax and a proportionate share of underlying fund expenses (includes other mutual funds, ETFs and closed-end funds), where applicable, for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The MER excludes trading commissions and other portfolio transaction costs.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and the underlying funds, where applicable, expressed as an annualized percentage of daily average net asset value of the Fund during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, 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.

Management Fee

The management fee is an annualized rate based on the net asset value of each series of the Fund, calculated and paid monthly.

The management fees cover the costs of managing the Fund,

arranging for investment analysis, recommendations and investment decision making for the Fund, arranging for distribution of the Fund, marketing and promotion of the Fund and providing or arranging for other services.

The breakdown of the services received in consideration of management fees for each series, as a percentage of management fees, are as follows:

| | Management fees (%) | Dealer compensation (%) | Other [†] (%) |
|------------|---------------------|-------------------------|------------------------|
| Series A | 1.90 | 47.7 | 52.3 |
| Series F | 0.90 | — | 100.0 |
| Series FT | 0.90 | — | 100.0 |
| Series G | 1.90 | 46.9 | 53.1 |
| Series I* | n/a | n/a | n/a |
| Series IT* | n/a | n/a | n/a |
| Series O* | n/a | n/a | n/a |
| Series T | 1.90 | 48.5 | 51.5 |

* The management fee for this series is negotiated and paid directly by these unitholders and not by the Fund.

† Relates to all services provided by the Manager described above except dealer compensation.

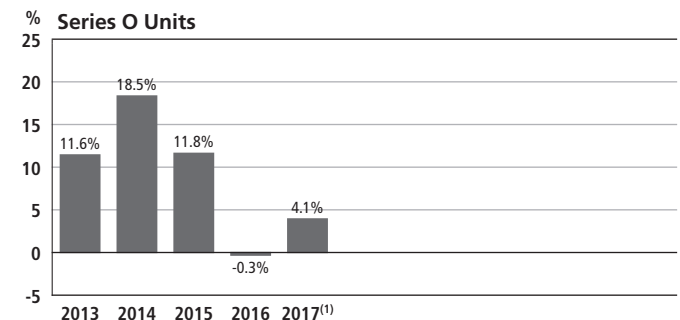
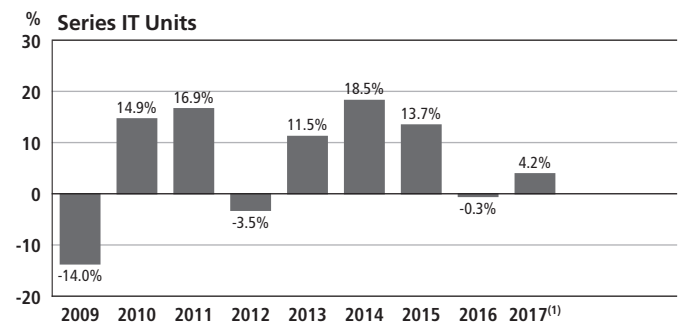
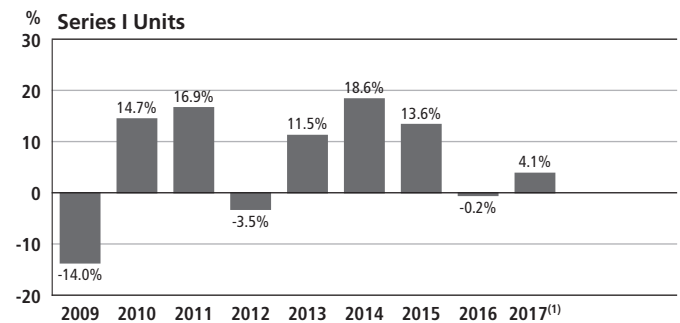
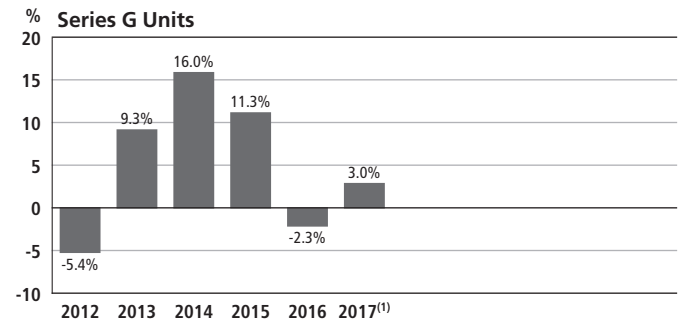
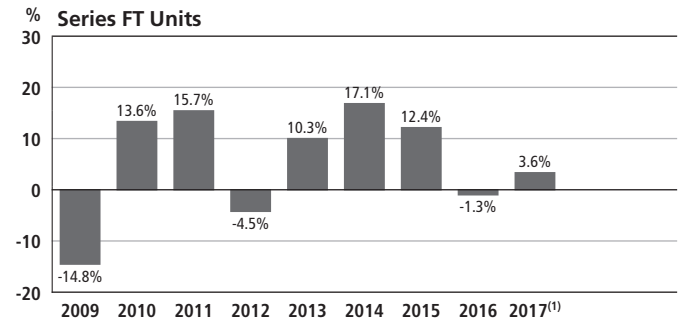
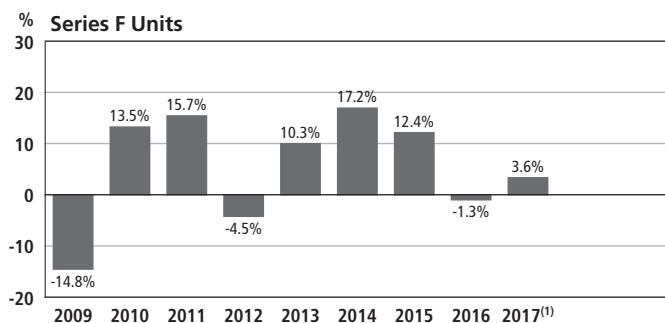
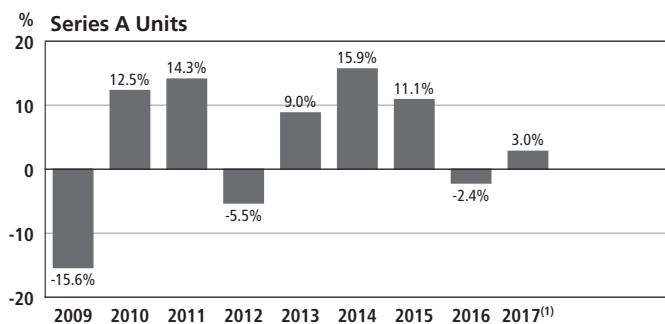
Past Performance

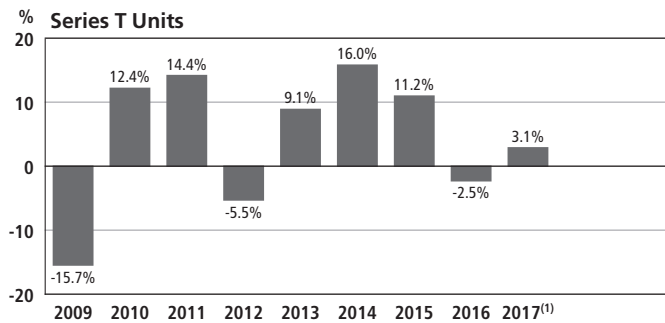
The following shows the past performance for each series and will not necessarily indicate how the Fund will perform in the future. The information shown assumes that all distributions made by each series of the Fund in the periods shown were reinvested in additional units of the relevant series. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

Year-by-Year Returns

The following charts show the performance for each series of the Fund and illustrate how performance has varied from year to year. The charts show, in percentage terms, how much an investment held on the first day of each fiscal year would have increased or decreased by the last day of each fiscal year for that series.

(for fiscal years ended June 30)





(1) Six month period ended December 31, 2016.

Summary of Investment Portfolio

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A quarterly portfolio update is available to the investor at no cost by calling 1-800-268-8186, or by visiting www.dynamic.ca, 60 days after quarter end, except for June 30, which is the fiscal year end, when they are available after 90 days.

The Fund invests primarily in mutual funds managed by the Manager. The simplified prospectus, annual information form and other information about the Underlying Funds are available on the Internet at www.sedar.com.

Long-Term Asset Allocation

| ASSET CLASSES | STYLE | COMPONENTS | TARGET WEIGHT | CURRENT WEIGHT |
|---|------------------|--|---------------|----------------|
| 65% Equity | Value | Dynamic Value Fund of Canada, Series "O" | 8.5% | 8.1% |
| | Growth | Dynamic Power Canadian Growth Fund, Series "O" | 4.5% | 5.4% |
| | Equity Income | Dynamic Dividend Fund, Series "O" | 6.5% | 6.9% |
| | Small Cap Growth | Dynamic Power Small Cap Fund, Series "O" | 3.25% | 2.4% |
| | Growth | Dynamic Power Global Growth Class, Series "O" | 9.75% | 9.6% |
| | Value | Dynamic Global Value Fund, Series "O" | 8% | 7.9% |
| | Value | Dynamic U.S. Dividend Advantage Fund, Series "O" | 3.25% | 3.8% |
| | Core | Dynamic Blue Chip Equity Fund, Series "O" | 8.25% | 9.0% |
| | Value | Dynamic Global Dividend Fund, Series "O" | 6.5% | 7.9% |
| | Core | Dynamic Global Equity Fund, Series "O" | 6.5% | 5.3% |
| 35% Fixed Income | Active | Dynamic Canadian Bond Fund, Series "O" | 17.5% | 17.0% |
| | Active | Dynamic Corporate Bond Strategies Fund, Series "O" | 7.5% | 7.4% |
| | Active | Dynamic Strategic Bond Fund, Series "O" | 5% | 4.4% |
| | Active | Dynamic Credit Spectrum Fund, Series "O" | 5% | 4.5% |
| Cash and Other Net Assets (Liabilities) | n/a | n/a | 0% | 0.4% |

| Top Holdings* | Percentage of net asset value |
|--|-------------------------------|
| Dynamic Canadian Bond Fund, Series "O" | 17.0 |
| Dynamic Power Global Growth Class, Series "O" | 9.6 |
| Dynamic Blue Chip Equity Fund, Series "O" | 9.0 |
| Dynamic Value Fund of Canada, Series "O" | 8.1 |
| Dynamic Global Dividend Fund, Series "O" | 7.9 |
| Dynamic Global Value Fund, Series "O" | 7.9 |
| Dynamic Corporate Bond Strategies Fund, Series "O" | 7.4 |
| Dynamic Dividend Fund, Series "O" | 6.9 |
| Dynamic Power Canadian Growth Fund, Series "O" | 5.4 |
| Dynamic Global Equity Fund, Series "O" | 5.3 |
| Dynamic Credit Spectrum Fund, Series "O" | 4.5 |
| Dynamic Strategic Bond Fund, Series "O" | 4.4 |
| Dynamic U.S. Dividend Advantage Fund, Series "O" | 3.8 |
| Dynamic Power Small Cap Fund, Series "O" | 2.4 |
| Cash and Short Term Instruments (Bank Overdraft) | 0.4 |

* Securities legislation requires the top 25 holdings of the Fund to be presented; however, the Fund currently has less than 25 holdings.