

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 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 get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-563-5181, by writing to us at CI Investments Inc., 2 Queen Street East, Twentieth Floor, Toronto, ON, M5C 3G7 or by visiting our website at www.firstasset.com 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.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the JFT Strategies Fund (the Fund) is to maximize return on investment to holders of Units while seeking to mitigate market risk and volatility by investing in an actively managed portfolio of long and short positions in any one or a combination of equities, debt securities or other securities.

RISK

There were no changes to the Fund over the period of this report that materially affected the overall level of risk associated with an investment in the Fund. Unitholders should refer to the Annual Information Form (AIF) as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The AIF is available free of charge from us (contact information above), on our website at www.firstasset.com and on SEDAR at www.sedar.com.

RESULTS OF OPERATIONS

The Fund's net assets decreased by \$34.6 million to \$185.3 million from December 31, 2018 to December 31, 2019. The Fund had net redemptions of \$36.2 million for the year. The Fund paid distributions totalling \$5.9 million while the portfolio's performance increased assets by \$7.5 million. Class A units returned 4.1% after fees and expenses for the year ended December 31, 2019. Over the same time period, the Fund's benchmark returned 22.9%. The Fund's benchmark is the S&P/TSX Composite Total Return Index (the Index or Benchmark).

Please refer to the "Past Performance" section which outlines the performance of the Fund's other classes.

Equity markets performed well for the 12-month period ended December 31, 2019. The U.S. Federal Reserve Board shifted its monetary policy stance, lowering interest rates three times during the year. Progress on trade discussions between the U.S. and China also helped to boost equity returns in the last quarter of the year.

Allocation to special-purpose acquisition companies (SPAC) contributed to the Fund's performance. A SPAC is a publicly traded company that raises a pool of capital through an initial public offering (IPO) in order to acquire an existing company. Individual security selection also contributed to performance, as did trades within the cannabis industry segment, where the Portfolio Manager took advantage of volatility. An Aurora Cannabis Inc. convertible debenture (5.0%, Mar. 2020) contributed to the Fund's performance as a result of its unique capital structure arbitrage situation. A convertible debenture issued by OrganiGram Holdings Inc. (6.0%, Jan. 2020) also contributed to performance. The debenture benefited from positive sector growth. Another notable contributor to performance was Profound Medical Corp., which benefited from U.S. Food and Drug Administration approval of its flagship product in August.

Short positions detracted from the Fund's performance as financial markets rose. Sector-specific hedges also negatively impacted performance. U.S. dollar positioning detracted from the Fund's performance as the U.S. dollar declined relative to the Canadian dollar. A position in IMV Inc. detracted from performance as well. Its trial results in 2019 were below expectations and the company has had slower-than-expected patient enrollment.

The Portfolio Manager added new positions in Burcon Nutrascience Corp. and Subversive Capital Acquisition Corp. An existing holding in Profound Medical Corp. was increased. Positions in AYR Strategies Inc. and IMV Inc. were trimmed.

Overall, the Fund underperformed its benchmark for the year.

RECENT DEVELOPMENTS

Strong equity performance in the fourth quarter of 2019 has stretched valuations to historically elevated levels, and the Portfolio Manager remains cautious regarding increasing market volatility. There is continued concern over Canada's sluggish overall growth outside of population growth.

Geopolitical unrest remains elevated, as seen by increased activism and protests globally, which could impact the economy. After witnessing large-scale protests grind economies to a halt in countries like France (pension reform) and Chile (transit fares), the Portfolio Manager remains vigilant for the same in other parts of the world.

On July 1, 2019, First Asset Investment Management Inc. amalgamated with CI Investments Inc. (CI). After the amalgamation, members of the Independent Review Committee (IRC) of the CI family of funds also became members of the First Asset Funds' IRC (together, the CI Funds IRC). Previous members of the First Asset Funds' IRC resigned on June 30, 2019.

Effective September 19, 2019, James McPhedran became a member of the IRC of CI Funds and effective August 15, 2019, John Reucassel resigned as a member of the IRC of CI Funds.

RELATED PARTY TRANSACTIONS

Manager and Trustee

CI is the Manager and Trustee of the Fund. CI is a subsidiary of CI Financial Corp. The Manager, in consideration of management fees, provided management services required in the day-to-day operations of the Fund.

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 2019

Management fee rates as at December 31, 2019, for each of the classes are shown below:

	Annual management fee rate (%)
Class A	1.500
Class F	1.500
Private Placement Class	-

The Manager received \$2.7 million in management fees for the year.

As at December 31, 2019, the Fund accrued \$1,832,613 in performance fees.

Management Fees

100% of management fees were used to pay for investment management and other general administration.

Related Issuer Trading

Related issuer trading occurs when a Fund purchases or sells securities of CI Financial Corp. These transactions are executed through market intermediaries and under prevailing market terms and conditions. The IRC reviews such transactions during scheduled meetings. During the year, the Fund engaged in related issuer trading or held position(s) in CI Financial Corp. at the end of the year.

Independent Review Committee

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

- a) trades in securities of CI Financial Corp.; and
- b) purchases or sales of securities of an issuer from or to another investment fund managed by the Manager.

The applicable standing instructions require, amongst others, that related party transactions be conducted in accordance with the Manager's policies and procedures and applicable law and that the Manager advise the IRC of any material breach of such policies. The standing instructions also require that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager uninfluenced by considerations other than the best interests of the Fund; (c) are made in compliance with the Manager's policies and procedures; and (d) achieve a fair and reasonable result for the Fund. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC on a quarterly basis to monitor compliance.

The Fund relied on the IRC's standing instructions regarding related party transactions during this reporting year.

Except as otherwise noted above, the Fund was not a party to any related party transactions during the year ended December 31, 2019.

LEVERAGE

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that magnifies gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times.

To achieve its investment objective the Fund exercises leverage through participating in short selling transactions.

The Fund may borrow cash up to a maximum of 75% of the Fund's net asset value and may sell securities short, whereby the aggregate market value of securities sold short will be limited to 75% of the Fund's net asset value. The combined use of short selling and cash borrowing by the Fund is subject to an overall limit of 75% of the Fund's net asset value.

During the year ended December 31, 2019, the lowest aggregated fair value amount of the leverage exercised by the Fund was \$28.0 million (15.4% of net asset value) (December 31, 2018 - \$47.5 million, 21.6% of net asset value) and the highest aggregated fair value amount of the leverage used during the year was \$61.3 million (34.2% of net asset value) (December 31, 2018 - \$85.0 million, 39.0% of net asset value).

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 2019

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

Net Assets per Unit (\$) ⁽¹⁾⁽²⁾⁽⁴⁾	Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽³⁾	
	Net assets at the beginning of year ⁽²⁾	Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the year	Unrealized gains (losses) for the year	Total increase (decrease) from operations ⁽²⁾	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital		Total distributions ⁽²⁾⁽³⁾
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Class A												
Commencement of operations April 23, 2012												
Listed TSX: JFS.UN												
Dec. 31, 2019	14.38	0.31	(0.70)	1.33	(0.39)	0.55	-	-	(0.47)	-	(0.47)	14.97
Dec. 31, 2018	14.33	0.38	(0.60)	0.72	(0.47)	0.03	-	-	-	-	-	14.38
Dec. 31, 2017	14.39	0.31	(0.61)	0.36	(0.14)	(0.08)	-	-	-	-	-	14.33
Dec. 31, 2016	13.63	0.39	(0.79)	0.64	0.52	0.76	-	-	-	-	-	14.39
Dec. 31, 2015	12.46	0.41	(0.88)	1.97	(0.31)	1.19	-	-	(0.81)	-	(0.81)	13.63
Class F												
Commencement of operations April 23, 2012												
Dec. 31, 2019	15.08	0.32	(0.67)	1.38	(0.39)	0.64	-	-	(0.51)	-	(0.51)	15.75
Dec. 31, 2018	14.92	0.39	(0.60)	0.72	(0.42)	0.09	-	-	-	-	-	15.08
Dec. 31, 2017	14.92	0.32	(0.55)	0.20	0.10	0.07	-	-	-	-	-	14.92
Dec. 31, 2016	14.07	0.41	(0.76)	0.67	0.54	0.86	-	-	-	-	-	14.92
Dec. 31, 2015	12.83	0.43	(0.87)	2.00	(0.35)	1.21	-	-	(1.03)	-	(1.03)	14.07
Private Placement Class												
Commencement of operations April 23, 2012												
Dec. 31, 2019	19.05	0.42	(0.29)	1.76	(0.47)	1.42	-	-	(0.86)	-	(0.86)	20.46
Dec. 31, 2018	18.57	0.49	(0.37)	0.88	(0.52)	0.48	-	-	-	-	-	19.05
Dec. 31, 2017	18.23	0.40	(0.37)	0.40	(0.09)	0.34	-	-	-	-	-	18.57
Dec. 31, 2016	16.63	0.48	(0.32)	0.80	0.64	1.60	-	-	-	-	-	18.23
Dec. 31, 2015	14.47	0.50	(0.29)	2.34	(0.39)	2.16	-	-	(2.54)	-	(2.54)	16.63

(1) This information is derived from the Fund's audited annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant class 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 class over the fiscal year.

(3) Distributions are automatically reinvested in additional units of the Fund.

(4) This information is provided for the years ended December 31.

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 2019

FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ⁽¹⁾⁽⁶⁾

	Total net assets ⁽⁵⁾ \$000's	Number of units outstanding ⁽⁵⁾ 000's	Management expense ratio before waivers or absorptions ⁽²⁾ %	Management expense ratio after taxes ⁽²⁾ %	Management expense ratio excluding performance fees before taxes ⁽²⁾ %	Trading expense ratio ⁽³⁾ %	Portfolio turnover rate ⁽⁴⁾ %	Closing market price (\$) ⁽⁶⁾ %
Class A								
Commencement of operations April 23, 2012								
Listed TSX: JFS.UN								
Dec. 31, 2019	96,010	6,415	3.43	3.43	2.34	2.01	305.01	14.12
Dec. 31, 2018	116,123	8,075	3.21	3.21	3.21	1.01	555.77	13.87
Dec. 31, 2017	137,854	9,617	3.45	3.45	3.45	0.82	816.52	14.34
Dec. 31, 2016	157,313	10,933	5.73	5.73	5.73	1.08	1,313.88	14.60
Dec. 31, 2015	144,500	10,598	6.65	6.65	6.65	1.17	1,438.73	14.22
Class F								
Commencement of operations April 23, 2012								
Dec. 31, 2019	83,473	5,300	3.04	3.04	1.82	2.01	305.01	-
Dec. 31, 2018	98,336	6,521	2.98	2.98	2.98	1.01	555.77	-
Dec. 31, 2017	93,890	6,292	2.88	2.88	2.88	0.82	816.52	-
Dec. 31, 2016	74,278	4,980	5.39	5.39	5.39	1.08	1,313.88	-
Dec. 31, 2015	69,588	4,944	6.43	6.43	6.43	1.17	1,438.73	-
Private Placement Class								
Commencement of operations April 23, 2012								
Dec. 31, 2019	5,834	285	0.11	0.11	-	2.01	305.01	-
Dec. 31, 2018	5,430	285	0.97	0.97	-	1.01	555.77	-
Dec. 31, 2017	4,596	248	1.21	1.21	-	0.82	816.52	-
Dec. 31, 2016	4,512	248	1.89	1.89	-	1.08	1,313.88	-
Dec. 31, 2015	4,116	248	1.82	1.82	-	1.17	1,438.73	-

(1) This information is derived from the Fund's audited annual financial statements.

(2) Management expense ratio is calculated based on expenses charged to the Fund (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the year, including the Fund's proportionate share of any underlying fund(s) expenses, if applicable. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year, including the Fund's proportionate share of such expenses of any underlying fund(s), if applicable.

(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 the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal 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 higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the year, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the year.

(5) This information is provided for the years ended December 31.

(6) Closing market price.

JFT Strategies Fund

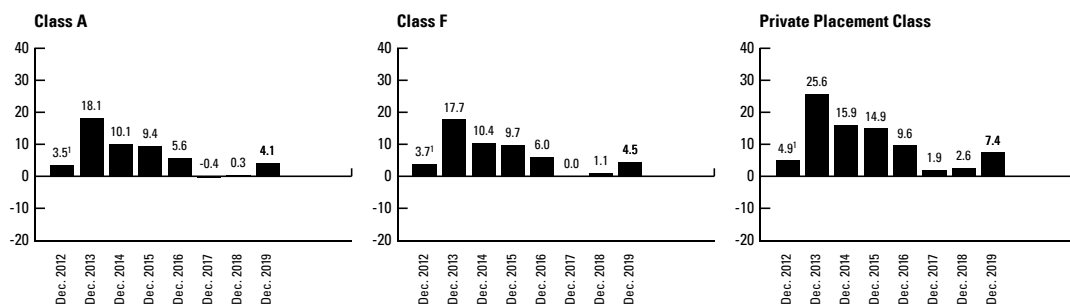
Management Report of Fund Performance for the year ended December 31, 2019

PAST PERFORMANCE

This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the years shown were reinvested in additional units of the relevant classes of the Fund. 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 Fund's annual performance for each of the years shown and illustrate how the Fund's performance has changed from year to year. In percentage terms, the charts show how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year, except where noted.



¹ 2012 return is for the period from May 18, 2012 to December 31, 2012.

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 2019

Annual Compound Returns

The following table shows the Fund's annual compound returns for each year indicated, compared to the S&P/TSX Composite Total Return Index.

The S&P/TSX Composite Index is a float-adjusted market capitalization weighted index, which is the principal broad measure of the Canadian equity market. It includes common stocks and income trust units of companies incorporated in Canada which are listed on the Toronto Stock Exchange.

A discussion of the performance of the Fund as compared to the benchmark is found in the Results of Operations section of this report.

	One Year (%)	Three Years (%)	Five Years (%)	Ten Years (%)	Since Inception (%)
Class A	4.1	1.3	3.7	n/a	6.5
S&P/TSX Composite Total Return Index	22.9	6.9	6.3	n/a	8.8
Class F	4.5	1.8	4.2	n/a	6.8
S&P/TSX Composite Total Return Index	22.9	6.9	6.3	n/a	8.8
Private Placement Class	7.4	3.9	6.1	n/a	10.6
S&P/TSX Composite Total Return Index	22.9	6.9	6.3	n/a	8.8

JFT Strategies Fund

Management Report of Fund Performance for the year ended December 31, 2019

SUMMARY OF INVESTMENT PORTFOLIO as at December 31, 2019

Category	% of Net Assets	Category	% of Net Assets	Top 25 Holdings	% of Net Assets
Country allocation		Sector allocation			
Long Positions		Long Positions			
Canada	82.6	Financials	42.2	Short-Term Investments	18.2
U.S.A.	19.0	Government of Canada & Guaranteed	21.7	Subversive Capital Acquisition Corp., Class 'A'	14.2
Short-Term Investments	18.2	Short-Term Investments	18.2	Government of Canada, 1.75%, May 1, 2020	11.8
U.K.	7.4	Real Estate	9.3	Mercer Park Brand Acquisition Corp., Class 'A'	11.1
Other Net Assets (Liabilities)	(0.8)	Health Care	7.9	Bespoke Capital Acquisition Corp., Class 'A'	7.2
Cash & Cash Equivalents	(11.3)	Industrials	7.6	Government of Canada, 0.75%, March 1, 2021	5.0
Total Long Positions	115.1	Consumer Discretionary	6.1	Government of Canada, 1.25%, February 1, 2020	4.9
		Provincial Government & Guaranteed	3.8	Tricon Capital Group Inc., 5.75%, March 31, 2022	4.1
Short Positions		Energy	3.4	Province of Ontario, 2.30%, September 8, 2024	3.8
Luxembourg	(0.1)	Materials	2.1	Diversified Royalty Corp., 5.25%, December 31, 2022	2.8
Hong Kong	(0.6)	Communication Services	1.9	Canaccord Genuity Growth II Corp., Class 'A'	2.5
Canada	(4.7)	Information Technology	1.4	Trulieve Cannabis Corp., 9.75%, June 18, 2024	2.2
U.S.A.	(9.7)	Consumer Staples	0.9	Diversified Royalty Corp.	1.9
Total Short Positions	(15.1)	Utilities	0.4	Profound Medical Corp.	1.8
		Investment Funds	0.3	Nexus REIT	1.7
		Other Net Assets (Liabilities)	(0.8)	Canaccord Genuity Group Inc., 6.25%, December 31, 2023	1.5
		Cash & Cash Equivalents	(11.3)	Fiera Capital Corp., 5.60%, July 31, 2024	1.4
		Total Long Positions	115.1	Cardinal Energy Ltd., 5.50%, December 31, 2020	1.1
				IBI Group Inc., 5.50%, December 31, 2021	1.1
		Short Positions		Badger Daylighting Ltd.	1.0
		Utilities	(0.1)	AG Growth International Inc., 5.00%, December 31, 2020	1.0
		Materials	(0.1)	Element Fleet Management Corp., 4.25%, June 30, 2020	1.0
		Energy	(0.2)	Alphabet Inc., Class 'A'	0.9
		Communication Services	(0.2)	Medexus Pharmaceuticals Inc., Restricted, 6.00%, October 16, 2023	0.9
		Real Estate	(0.3)	Brookfield Asset Management Inc., Class 'A'	0.8
		Financials	(0.3)		
		Health Care	(0.3)		
		Information Technology	(0.7)		
		Consumer Staples	(0.8)		
		Industrials	(1.1)		
		Consumer Discretionary	(1.3)		
		Investment Funds	(9.7)		
		Total Short Positions	(15.1)		
				Total Net Assets (in \$000's)	\$185,317

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any

forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.