

ANNUAL
FINANCIAL
STATEMENTS
2020

FIRST ASSET
MUTUAL FUNDS

DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of

First Asset Canadian Convertible Bond Fund
First Asset Canadian Dividend Opportunity Fund
First Asset REIT Income Fund
First Asset Utility Plus Fund
(collectively, the "Funds")

Opinion

We have audited the financial statements of the Funds, which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2020 and 2019, and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance of the Funds. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance of the Funds prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Toronto, Canada
March 24, 2021

The logo for Ernst & Young LLP, featuring the company name in a stylized, handwritten-style script.

Chartered Professional Accountants
Licensed Public Accountants

First Asset Canadian Convertible Bond Fund

Financial Statements

Statements of Financial Position

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	2020	2019
Assets		
Current assets		
Investments	36,005	43,510
Investments pledged as collateral	-	-
Cash	2,190	2,352
Unrealized gain on futures and foreign currency forward contracts	127	180
Swaps, swaptions and options	-	-
Daily variation margin on derivative instruments	-	-
Fees rebate receivable	-	-
Cash collateral on deposit for short sale	-	-
Dividends receivable	7	18
Interest receivable	273	315
Receivable for investments sold	-	-
Receivable for unit subscriptions	-	-
	38,602	46,375
Liabilities		
Current liabilities		
Investments sold short	-	-
Bank overdraft	-	-
Unrealized loss on futures and foreign currency forward contracts	-	-
Swaps, swaptions and options	-	-
Dividends payable on investments sold short	-	-
Interest payable on investments sold short	-	-
Daily variation margin on derivative instruments	-	-
Payable for investments purchased	-	-
Payable for unit redemptions	67	74
Distributions payable to holders of redeemable units	-	-
Management fees payable	46	57
Accounts payable and accrued liabilities	114	108
	227	239
Net assets attributable to holders of redeemable units	38,375	46,136

Statements of Financial Position (cont'd)

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	Net assets attributable to holders of redeemable units per Series (Note 4):		Net assets attributable to holders of redeemable units per unit:		Number of redeemable units outstanding:	
	2020	2019	2020	2019	2020	2019
Series A	22,325	28,234	9.31	10.14	2,398,766	2,783,781
Series F	16,050	17,902	11.26	11.98	1,425,510	1,494,036

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Financial Statements

Statements of Comprehensive Income

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	2020	2019
Income		
Net gain (loss) on investments and derivatives		
Dividends	74	167
Interest for distribution purposes	1,820	2,079
Income distributions from investments	53	54
Capital gain distributions from investments	16	-
Derivative income (loss)	-	-
Dividends expense on financial assets (liabilities) sold short	-	-
Interest expense on financial assets (liabilities) sold short	-	-
Net realized gain (loss) on sale of investments and derivatives	(975)	(168)
Change in unrealized appreciation (depreciation) in value of investments and derivatives	(1,336)	5,894
Total net gain (loss) on investments and derivatives	(348)	8,026
Other income		
Foreign exchange gain (loss) on cash	1	(8)
Securities lending revenue (Note 6)	10	84
Fees rebate	10	10
Miscellaneous foreign income	-	-
Other income	-	-
Total other income	21	86
Total income	(327)	8,112
Expenses		
Custody fees	18	20
Unitholders reporting costs	74	77
Management fees (Note 5)	563	710
Audit fees	5	4
Legal fees	5	21
Independent review committee fees	-	1
Commissions and other portfolio transaction costs	27	21
Securities borrowing fees (Note 2)	-	-
Interest expense	-	-
Withholding taxes	-	-
Harmonized sales tax	75	91
Other expenses	-	-
Total expenses	767	945
Expenses absorbed by the Manager (Note 5)	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	(1,094)	7,167

Statements of Comprehensive Income (cont'd)

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	Increase (decrease) in net assets attributable to holders of redeemable units per Series:		Increase (decrease) in net assets attributable to holders of redeemable units per unit:		Weighted average number of units:	
	2020	2019	2020	2019	2020	2019
Series A	(826)	4,504	(0.32)	1.45	2,560,384	3,104,707
Series F	(268)	2,663	(0.18)	1.82	1,470,694	1,466,323

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units for the years ended December 31 (in \$000's)

	Series A		Series F		Total Fund	
	2020	2019	2020	2019	2020	2019
Net assets attributable to holders of redeemable units at the beginning of year	28,234	33,862	17,902	16,521	46,136	50,383
Increase (decrease) in net assets attributable to holders of redeemable units	(826)	4,504	(268)	2,663	(1,094)	7,167
Distributions to holders of redeemable units						
From net investment income	(602)	(809)	(630)	(681)	(1,232)	(1,490)
From net realized gains	-	-	-	-	-	-
Return of capital	(893)	(989)	(245)	(186)	(1,138)	(1,175)
Total distributions to holders of redeemable units	(1,495)	(1,798)	(875)	(867)	(2,370)	(2,665)
Redeemable unit transactions						
Proceeds from redeemable units issued	438	471	1,478	2,687	1,916	3,158
Reinvestment of distributions to holders of redeemable units	1,165	1,417	745	734	1,910	2,151
Redemption of redeemable units	(5,191)	(10,222)	(2,932)	(3,836)	(8,123)	(14,058)
Net increase (decrease) from redeemable unit transactions	(3,588)	(8,334)	(709)	(415)	(4,297)	(8,749)
Net increase (decrease) in net assets attributable to holders of redeemable units	(5,909)	(5,628)	(1,852)	1,381	(7,761)	(4,247)
Net assets attributable to holders of redeemable units at the end of year	22,325	28,234	16,050	17,902	38,375	46,136

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Financial Statements

Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2020	2019
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,094)	7,167
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	975	168
Unrealized foreign exchange (gain) loss on cash	1	6
Commissions and other portfolio transaction costs	27	21
Change in unrealized (appreciation) depreciation in value of investments and derivatives	1,336	(5,894)
Proceeds from sale and maturity of investments and derivatives	17,676	15,503
Purchase of investments and derivatives	(12,455)	(6,599)
(Increase) decrease in cash collateral on deposit for short sale	-	-
Non-cash distributions from investments	-	-
Change in daily variation margin	-	-
(Increase) decrease in dividends receivable	11	26
(Increase) decrease in interest receivable	42	52
Increase (decrease) in management fees payable	(11)	(8)
Amortization interest earned	-	-
Change in other accounts receivable and payable	6	(52)
Net cash from (used in) operating activities	6,514	10,390
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(460)	(514)
Proceeds from issuance of redeemable units	1,914	3,160
Amounts paid on redemption of redeemable units	(8,129)	(14,039)
Net cash from (used in) financing activities	(6,675)	(11,393)
Unrealized foreign exchange gain (loss) on cash	(1)	(6)
Net increase (decrease) in cash	(161)	(1,003)
Cash (bank overdraft), beginning of year	2,352	3,361
Cash (bank overdraft), end of year	2,190	2,352
Supplementary Information:		
Dividends received, net of withholding tax*	85	193
Interest received, net of withholding tax*	1,862	2,131
Dividends paid*	-	-
Interest paid*	-	-
Tax recoverable (paid)	-	-

*Dividends and interest received as well as dividends and interest paid relate to operating activities of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Schedule of Investment Portfolio as at December 31, 2020

	Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
EQUITIES					
		Fund(s)			
	224,200	CI First Asset Canadian Convertible Bond ETF	2,213,006	2,246,484	5.86
		Industrials			
	15,748	Exchange Income Corp.	491,515	577,007	1.50
		Real Estate			
	51,457	Tricon Residential Inc.	546,920	588,154	1.53
Total Equities			3,251,441	3,411,645	8.89
CONVERTIBLE DEBENTURES					
		Consumer Staples			
	1,000,000	Premium Brands Holdings Corp., 4.20%, September 30, 2027	970,000	1,011,380	
	500,000	Premium Brands Holdings Corp., 4.60%, December 31, 2023	539,375	545,000	
	400,000	Premium Brands Holdings Corp., 4.65%, April 30, 2025	402,767	423,600	
			1,912,142	1,979,980	5.16
		Energy			
	612,000	Cardinal Energy Ltd., 8.00%, December 31, 2022	631,849	557,899	
	1,344,420	GASFRAC Energy Services Inc., 7.00%	1,161,796	-	
	399,000	Tidewater Midstream and Infrastructure Ltd., 5.50%, September 30, 2024	399,000	355,110	
			2,192,645	913,009	2.38
		Financials			
	1,300,000	Alaris Equity Partners Income, 5.50%, June 30, 2024	1,259,337	1,171,365	
	982,000	Canaccord Genuity Group Inc., 6.25%, December 31, 2023	1,007,778	1,122,426	
	600,000	Fiera Capital Corp., 5.00%, June 30, 2023	600,000	618,840	
	101,000	Firm Capital Mortgage Investment Corp., 5.20%, December 31, 2023	99,359	102,212	
	300,000	Firm Capital Mortgage Investment Corp., 5.30%, May 31, 2022	302,625	303,000	
	400,000	Firm Capital Mortgage Investment Corp., Series '55', 5.50%, January 31, 2026	384,458	404,300	
	800,000	Timbercreek Financial Corp., 5.30%, June 30, 2024	775,000	808,600	
	642,000	Timbercreek Financial Corp., 5.45%, March 31, 2022	647,643	648,420	
			5,076,200	5,179,163	13.50
		Health Care			
USD	1,200,000	Theratechnologies Inc., 5.75%, June 30, 2023	1,556,820	1,096,150	2.86
		Industrials			
	2,100,000	Aecon Group Inc., 5.00%, December 31, 2023	2,040,624	2,179,694	
	1,550,000	AG Growth International Inc., 4.85%, June 30, 2022	1,569,187	1,557,750	
USD	450,000	Air Canada, 4.00%, July 01, 2025	619,245	848,484	
	1,053,000	Algoma Central Corp., 5.25%, June 30, 2024	1,058,871	1,100,385	
	876,000	Exchange Income Corp., 5.25%, June 30, 2023	882,325	876,000	
	700,000	Exchange Income Corp., 5.35%, June 30, 2025	595,707	693,595	
	500,000	Mullen Group Ltd, 5.75%, November 30, 2026	500,001	530,000	
			7,265,960	7,785,908	20.29
		Materials			
USD	350,000	Argonaut Gold Inc., 4.63%, November 30, 2025	459,656	490,490	
	1,200,000	Chemtrade Logistics Income Fund, 4.75%, May 31, 2024	1,204,375	954,900	
	750,000	Chemtrade Logistics Income Fund, 8.50%, September 30, 2025	750,000	743,063	
USD	400,000	Fortuna Silver Mines Inc., 4.65%, October 31, 2024	529,340	870,142	
	1,000,000	Osisko Gold Royalties Ltd., 4.00%, December 31, 2022	1,000,000	1,060,000	
			3,943,371	4,118,595	10.73
		Real Estate			
USD	700,000	BSR REIT, 5.00%, September 30, 2025	891,826	866,999	
	500,000	BTB REIT, 7.00%, October 31, 2025	470,625	510,275	
USD	600,000	Colliers International Group Inc., 4.00%, June 01, 2025	844,590	1,324,323	

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Fund.

First Asset Canadian Convertible Bond Fund

Schedule of Investment Portfolio as at December 31, 2020 (cont'd)

	Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
CONVERTIBLE DEBENTURES (cont'd)					
Real Estate (cont'd)					
USD	1,102,000	Invesque Inc., 5.00%, January 31, 2022	1,440,129	905,546	
USD	500,000	Invesque Inc., 6.00%, September 30, 2023	628,124	385,385	
	500,000	NorthWest Healthcare Properties REIT, 5.25%, December 31, 2021	495,625	520,250	
	700,000	NorthWest Healthcare Properties REIT, 5.25%, July 31, 2021	711,340	717,675	
	500,000	Northwest Healthcare Properties REIT, 5.50%, December 31, 2023	465,625	530,000	
	250,000	Plaza Retail REIT, 5.10%, March 31, 2023	225,313	241,625	
	750,000	Slate Office REIT, 5.25%, February 28, 2023	750,000	737,288	
	1,000,000	StorageVault Canada Inc., 5.75%, January 31, 2026	936,563	959,300	
USD	800,000	Tricon Residential Inc., 5.75%, March 31, 2022	1,081,153	1,054,872	
			8,940,913	8,753,538	22.81
Utilities					
	1,300,000	Atlantic Power Corp., Series 'E', 6.00%, January 31, 2025	1,293,125	1,362,075	
	500,000	Innergex Renewable Energy Inc., 4.65%, October 31, 2026	510,625	635,375	
	550,000	Innergex Renewable Energy Inc., 4.75%, June 30, 2025	531,563	770,000	
			2,335,313	2,767,450	7.21
Total Convertible Debentures			33,223,364	32,593,793	84.94
Adjustment for transaction costs			(28,398)		
Total Investments			36,446,407	36,005,438	93.83
Total unrealized gain on forward foreign currency contract(s)				126,891	0.33
Other Net Assets (Liabilities)				2,242,250	5.84
Net Assets Attributable to Holders of Redeemable Units				38,374,579	100.00

Forward Foreign Currency Contract(s)

Counterparty	Credit Rating of the Counterparty*	Settlement Date	Currency Buy	Position	Currency Sell	Position	Contract(s) Rate	Unrealized Gain (Loss) (\$)
Citibank N.A., New York	A-1	January 8, 2021	CAD	7,707,102	USD	5,950,000	1.30	126,891
								126,891

*Credit rating provided by S&P Global Ratings.

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Fund.

First Asset Canadian Convertible Bond Fund

Fund Specific Notes to Financial Statements

Offsetting of Financial Instruments (Note 2)

The following tables show the net impact on the Fund's Statements of Financial Position if all rights to offset were exercised.

as at December 31, 2020

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	127	-	-	127
Derivative assets - Swaps and swaptions	-	-	-	-
Total	127	-	-	127
Derivative liabilities - Foreign currency forward contracts	-	-	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	-	-	-	-

as at December 31, 2019

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	180	-	-	180
Derivative assets - Swaps and swaptions	-	-	-	-
Total	180	-	-	180
Derivative liabilities - Foreign currency forward contracts	-	-	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	-	-	-	-

Interest in Unconsolidated Structured Entities (Note 2)

The following tables present the Fund's interest in Unconsolidated Structured Entities.

as at December 31, 2020

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Canadian Convertible Bond ETF	56,627	2,246	4.0

as at December 31, 2019

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Canadian Convertible Bond ETF	59,598	1,425	2.4

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Fund Specific Notes to Financial Statements

Commissions (Note 2)

for the years ended December 31 (in \$000's)

	2020	2019
Brokerage commissions	27	21
Soft dollar commissions [†]	8	2

Redeemable Unit Transactions (Note 4)

for the years ended December 31

	Series A		Series F	
	2020	2019	2020	2019
Number of redeemable units at the beginning of year	2,783,781	3,631,201	1,494,036	1,531,763
Redeemable units issued for cash	48,975	47,991	138,652	232,202
Redeemable units issued for reinvested distributions	134,155	143,211	71,463	63,162
Redeemable units redeemed	(568,145)	(1,038,622)	(278,641)	(333,091)
Number of redeemable units at the end of year	2,398,766	2,783,781	1,425,510	1,494,036

[†]A portion of brokerage commissions paid was used to cover research and market data services, termed soft dollar commissions. This amount has been estimated by the Manager of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Fund Specific Notes to Financial Statements

Management Fee Rate (Note 5)

as at December 31, 2020 (%)

	Annual management fee rate:
Series A	1.900
Series F	0.750

Securities Lending (Note 6)

as at December 31 (in \$000's)

	2020	2019
Loaned	3,288	3,998
Collateral (non-cash)	3,454	4,201

Securities Lending Revenue Reconciliation (Note 6)

for the years ended December 31 (in \$000's)

	2020	2019
Gross securities lending revenue	17	140
Charges	(7)	(56)
Securities lending revenue	10	84
Charges as a % of gross securities lending revenue	40.0	40.0

Loss Carry Forwards (Note 7)

as at December 31 (in \$000's)

	2020
Capital loss carried forward:	2,037
Non-capital losses expiring:	
2030	-
2031	-
2032	-
2033	-
2034	-
2035	-
2036	-
2037	-
2038	-
2039	-
2040	-
Total	-

Related Party Investments (Note 9)

as at December 31 (in \$000's)

Investments	2020
CI First Asset Canadian Convertible Bond ETF	2,246

Investments	2019
CI First Asset Canadian Convertible Bond ETF	1,425

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Fund Specific Notes to Financial Statements

Financial Instruments Risks (Note 10)

Concentration Risk

For Concentration Risk as at December 31, 2020, refer to the Schedule of Investment Portfolio.

The table below summarizes the Fund's exposure to concentration risk.

as at December 31, 2019

Categories	Net Assets (%)
Financials	21.90
Real Estate	15.66
Energy	11.79
Equities	10.80
Industrials	10.25
Materials	8.27
Utilities	5.59
Other Net Assets (Liabilities)	5.30
Consumer Discretionary	3.11
Health Care	2.68
Bonds	2.20
Consumer Staples	2.06
Total unrealized gain on forward foreign currency contract(s)	0.39
Total	100.00

Credit Risk

The Fund was invested in fixed income securities, preferred securities and derivative instruments, if any, with the following credit ratings, as per the tables below.

as at December 31, 2020

Credit Rating ^{^*}	Net Assets (%)
AA/Aa/A+	0.3
BB/Ba/B+	7.2
B	2.2
Not Rated	75.5
Total	85.3

as at December 31, 2019

Credit Rating ^{^*}	Net Assets (%)
BBB/Baa/B++	10.9
BB/Ba/B+	11.5
Not Rated	61.1
Total	83.5

[^]Credit ratings are obtained from S&P Global Ratings, where available, otherwise ratings are obtained from: Moody's Investors Service or Dominion Bond Rating Service, respectively.

*Refer to Note 10 for Credit Rating Chart reference.

Other Price Risk

As at December 31, 2020 and 2019, the Fund was exposed to other price risk as some of its assets were invested in equities.

Other Price Risk (cont'd)

As at December 31, 2020, had the fair value of equities in the investment portfolio increased or decreased by 10% (December 31, 2019 - 10%), with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have increased or decreased, respectively, by approximately \$341,000 (December 31, 2019 - \$498,000). In practice, actual results may differ from this analysis and the difference may be material.

Currency Risk

The tables below summarize the Fund's exposure to currency risk.

as at December 31, 2020[~]

Currency	Financial Instruments		Net	Net
	Exposure (in \$000's)	Derivatives (in \$000's)	Exposure (in \$000's)	Assets (%)
U.S. Dollar	7,979	(7,580)	399	1.0
Total	7,979	(7,580)	399	1.0

as at December 31, 2019[~]

Currency	Financial Instruments		Net	Net
	Exposure (in \$000's)	Derivatives (in \$000's)	Exposure (in \$000's)	Assets (%)
U.S. Dollar	7,507	(7,131)	376	0.8
Total	7,507	(7,131)	376	0.8

[~]Includes monetary and non-monetary instruments, if any.

As at December 31, 2020, had the Canadian dollar strengthened or weakened by 10% (December 31, 2019 - 10%) in relation to all other foreign currencies held in the Fund, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$40,000 (December 31, 2019 - \$38,000). In practice, actual results may differ from this analysis and the difference may be material.

Interest Rate Risk

The tables below summarize the Fund's exposure to interest rate risk, categorized by the contractual maturity date.

as at December 31, 2020

Interest Rate Exposure	Less than 1 Year (in \$000's)	1 - 3 Years (in \$000's)	3 - 5 Years (in \$000's)	Greater than 5 Years (in \$000's)	Total (in \$000's)
	Interest Rate Exposure	1,238	14,522	13,294	3,540

as at December 31, 2019

Interest Rate Exposure	Less than 1 Year (in \$000's)	1 - 3 Years (in \$000's)	3 - 5 Years (in \$000's)	Greater than 5 Years (in \$000's)	Total (in \$000's)
	Interest Rate Exposure	632	18,983	15,630	3,286

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Convertible Bond Fund

Fund Specific Notes to Financial Statements

Interest Rate Risk (cont'd)

As at December 31, 2020, had the prevailing interest rates increased or decreased by 0.25% (December 31, 2019 - 0.25%), with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$248,000 (December 31, 2019 - \$265,000). In practice, actual results may differ from this analysis and the difference may be material.

Fair Value Hierarchy

The tables below summarize the inputs used by the Fund in valuing the Fund's investments and derivatives carried at fair value.

Long Positions at fair value as at December 31, 2020

	Level 1	Level 2	Level 3	Total
	(in \$000's)	(in \$000's)	(in \$000's)	(in \$000's)
Equities	1,165	-	-	1,165
Convertible debentures	-	32,594	-	32,594
Fund(s)	2,246	-	-	2,246
Derivatives, net	-	127	-	127
Total	3,411	32,721	-	36,132

Long Positions at fair value as at December 31, 2019

	Level 1	Level 2	Level 3	Total
	(in \$000's)	(in \$000's)	(in \$000's)	(in \$000's)
Equities	4,979	-	-	4,979
Bonds	-	1,016	-	1,016
Convertible debentures	-	37,515	-	37,515
Derivatives, net	-	180	-	180
Total	4,979	38,711	-	43,690

There were no transfers between Level 1, 2 and 3 during the years ended December 31, 2020 and 2019.

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Financial Statements

Statements of Financial Position

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	2020	2019
Assets		
Current assets		
Investments	24,762	30,749
Investments pledged as collateral	-	-
Cash	-	-
Unrealized gain on futures and foreign currency forward contracts	13	10
Swaps, swaptions and options	-	-
Daily variation margin on derivative instruments	-	-
Fees rebate receivable	-	-
Cash collateral on deposit for short sale	-	-
Dividends receivable	48	36
Interest receivable	7	13
Receivable for investments sold	-	51
Receivable for unit subscriptions	-	-
	24,830	30,859
Liabilities		
Current liabilities		
Investments sold short	-	-
Bank overdraft	42	5
Unrealized loss on futures and foreign currency forward contracts	2	-
Swaps, swaptions and options	-	-
Dividends payable on investments sold short	-	-
Interest payable on investments sold short	-	-
Daily variation margin on derivative instruments	-	-
Payable for investments purchased	-	-
Payable for unit redemptions	13	2
Distributions payable to holders of redeemable units	-	-
Management fees payable	41	51
Accounts payable and accrued liabilities	61	58
	159	116
Net assets attributable to holders of redeemable units	24,671	30,743

Statements of Financial Position (cont'd)

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	Net assets attributable to holders of redeemable units per Series (Note 4):		Net assets attributable to holders of redeemable units per unit:		Number of redeemable units outstanding:	
	2020	2019	2020	2019	2020	2019
Series A	22,725	28,668	8.94	10.05	2,541,825	2,852,591
Series F	1,946	2,075	9.22	10.24	211,046	202,713

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Financial Statements

Statements of Comprehensive Income

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	2020	2019
Income		
Net gain (loss) on investments and derivatives		
Dividends	340	187
Interest for distribution purposes	-	-
Income distributions from investments	227	537
Capital gain distributions from investments	131	238
Derivative income (loss)	-	-
Dividends expense on financial assets (liabilities) sold short	-	-
Interest expense on financial assets (liabilities) sold short	-	-
Net realized gain (loss) on sale of investments and derivatives	534	1,504
Change in unrealized appreciation (depreciation) in value of investments and derivatives	(2,262)	3,665
Total net gain (loss) on investments and derivatives	(1,030)	6,131
Other income		
Foreign exchange gain (loss) on cash	(6)	(6)
Securities lending revenue (Note 6)	2	1
Fees rebate	80	161
Miscellaneous foreign income	-	-
Other income	-	-
Total other income	76	156
Total income	(954)	6,287
Expenses		
Custody fees	17	19
Unitholders reporting costs	52	62
Management fees (Note 5)	494	629
Audit fees	5	4
Legal fees	3	16
Independent review committee fees	-	-
Commissions and other portfolio transaction costs	26	12
Securities borrowing fees (Note 2)	-	-
Interest expense	-	1
Withholding taxes	14	2
Harmonized sales tax	54	68
Other expenses	-	-
Total expenses	665	813
Expenses absorbed by the Manager (Note 5)	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	(1,619)	5,474

Statements of Comprehensive Income (cont'd)

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	Increase (decrease) in net assets attributable to holders of redeemable units per Series:		Increase (decrease) in net assets attributable to holders of redeemable units per unit:		Weighted average number of units:	
	2020	2019	2020	2019	2020	2019
Series A	(1,542)	5,101	(0.57)	1.65	2,688,392	3,094,660
Series F	(77)	373	(0.38)	1.78	204,037	209,605

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units for the years ended December 31 (in \$000's)

	Series A		Series F		Total Fund	
	2020	2019	2020	2019	2020	2019
Net assets attributable to holders of redeemable units at the beginning of year	28,668	30,413	2,075	2,163	30,743	32,576
Increase (decrease) in net assets attributable to holders of redeemable units	(1,542)	5,101	(77)	373	(1,619)	5,474
Distributions to holders of redeemable units						
From net investment income	-	-	-	-	-	-
From net realized gains	(621)	(593)	(48)	(40)	(669)	(633)
Return of capital	(982)	(1,251)	(75)	(85)	(1,057)	(1,336)
Total distributions to holders of redeemable units	(1,603)	(1,844)	(123)	(125)	(1,726)	(1,969)
Redeemable unit transactions						
Proceeds from redeemable units issued	267	224	294	188	561	412
Reinvestment of distributions to holders of redeemable units	767	881	104	100	871	981
Redemption of redeemable units	(3,832)	(6,107)	(327)	(624)	(4,159)	(6,731)
Net increase (decrease) from redeemable unit transactions	(2,798)	(5,002)	71	(336)	(2,727)	(5,338)
Net increase (decrease) in net assets attributable to holders of redeemable units	(5,943)	(1,745)	(129)	(88)	(6,072)	(1,833)
Net assets attributable to holders of redeemable units at the end of year	22,725	28,668	1,946	2,075	24,671	30,743

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Financial Statements

Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2020	2019
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(1,619)	5,474
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	(534)	(1,504)
Unrealized foreign exchange (gain) loss on cash	-	1
Commissions and other portfolio transaction costs	26	10
Change in unrealized (appreciation) depreciation in value of investments and derivatives	2,262	(3,665)
Proceeds from sale and maturity of investments and derivatives	17,373	9,653
Purchase of investments and derivatives	(13,090)	(2,831)
(Increase) decrease in cash collateral on deposit for short sale	-	-
Non-cash distributions from investments	-	-
Change in daily variation margin	-	-
(Increase) decrease in dividends receivable	(12)	2
(Increase) decrease in interest receivable	6	1
Increase (decrease) in management fees payable	(10)	(4)
Amortization interest earned	-	-
Change in other accounts receivable and payable	4	(28)
Net cash from (used in) operating activities	4,406	7,109
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(854)	(988)
Proceeds from issuance of redeemable units	560	412
Amounts paid on redemption of redeemable units	(4,149)	(6,808)
Net cash from (used in) financing activities	(4,443)	(7,384)
Unrealized foreign exchange gain (loss) on cash	-	(1)
Net increase (decrease) in cash	(37)	(275)
Cash (bank overdraft), beginning of year	(5)	271
Cash (bank overdraft), end of year	(42)	(5)
Supplementary Information:		
Dividends received, net of withholding tax*	314	187
Interest received, net of withholding tax*	6	1
Dividends paid*	-	-
Interest paid*	-	(1)
Tax recoverable (paid)	-	-

*Dividends and interest received as well as dividends and interest paid relate to operating activities of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Schedule of Investment Portfolio as at December 31, 2020

	Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
LIMITED PARTNERSHIP UNITS					
	19,453	Brookfield Infrastructure Partners L.P.	1,187,877	1,225,150	
Total Limited Partnership Units			1,187,877	1,225,150	4.97
EQUITIES					
Communication Services					
	9,084	BCE Inc.	473,491	494,442	
	34,081	TELUS Corp.	866,717	859,182	
			1,340,208	1,353,624	5.49
Energy					
	18,154	Enbridge Inc.	934,674	739,049	
	14,167	TC Energy Corp.	921,084	733,142	
			1,855,758	1,472,191	5.97
Real Estate					
	42,722	Killam Apartment REIT	788,092	730,973	
	32,901	Minto Apartment REIT	741,407	670,193	
	97,239	Tricon Residential Inc.	973,804	1,111,442	
			2,503,303	2,512,608	10.18
Fund(s)					
	1,339,119	CI First Asset Active Canadian Dividend ETF	11,663,638	13,659,014	55.36
Utilities					
	44,169	Algonquin Power & Utilities Corp.	759,439	925,341	
USD	11,491	CMS Energy Corp.	975,384	893,158	
	16,056	Emera Inc.	917,279	868,630	
	22,513	Fortis Inc.	1,252,848	1,170,676	
	23,791	Hydro One Ltd.	552,907	681,612	
			4,457,857	4,539,417	18.40
Total Equities			21,820,764	23,536,854	95.40
Adjustment for transaction costs			(8,242)		
Total Investments			23,000,399	24,762,004	100.37
Total unrealized gain on forward foreign currency contract(s)				13,112	0.05
Total unrealized loss on forward foreign currency contract(s)				(1,894)	(0.01)
Other Net Assets (Liabilities)				(102,009)	(0.41)
Net Assets Attributable to Holders of Redeemable Units				24,671,213	100.00

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Fund.

First Asset Canadian Dividend Opportunity Fund

Schedule of Investment Portfolio as at December 31, 2020 (cont'd)

Forward Foreign Currency Contract(s)

Counterparty	Credit Rating of the Counterparty*	Settlement Date	Currency Buy		Currency Sell		Contract(s) Rate	Unrealized Gain (Loss) (\$)
			Position	Position	Position	Position		
Bank of Montreal	A-1	January 21, 2021	CAD	9,841	USD	7,494	1.31	294
Bank of Montreal	A-1	March 15, 2021	CAD	221,314	USD	172,020	1.29	2,202
Bank of Montreal	A-1	March 15, 2021	CAD	51,147	USD	40,000	1.28	196
Bank of Montreal	A-1	March 15, 2021	USD	37,000	CAD	47,640	0.78	(511)
Canadian Imperial Bank of Commerce	A-1	January 21, 2021	CAD	13,767	USD	10,491	1.31	402
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	13,399	USD	10,354	1.29	210
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	1,742	USD	1,326	1.31	52
Canadian Imperial Bank of Commerce	A-1	March 15, 2021	CAD	140,617	USD	108,710	1.29	2,146
Citibank N.A., New York	A-1	January 21, 2021	CAD	11,870	USD	8,993	1.32	414
Citibank N.A., New York	A-1	February 18, 2021	CAD	2,305	USD	1,767	1.30	54
HSBC Bank, Toronto	A-1	February 18, 2021	CAD	1,451	USD	1,105	1.31	44
HSBC Bank, Toronto	A-1	February 18, 2021	USD	39,000	CAD	51,062	0.76	(1,383)
HSBC Bank, Toronto	A-1	March 15, 2021	CAD	224,862	USD	173,935	1.29	3,311
JPMorgan Chase Bank, New York	A-1	January 21, 2021	CAD	13,774	USD	10,492	1.31	408
JPMorgan Chase Bank, New York	A-1	February 18, 2021	CAD	1,476	USD	1,138	1.30	26
Morgan Stanley & Co. International PLC	A-1	January 21, 2021	CAD	11,798	USD	8,993	1.31	342
Morgan Stanley & Co. International PLC	A-1	February 18, 2021	CAD	2,003	USD	1,547	1.29	32
Royal Bank of Canada	A-1+	January 21, 2021	CAD	12,211	USD	9,232	1.32	451
Royal Bank of Canada	A-1+	February 18, 2021	CAD	2,001	USD	1,546	1.29	32
Toronto-Dominion Bank (The)	A-1+	February 18, 2021	CAD	870	USD	663	1.31	25
Toronto-Dominion Bank (The)	A-1+	March 15, 2021	CAD	196,330	USD	152,194	1.29	2,471
								11,218

*Credit rating provided by S&P Global Ratings.

First Asset Canadian Dividend Opportunity Fund

Fund Specific Notes to Financial Statements

Offsetting of Financial Instruments (Note 2)

The following tables show the net impact on the Fund's Statements of Financial Position if all rights to offset were exercised.

as at December 31, 2020

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	13	(2)	-	11
Derivative assets - Swaps and swaptions	-	-	-	-
Total	13	(2)	-	11
Derivative liabilities - Foreign currency forward contracts	(2)	2	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	(2)	2	-	-

as at December 31, 2019

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	10	-	-	10
Derivative assets - Swaps and swaptions	-	-	-	-
Total	10	-	-	10
Derivative liabilities - Foreign currency forward contracts	-	-	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	-	-	-	-

Interest in Unconsolidated Structured Entities (Note 2)

The following tables present the Fund's interest in Unconsolidated Structured Entities.

as at December 31, 2020

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Active Canadian Dividend ETF	17,354	13,659	78.7

as at December 31, 2019

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Active Canadian Dividend ETF	35,596	25,443	71.5

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Fund Specific Notes to Financial Statements

Commissions (Note 2)

for the years ended December 31 (in \$000's)

	2020	2019
Brokerage commissions	25	10
Soft dollar commissions [†]	5	-

Redeemable Unit Transactions (Note 4)

for the years ended December 31

	Series A		Series F	
	2020	2019	2020	2019
Number of redeemable units at the beginning of year	2,852,591	3,361,755	202,713	237,381
Redeemable units issued for cash	30,873	22,458	33,502	18,735
Redeemable units issued for reinvested distributions	88,266	89,565	11,702	10,036
Redeemable units redeemed	(429,905)	(621,187)	(36,871)	(63,439)
Number of redeemable units at the end of year	2,541,825	2,852,591	211,046	202,713

[†]A portion of brokerage commissions paid was used to cover research and market data services, termed soft dollar commissions. This amount has been estimated by the Manager of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Fund Specific Notes to Financial Statements

Management Fee Rate (Note 5)

as at December 31, 2020 (%)

	Annual management fee rate:
Series A	2.000
Series F	1.000

Securities Lending (Note 6)

as at December 31 (in \$000's)

	2020	2019
Loaned	2,780	1,023
Collateral (non-cash)	2,919	1,074

Securities Lending Revenue Reconciliation (Note 6)

for the years ended December 31 (in \$000's)

	2020	2019
Gross securities lending revenue	3	1
Charges	(1)	-
Securities lending revenue	2	1
Charges as a % of gross securities lending revenue	40.0	40.0

Loss Carry Forwards (Note 7)

as at December 31 (in \$000's)

	2020
Capital loss carried forward:	-
Non-capital losses expiring:	
2030	-
2031	-
2032	-
2033	-
2034	-
2035	-
2036	-
2037	-
2038	-
2039	-
2040	-
Total	-

Related Party Investments (Note 9)

as at December 31 (in \$000's)

Investments	2020
CI First Asset Active Canadian Dividend ETF	13,659

Investments	2019
CI First Asset Active Canadian Dividend ETF	25,443

The accompanying notes are an integral part of these financial statements.

First Asset Canadian Dividend Opportunity Fund

Fund Specific Notes to Financial Statements

Financial Instruments Risks (Note 10)

Concentration Risk

For Concentration Risk as at December 31, 2020, refer to the Schedule of Investment Portfolio.

The table below summarizes the Fund's exposure to concentration risk.

as at December 31, 2019

Categories	Net Assets (%)
Investment Fund(s)	82.76
Utilities	7.30
Energy	5.98
Real Estate	3.98
Total unrealized gain on forward foreign currency contract(s)	0.03
Other Net Assets (Liabilities)	(0.05)
Total	100.00

Credit Risk

As at December 31, 2020 and 2019, the Fund's exposure to credit risk through derivative instruments was insignificant.

Other Price Risk

As at December 31, 2020 and 2019, the Fund was predominantly invested in Canadian equities and therefore was sensitive to changes in general economic conditions in Canada.

As at December 31, 2020, had the fair value of equities in the investment portfolio increased or decreased by 10% (December 31, 2019 - 10%), with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have increased or decreased, respectively, by approximately \$2,476,000 (December 31, 2019 - \$3,075,000). In practice, actual results may differ from this analysis and the difference may be material.

Currency Risk

The table below summarizes the Fund's exposure to currency risk.

as at December 31, 2020~

Currency	Financial Instruments		Net	Net
	Exposure (in \$000's)	Derivatives (in \$000's)	Exposure (in \$000's)	Assets (%)
U.S. Dollar	959	(823)	136	0.6
Total	959	(823)	136	0.6

~Includes monetary and non-monetary instruments, if any.

As at December 31, 2020, had the Canadian dollar strengthened or weakened by 10% in relation to all other foreign currencies held in the Fund, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$14,000. In practice, actual results may differ from this analysis and the difference may be material.

As at December 31, 2019, the Fund did not have significant exposure to currency risk as substantially all of its investments were denominated in Canadian dollars, the functional currency of the Fund.

Interest Rate Risk

As at December 31, 2020 and 2019, the Fund did not have significant exposure to interest rate risk as substantially all of its assets were invested in equities and derivatives.

Fair Value Hierarchy

The tables below summarize the inputs used by the Fund in valuing the Fund's investments and derivatives carried at fair value.

Long Positions at fair value as at December 31, 2020

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	9,878	-	-	9,878
Limited partnership units	1,225	-	-	1,225
Fund(s)	13,659	-	-	13,659
Derivatives, net	-	11	-	11
Total	24,762	11	-	24,773

Long Positions at fair value as at December 31, 2019

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	30,749	-	-	30,749
Derivatives, net	-	10	-	10
Total	30,749	10	-	30,759

There were no transfers between Level 1, 2 and 3 during the years ended December 31, 2020 and 2019.

The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Financial Statements

Statements of Financial Position

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	2020	2019
Assets		
Current assets		
Investments	83,632	127,654
Investments pledged as collateral	-	-
Cash	2,770	19,343
Unrealized gain on futures and foreign currency forward contracts	202	250
Swaps, swaptions and options	-	-
Daily variation margin on derivative instruments	-	-
Fees rebate receivable	-	-
Cash collateral on deposit for short sale	-	-
Dividends receivable	310	394
Interest receivable	-	16
Receivable for investments sold	-	-
Receivable for unit subscriptions	17	272
	86,931	147,929
Liabilities		
Current liabilities		
Investments sold short	-	-
Bank overdraft	-	-
Unrealized loss on futures and foreign currency forward contracts	8	4
Swaps, swaptions and options	-	-
Dividends payable on investments sold short	-	-
Interest payable on investments sold short	-	-
Daily variation margin on derivative instruments	-	-
Payable for investments purchased	-	4,949
Payable for unit redemptions	385	30
Distributions payable to holders of redeemable units	-	-
Management fees payable	125	210
Accounts payable and accrued liabilities	136	106
	654	5,299
Net assets attributable to holders of redeemable units	86,277	142,630

Statements of Financial Position (cont'd)

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	Net assets attributable to holders of redeemable units per Series (Note 4):		Net assets attributable to holders of redeemable units per unit:		Number of redeemable units outstanding:	
	2020	2019	2020	2019	2020	2019
Series A	58,470	110,262	18.85	20.91	3,102,521	5,272,456
Series F	27,807	32,368	21.88	23.86	1,271,167	1,356,325

The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Financial Statements

Statements of Comprehensive Income

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	2020	2019
Income		
Net gain (loss) on investments and derivatives		
Dividends	2,768	1,917
Interest for distribution purposes	11	29
Income distributions from investments	17	33
Capital gain distributions from investments	44	46
Derivative income (loss)	-	-
Dividends expense on financial assets (liabilities) sold short	-	-
Interest expense on financial assets (liabilities) sold short	-	-
Net realized gain (loss) on sale of investments and derivatives	(2,693)	2,369
Change in unrealized appreciation (depreciation) in value of investments and derivatives	(13,812)	10,728
Total net gain (loss) on investments and derivatives	(13,665)	15,122
Other income		
Foreign exchange gain (loss) on cash	(7)	(69)
Securities lending revenue (Note 6)	18	17
Fees rebate	11	14
Miscellaneous foreign income	-	-
Other income	36	7
Total other income	58	(31)
Total income	(13,607)	15,091
Expenses		
Custody fees	24	22
Unitholders reporting costs	230	104
Management fees (Note 5)	1,997	1,620
Audit fees	5	4
Legal fees	17	35
Independent review committee fees	1	1
Commissions and other portfolio transaction costs	126	129
Securities borrowing fees (Note 2)	-	-
Interest expense	7	8
Withholding taxes	40	28
Harmonized sales tax	257	185
Other expenses	-	-
Total expenses	2,704	2,136
Expenses absorbed by the Manager (Note 5)	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	(16,311)	12,955

Statements of Comprehensive Income (cont'd)

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	Increase (decrease) in net assets attributable to holders of redeemable units per Series:		Increase (decrease) in net assets attributable to holders of redeemable units per unit:		Weighted average number of units:	
	2020	2019	2020	2019	2020	2019
Series A	(13,800)	9,743	(2.97)	2.82	4,652,242	3,454,873
Series F	(2,511)	3,212	(1.86)	3.58	1,349,386	896,190

The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units for the years ended December 31 (in \$000's)

	Series A		Series F		Total Fund	
	2020	2019	2020	2019	2020	2019
Net assets attributable to holders of redeemable units at the beginning of year	110,262	30,213	32,368	11,265	142,630	41,478
Increase (decrease) in net assets attributable to holders of redeemable units	(13,800)	9,743	(2,511)	3,212	(16,311)	12,955
Distributions to holders of redeemable units						
From net investment income	(59)	-	(55)	-	(114)	-
From net realized gains	-	-	-	-	-	-
Return of capital	(3,595)	(2,876)	(1,023)	(741)	(4,618)	(3,617)
Total distributions to holders of redeemable units	(3,654)	(2,876)	(1,078)	(741)	(4,732)	(3,617)
Redeemable unit transactions						
Proceeds from redeemable units issued	28,323	82,804	12,066	20,781	40,389	103,585
Reinvestment of distributions to holders of redeemable units	2,417	1,622	922	625	3,339	2,247
Redemption of redeemable units	(65,078)	(11,244)	(13,960)	(2,774)	(79,038)	(14,018)
Net increase (decrease) from redeemable unit transactions	(34,338)	73,182	(972)	18,632	(35,310)	91,814
Net increase (decrease) in net assets attributable to holders of redeemable units	(51,792)	80,049	(4,561)	21,103	(56,353)	101,152
Net assets attributable to holders of redeemable units at the end of year	58,470	110,262	27,807	32,368	86,277	142,630

The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Financial Statements

Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2020	2019
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(16,311)	12,955
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	2,693	(2,369)
Unrealized foreign exchange (gain) loss on cash	(31)	32
Commissions and other portfolio transaction costs	126	125
Change in unrealized (appreciation) depreciation in value of investments and derivatives	13,812	(10,728)
Proceeds from sale and maturity of investments and derivatives	49,197	10,560
Purchase of investments and derivatives	(26,702)	(84,356)
(Increase) decrease in cash collateral on deposit for short sale	-	-
Non-cash distributions from investments	-	-
Change in daily variation margin	-	-
(Increase) decrease in dividends receivable	83	(240)
(Increase) decrease in interest receivable	16	(16)
Increase (decrease) in management fees payable	(85)	149
Amortization interest earned	-	-
Change in other accounts receivable and payable	29	3
Net cash from (used in) operating activities	22,827	(73,885)
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,392)	(1,370)
Proceeds from issuance of redeemable units	40,643	103,363
Amounts paid on redemption of redeemable units	(78,682)	(14,010)
Net cash from (used in) financing activities	(39,431)	87,983
Unrealized foreign exchange gain (loss) on cash	31	(32)
Net increase (decrease) in cash	(16,604)	14,098
Cash (bank overdraft), beginning of year	19,343	5,277
Cash (bank overdraft), end of year	2,770	19,343
Supplementary Information:		
Dividends received, net of withholding tax*	2,812	1,649
Interest received, net of withholding tax*	20	13
Dividends paid*	-	-
Interest paid*	-	(8)
Tax recoverable (paid)	-	-

*Dividends and interest received as well as dividends and interest paid relate to operating activities of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Schedule of Investment Portfolio as at December 31, 2020

	Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
EQUITIES					
		Canada			
	81,313	Allied Properties REIT	3,465,488	3,076,071	
	152,210	Automotive Properties REIT	1,677,115	1,630,169	
	38,540	Brookfield Asset Management Inc., Class 'A'	1,540,747	2,027,975	
USD	182,890	BSR REIT	2,446,650	2,650,955	
	82,950	Canadian Apartment Properties REIT	3,209,148	4,146,671	
	284,110	Chartwell Retirement Residences	3,623,892	3,179,191	
	266,223	Choice Properties REIT	3,480,119	3,463,561	
	234,026	Crombie REIT	3,468,919	3,358,273	
	134,247	CT REIT	1,828,050	2,103,650	
	354,251	Dream Industrial REIT	3,771,295	4,658,401	
	74,790	Dream Office REIT	1,649,749	1,480,842	
	580,900	European Residential REIT	2,411,598	2,422,353	
	145,965	First Capital REIT	2,951,216	1,977,826	
	52,328	Granite REIT	3,093,699	4,076,351	
	190,118	H&R REIT	4,081,293	2,526,668	
	307,922	InterRent REIT	3,240,775	4,215,452	
	224,294	Killam Apartment REIT	3,515,592	3,837,670	
	174,924	Minto Apartment REIT	3,393,917	3,563,202	
	236,078	Morguard North American Residential REIT	3,292,829	3,765,444	
	80,747	NorthWest Healthcare Properties REIT	946,646	1,017,412	
	133,961	RioCan REIT	3,407,740	2,243,847	
	113,050	Sienna Senior Living Inc.	2,053,160	1,598,527	
	480,895	StorageVault Canada Inc.	1,315,193	1,942,816	
	329,820	Summit Industrial Income REIT	3,707,841	4,502,043	
	375,232	Tricon Residential Inc.	3,426,180	4,288,902	
USD	165,340	WPT Industrial REIT	2,623,031	3,042,256	
			73,621,882	76,796,528	89.02
		U.S.A.			
USD	27,397	Americold Realty Trust	1,153,098	1,302,958	
USD	1,494	Equinix Inc.	1,390,219	1,359,339	
USD	90,411	Flagship Communities REIT	1,818,277	1,700,111	
USD	10,970	Prologis Inc.	1,172,434	1,392,826	
USD	5,578	Sun Communities Inc.	1,023,528	1,079,813	
			6,557,556	6,835,047	7.92
Total Equities			80,179,438	83,631,575	96.94
Adjustment for transaction costs			(117,120)		
Total Investments			80,062,318	83,631,575	96.94
Total unrealized gain on forward foreign currency contract(s)				201,911	0.23
Total unrealized loss on forward foreign currency contract(s)				(8,348)	(0.01)
Other Net Assets (Liabilities)				2,452,177	2.84
Net Assets Attributable to Holders of Redeemable Units				86,277,315	100.00

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Fund.

First Asset REIT Income Fund

Schedule of Investment Portfolio as at December 31, 2020 (cont'd)

Forward Foreign Currency Contract(s)

Counterparty	Credit Rating of the Counterparty*	Settlement Date	Currency		Currency		Contract(s) Rate	Unrealized Gain (Loss) (\$)
			Buy	Position	Sell	Position		
Bank of Montreal	A-1	January 21, 2021	CAD	225,467	USD	171,693	1.31	6,744
Bank of Montreal	A-1	February 18, 2021	USD	285,000	CAD	370,686	0.77	(7,648)
Bank of Montreal	A-1	March 15, 2021	CAD	2,204,866	USD	1,713,769	1.29	21,933
Canadian Imperial Bank of Commerce	A-1	January 21, 2021	CAD	315,425	USD	240,370	1.31	9,213
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	133,490	USD	103,155	1.29	2,089
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	298,790	USD	227,501	1.31	8,995
Canadian Imperial Bank of Commerce	A-1	March 15, 2021	CAD	1,400,906	USD	1,083,031	1.29	21,382
Citibank N.A., New York	A-1	January 21, 2021	CAD	271,943	USD	206,031	1.32	9,475
Citibank N.A., New York	A-1	February 18, 2021	CAD	395,767	USD	303,376	1.30	9,321
HSBC Bank, Toronto	A-1	March 15, 2021	CAD	423,463	USD	333,000	1.27	(700)
HSBC Bank, Toronto	A-1	February 18, 2021	CAD	249,029	USD	189,584	1.31	7,533
HSBC Bank, Toronto	A-1	March 15, 2021	CAD	2,240,219	USD	1,732,849	1.29	32,981
JPMorgan Chase Bank, New York	A-1	January 21, 2021	CAD	315,569	USD	240,370	1.31	9,358
JPMorgan Chase Bank, New York	A-1	February 18, 2021	CAD	253,064	USD	195,159	1.30	4,467
Morgan Stanley & Co. International PLC	A-1	January 21, 2021	CAD	270,302	USD	206,031	1.31	7,834
Morgan Stanley & Co. International PLC	A-1	February 18, 2021	CAD	343,665	USD	265,454	1.29	5,525
Royal Bank of Canada	A-1+	January 21, 2021	CAD	279,772	USD	211,512	1.32	10,322
Royal Bank of Canada	A-1+	February 18, 2021	CAD	343,493	USD	265,382	1.29	5,444
Royal Bank of Canada	A-1+	March 15, 2021	CAD	425,808	USD	334,000	1.27	372
Toronto-Dominion Bank (The)	A-1+	February 18, 2021	CAD	149,200	USD	113,751	1.31	4,302
Toronto-Dominion Bank (The)	A-1+	March 15, 2021	CAD	1,955,954	USD	1,516,243	1.29	24,621
								193,563

*Credit rating provided by S&P Global Ratings.

First Asset REIT Income Fund

Fund Specific Notes to Financial Statements

Offsetting of Financial Instruments (Note 2)

The following tables show the net impact on the Fund's Statements of Financial Position if all rights to offset were exercised.

as at December 31, 2020

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	202	(8)	-	194
Derivative assets - Swaps and swaptions	-	-	-	-
Total	202	(8)	-	194
Derivative liabilities - Foreign currency forward contracts	(8)	8	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	(8)	8	-	-

as at December 31, 2019

	Gross Assets/ (Liabilities) (in \$000's)	Amounts Eligible for Offset		Net Exposure (in \$000's)
		Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	250	(4)	-	246
Derivative assets - Swaps and swaptions	-	-	-	-
Total	250	(4)	-	246
Derivative liabilities - Foreign currency forward contracts	(4)	4	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	(4)	4	-	-

Interest in Unconsolidated Structured Entities (Note 2)

The following tables present the Fund's interest in Unconsolidated Structured Entities.

as at December 31, 2020

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			

as at December 31, 2019

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Canadian REIT ETF	627,453	3,633	0.6

The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Fund Specific Notes to Financial Statements

Commissions (Note 2)

for the years ended December 31 (in \$000's)

	2020	2019
Brokerage commissions	122	125
Soft dollar commissions [†]	38	33

Redeemable Unit Transactions (Note 4)

for the years ended December 31

	Series A		Series F	
	2020	2019	2020	2019
Number of redeemable units at the beginning of year	5,272,456	1,665,339	1,356,325	552,617
Redeemable units issued for cash	1,383,489	4,076,945	539,655	896,605
Redeemable units issued for reinvested distributions	133,894	79,125	44,280	26,882
Redeemable units redeemed	(3,687,318)	(548,953)	(669,093)	(119,779)
Number of redeemable units at the end of year	3,102,521	5,272,456	1,271,167	1,356,325

[†]A portion of brokerage commissions paid was used to cover research and market data services, termed soft dollar commissions. This amount has been estimated by the Manager of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset REIT Income Fund

Fund Specific Notes to Financial Statements

Financial Instruments Risks (Note 10)

Concentration Risk

For Concentration Risk as at December 31, 2020, refer to the Schedule of Investment Portfolio.

The table below summarizes the Fund's exposure to concentration risk.

as at December 31, 2019

Categories	Net Assets (%)
Canada	85.70
Other Net Assets (Liabilities)	10.32
U.K.	1.87
U.S.A.	1.52
Bonds	0.41
Total unrealized gain on forward foreign currency contract(s)	0.18
Total unrealized loss on forward foreign currency contract(s)	(0.00)
Total	100.00

Credit Risk

As at December 31, 2020 and 2019, the Fund's exposure to credit risk through derivative instruments was insignificant.

Other Price Risk

As at December 31, 2020 and 2019, the Fund was predominantly invested in Canadian equities and therefore was sensitive to changes in general economic conditions in Canada.

As at December 31, 2020, had the fair value of equities in the investment portfolio increased or decreased by 10% (December 31, 2019 - 10%), with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have increased or decreased, respectively, by approximately \$8,363,000 (December 31, 2019 - \$12,706,000). In practice, actual results may differ from this analysis and the difference may be material.

Currency Risk

The tables below summarize the Fund's exposure to currency risk.

as at December 31, 2020~

Currency	Financial Instruments		Net	Net
	Exposure	Derivatives	Exposure	Assets
	(in \$000's)	(in \$000's)	(in \$000's)	(%)
U.S. Dollar	12,684	(11,932)	752	0.9
Total	12,684	(11,932)	752	0.9

as at December 31, 2019~

Currency	Financial Instruments		Net	Net
	Exposure	Derivatives	Exposure	Assets
	(in \$000's)	(in \$000's)	(in \$000's)	(%)
U.S. Dollar	13,891	(10,870)	3,021	2.1
Total	13,891	(10,870)	3,021	2.1

~Includes monetary and non-monetary instruments, if any.

Currency Risk (cont'd)

As at December 31, 2020, had the Canadian dollar strengthened or weakened by 10% (December 31, 2019 - 10%) in relation to all other foreign currencies held in the Fund, with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have decreased or increased, respectively, by approximately \$75,000 (December 31, 2019 - \$302,000). In practice, actual results may differ from this analysis and the difference may be material.

Interest Rate Risk

As at December 31, 2020 and 2019, the Fund did not have significant exposure to interest rate risk as substantially all of its assets were invested in equities and derivatives.

Fair Value Hierarchy

The tables below summarize the inputs used by the Fund in valuing the Fund's investments and derivatives carried at fair value.

Long Positions at fair value as at December 31, 2020

	Level 1	Level 2	Level 3	Total
	(in \$000's)	(in \$000's)	(in \$000's)	(in \$000's)
Equities	83,631	-	-	83,631
Derivatives, net	-	194	-	194
Total	83,631	194	-	83,825

Long Positions at fair value as at December 31, 2019

	Level 1	Level 2	Level 3	Total
	(in \$000's)	(in \$000's)	(in \$000's)	(in \$000's)
Equities	127,061	-	-	127,061
Bonds	-	344	-	344
Derivatives, net	-	246	-	246
Total	127,061	839	-	127,900

There were no transfers between Level 1, 2 and 3 during the years ended December 31, 2020 and 2019.

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Financial Statements

Statements of Financial Position

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	2020	2019
Assets		
Current assets		
Investments	14,360	13,406
Investments pledged as collateral	-	-
Cash	660	1,200
Unrealized gain on futures and foreign currency forward contracts	-	10
Swaps, swaptions and options	-	-
Daily variation margin on derivative instruments	-	-
Fees rebate receivable	-	-
Cash collateral on deposit for short sale	-	-
Dividends receivable	41	44
Interest receivable	3	3
Receivable for investments sold	-	-
Receivable for unit subscriptions	-	65
	15,064	14,728
Liabilities		
Current liabilities		
Investments sold short	-	-
Bank overdraft	-	-
Unrealized loss on futures and foreign currency forward contracts	1	-
Swaps, swaptions and options	-	-
Dividends payable on investments sold short	-	-
Interest payable on investments sold short	-	-
Daily variation margin on derivative instruments	-	-
Payable for investments purchased	-	-
Payable for unit redemptions	-	23
Distributions payable to holders of redeemable units	-	-
Management fees payable	23	23
Accounts payable and accrued liabilities	61	53
	85	99
Net assets attributable to holders of redeemable units	14,979	14,629

Statements of Financial Position (cont'd)

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	Net assets attributable to holders of redeemable units per Series (Note 4):		Net assets attributable to holders of redeemable units per unit:		Number of redeemable units outstanding:	
	2020	2019	2020	2019	2020	2019
Series A	13,230	12,878	12.61	11.95	1,049,460	1,077,276
Series F	1,749	1,751	14.42	13.45	121,277	130,187

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Financial Statements

Statements of Comprehensive Income

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	2020	2019
Income		
Net gain (loss) on investments and derivatives		
Dividends	414	453
Interest for distribution purposes	-	-
Income distributions from investments	108	82
Capital gain distributions from investments	-	247
Derivative income (loss)	-	-
Dividends expense on financial assets (liabilities) sold short	-	-
Interest expense on financial assets (liabilities) sold short	-	-
Net realized gain (loss) on sale of investments and derivatives	715	172
Change in unrealized appreciation (depreciation) in value of investments and derivatives	422	3,155
Total net gain (loss) on investments and derivatives	1,659	4,109
Other income		
Foreign exchange gain (loss) on cash	(2)	(3)
Securities lending revenue (Note 6)	2	3
Fees rebate	33	29
Miscellaneous foreign income	-	-
Other income	-	-
Total other income	33	29
Total income	1,692	4,138
Expenses		
Custody fees	17	18
Unitholders reporting costs	36	41
Management fees (Note 5)	271	261
Audit fees	5	4
Legal fees	2	8
Independent review committee fees	-	-
Commissions and other portfolio transaction costs	6	5
Securities borrowing fees (Note 2)	-	-
Interest expense	-	1
Withholding taxes	-	2
Harmonized sales tax	40	40
Other expenses	-	-
Total expenses	377	380
Expenses absorbed by the Manager (Note 5)	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	1,315	3,758

Statements of Comprehensive Income (cont'd)

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	Increase (decrease) in net assets attributable to holders of redeemable units per Series:		Increase (decrease) in net assets attributable to holders of redeemable units per unit:		Weighted average number of units:	
	2020	2019	2020	2019	2020	2019
Series A	1,128	3,435	1.03	3.04	1,095,438	1,129,873
Series F	187	323	1.41	3.42	132,686	94,455

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units for the years ended December 31 (in \$000's)

	Series A		Series F		Total Fund	
	2020	2019	2020	2019	2020	2019
Net assets attributable to holders of redeemable units at the beginning of year	12,878	11,505	1,751	967	14,629	12,472
Increase (decrease) in net assets attributable to holders of redeemable units	1,128	3,435	187	323	1,315	3,758
Distributions to holders of redeemable units						
From net investment income	(65)	(68)	(29)	(20)	(94)	(88)
From net realized gains	-	-	-	-	-	-
Return of capital	(478)	(487)	(37)	(31)	(515)	(518)
Total distributions to holders of redeemable units	(543)	(555)	(66)	(51)	(609)	(606)
Redeemable unit transactions						
Proceeds from redeemable units issued	1,769	469	405	681	2,174	1,150
Reinvestment of distributions to holders of redeemable units	509	510	62	49	571	559
Redemption of redeemable units	(2,511)	(2,486)	(590)	(218)	(3,101)	(2,704)
Net increase (decrease) from redeemable unit transactions	(233)	(1,507)	(123)	512	(356)	(995)
Net increase (decrease) in net assets attributable to holders of redeemable units	352	1,373	(2)	784	350	2,157
Net assets attributable to holders of redeemable units at the end of year	13,230	12,878	1,749	1,751	14,979	14,629

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Financial Statements

Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2020	2019
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	1,315	3,758
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	(715)	(172)
Unrealized foreign exchange (gain) loss on cash	1	2
Commissions and other portfolio transaction costs	6	5
Change in unrealized (appreciation) depreciation in value of investments and derivatives	(422)	(3,155)
Proceeds from sale and maturity of investments and derivatives	3,049	3,298
Purchase of investments and derivatives	(2,860)	(1,764)
(Increase) decrease in cash collateral on deposit for short sale	-	-
Non-cash distributions from investments	-	-
Change in daily variation margin	-	-
(Increase) decrease in dividends receivable	3	10
(Increase) decrease in interest receivable	(1)	1
Increase (decrease) in management fees payable	-	3
Amortization interest earned	-	-
Change in other accounts receivable and payable	8	(20)
Net cash from (used in) operating activities	384	1,966
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(38)	(47)
Proceeds from issuance of redeemable units	2,238	1,087
Amounts paid on redemption of redeemable units	(3,123)	(2,704)
Net cash from (used in) financing activities	(923)	(1,664)
Unrealized foreign exchange gain (loss) on cash	(1)	(2)
Net increase (decrease) in cash	(539)	302
Cash (bank overdraft), beginning of year	1,200	900
Cash (bank overdraft), end of year	660	1,200
Supplementary Information:		
Dividends received, net of withholding tax*	421	461
Interest received, net of withholding tax*	-	-
Dividends paid*	-	-
Interest paid*	-	(1)
Tax recoverable (paid)	-	-

*Dividends and interest received as well as dividends and interest paid relate to operating activities of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Schedule of Investment Portfolio as at December 31, 2020

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
LIMITED PARTNERSHIP UNITS				
3,790	Brookfield Renewable Partners L.P.	105,837	208,261	
Total Limited Partnership Units		105,837	208,261	1.39
EQUITIES				
Energy				
11,936	Enbridge Inc.	549,387	485,915	
14,300	Gibson Energy Inc.	265,758	294,008	
20,309	Keyera Corp.	620,080	459,390	
7,645	Pembina Pipeline Corp.	253,727	230,115	
11,850	TC Energy Corp.	686,734	613,238	
		2,375,686	2,082,666	13.90
Fund(s)				
410,700	CI First Asset Active Utility & Infrastructure ETF	4,239,193	5,441,775	36.33
Utilities				
58,960	Algonquin Power & Utilities Corp.	560,116	1,235,211	
18,430	AltaGas Ltd.	318,484	345,010	
16,556	Boralex Inc., Class 'A'	246,474	782,105	
16,400	Canadian Utilities Ltd., Class 'A'	624,459	509,876	
11,400	Emera Inc.	479,145	616,740	
18,500	Hydro One Ltd.	423,819	530,025	
22,600	Innergex Renewable Energy Inc.	299,721	618,562	
17,324	Northland Power Inc.	475,794	791,187	
38,200	Superior Plus Corp.	426,079	465,276	
33,700	TransAlta Renewables Inc.	456,953	733,311	
		4,311,044	6,627,303	44.25
Total Equities		10,925,923	14,151,744	94.48
Adjustment for transaction costs		(8,062)		
Total Investments		11,023,698	14,360,005	95.87
Total unrealized gain on forward foreign currency contract(s)			415	0.00
Total unrealized loss on forward foreign currency contract(s)			(560)	(0.00)
Other Net Assets (Liabilities)			619,157	4.13
Net Assets Attributable to Holders of Redeemable Units			14,979,017	100.00

Forward Foreign Currency Contract(s)

Counterparty	Credit Rating of the Counterparty*	Settlement Date	Currency Buy	Position	Currency Sell	Position	Contract(s) Rate	Unrealized Gain (Loss) (\$)
Bank of Montreal	A-1	January 21, 2021	CAD	780	USD	594	1.31	23
Bank of Montreal	A-1	January 21, 2021	USD	15,000	CAD	19,669	0.76	(560)
Canadian Imperial Bank of Commerce	A-1	January 21, 2021	CAD	1,092	USD	832	1.31	32
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	11,119	USD	8,592	1.29	174
Canadian Imperial Bank of Commerce	A-1	February 18, 2021	CAD	381	USD	290	1.31	11
Citibank N.A., New York	A-1	January 21, 2021	CAD	940	USD	712	1.32	33
Citibank N.A., New York	A-1	February 18, 2021	CAD	506	USD	388	1.30	12
HSBC Bank, Toronto	A-1	February 18, 2021	CAD	317	USD	241	1.32	10
JPMorgan Chase Bank, New York	A-1	January 21, 2021	CAD	1,092	USD	832	1.31	32
JPMorgan Chase Bank, New York	A-1	February 18, 2021	CAD	324	USD	250	1.30	6
Morgan Stanley & Co. International PLC	A-1	January 21, 2021	CAD	935	USD	713	1.31	27
Morgan Stanley & Co. International PLC	A-1	February 18, 2021	CAD	439	USD	339	1.29	7
Royal Bank of Canada	A-1+	January 21, 2021	CAD	968	USD	732	1.32	36
Royal Bank of Canada	A-1+	February 18, 2021	CAD	440	USD	340	1.29	7
Toronto-Dominion Bank (The)	A-1+	February 18, 2021	CAD	190	USD	145	1.31	5
								(145)

*Credit rating provided by S&P Global Ratings.

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Fund.

First Asset Utility Plus Fund

Fund Specific Notes to Financial Statements

Offsetting of Financial Instruments (Note 2)

The following tables show the net impact on the Fund's Statements of Financial Position if all rights to offset were exercised.

as at December 31, 2020

	Amounts Eligible for Offset			Net Exposure (in \$000's)
	Gross Assets/ (Liabilities) (in \$000's)	Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	-	-	-	-
Derivative assets - Swaps and swaptions	-	-	-	-
Total	-	-	-	-
Derivative liabilities - Foreign currency forward contracts	(1)	-	-	(1)
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	(1)	-	-	(1)

as at December 31, 2019

	Amounts Eligible for Offset			Net Exposure (in \$000's)
	Gross Assets/ (Liabilities) (in \$000's)	Financial Instruments (in \$000's)	Collateral Received/(Paid) (in \$000's)	
Derivative assets - Foreign currency forward contracts	10	-	-	10
Derivative assets - Swaps and swaptions	-	-	-	-
Total	10	-	-	10
Derivative liabilities - Foreign currency forward contracts	-	-	-	-
Derivative liabilities - Swaps and swaptions	-	-	-	-
Total	-	-	-	-

Interest in Unconsolidated Structured Entities (Note 2)

The following tables present the Fund's interest in Unconsolidated Structured Entities.

as at December 31, 2020

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Active Utility & Infrastructure ETF	34,965	5,442	15.6

as at December 31, 2019

	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Ownership in the Underlying Fund(s) / ETF(s) (%)
Unconsolidated Structured Entities			
CI First Asset Active Utility & Infrastructure ETF	29,228	4,400	15.1

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Fund Specific Notes to Financial Statements

Commissions (Note 2)

for the years ended December 31 (in \$000's)

	2020	2019
Brokerage commissions	5	5
Soft dollar commissions [†]	1	1

Redeemable Unit Transactions (Note 4)

for the years ended December 31

	Series A		Series F	
	2020	2019	2020	2019
Number of redeemable units at the beginning of year	1,077,276	1,215,415	130,187	92,247
Redeemable units issued for cash	141,795	42,015	30,707	51,905
Redeemable units issued for reinvested distributions	45,060	45,318	4,825	3,826
Redeemable units redeemed	(214,671)	(225,472)	(44,442)	(17,791)
Number of redeemable units at the end of year	1,049,460	1,077,276	121,277	130,187

[†]A portion of brokerage commissions paid was used to cover research and market data services, termed soft dollar commissions. This amount has been estimated by the Manager of the Fund. The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Fund Specific Notes to Financial Statements

Management Fee Rate (Note 5)

as at December 31, 2020 (%)

	Annual management fee rate:
Series A	2.000
Series F	1.000

Securities Lending (Note 6)

as at December 31 (in \$000's)

	2020	2019
Loaned	790	618
Collateral (non-cash)	829	669

Securities Lending Revenue Reconciliation (Note 6)

for the years ended December 31 (in \$000's)

	2020	2019
Gross securities lending revenue	3	6
Charges	(1)	(3)
Securities lending revenue	2	3
Charges as a % of gross securities lending revenue	40.0	40.0

Loss Carry Forwards (Note 7)

as at December 31 (in \$000's)

	2020
Capital loss carried forward:	-
Non-capital losses expiring:	
2030	-
2031	-
2032	-
2033	-
2034	-
2035	-
2036	-
2037	-
2038	-
2039	-
2040	-
Total	-

Related Party Investments (Note 9)

as at December 31 (in \$000's)

Investments	2020
CI First Asset Active Utility & Infrastructure ETF	5,442

Investments	2019
CI First Asset Active Utility & Infrastructure ETF	4,400

The accompanying notes are an integral part of these financial statements.

First Asset Utility Plus Fund

Fund Specific Notes to Financial Statements

Financial Instruments Risks (Note 10)

Concentration Risk

For Concentration Risk as at December 31, 2020, refer to the Schedule of Investment Portfolio.

The table below summarizes the Fund's exposure to concentration risk.

as at December 31, 2019

Categories	Net Assets (%)
Canada	87.87
Other Net Assets (Liabilities)	8.29
U.S.A.	2.70
Limited Partnership Units	1.07
Total unrealized gain on forward foreign currency contract(s)	0.07
Total unrealized loss on forward foreign currency contract(s)	(0.00)
Total	100.00

Credit Risk

As at December 31, 2020 and 2019, the Fund's exposure to credit risk through derivative instruments was insignificant.

Other Price Risk

As at December 31, 2020 and 2019, the Fund was predominantly invested in Canadian equities and therefore was sensitive to changes in general economic conditions in Canada.

As at December 31, 2020, had the fair value of equities in the investment portfolio increased or decreased by 10% (December 31, 2019 - 10%), with all other variables held constant, net assets attributable to holders of redeemable units of the Fund would have increased or decreased, respectively, by approximately \$1,436,000 (December 31, 2019 - \$1,341,000). In practice, actual results may differ from this analysis and the difference may be material.

Currency Risk

As at December 31, 2020 and 2019, the Fund did not have significant exposure to currency risk as substantially all of its investments were denominated in Canadian dollars, the functional currency of the Fund.

Interest Rate Risk

As at December 31, 2020 and 2019, the Fund did not have significant exposure to interest rate risk as substantially all of its assets were invested in equities and derivatives.

Fair Value Hierarchy

The tables below summarize the inputs used by the Fund in valuing the Fund's investments and derivatives carried at fair value.

Long Positions at fair value as at December 31, 2020

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	8,710	-	-	8,710
Limited partnership units	208	-	-	208
Fund(s)	5,442	-	-	5,442
Derivatives, net	-	-	-	-
Total	14,360	-	-	14,360

Long Positions at fair value as at December 31, 2019

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	13,249	-	-	13,249
Limited partnership units	157	-	-	157
Derivatives, net	-	10	-	10
Total	13,406	10	-	13,416

There were no transfers between Level 1, 2 and 3 during the years ended December 31, 2020 and 2019.

The accompanying notes are an integral part of these financial statements.

CI First Asset Mutual Funds

Notes to the Financial Statements

1. THE FUNDS

The following Funds are investment trusts created under the laws of the Province of Ontario.

Fund	Inception Date
First Asset Canadian Convertible Bond Fund	October 23, 2009
First Asset Canadian Dividend Opportunity Fund	April 19, 2012
First Asset REIT Income Fund	June 4, 2010
First Asset Utility Plus Fund	January 11, 2011

(collectively the Funds, individually a Fund)

On July 1, 2019, First Asset Investment Management Inc. amalgamated with CI Investments Inc. (CI). Effective July 1, 2019, CI became the manager, advisor and trustee (the Manager, the Advisor and the Trustee) of the Funds. CI is a subsidiary of CI Financial Corp. CIBC Mellon Trust Company is the custodian (the Custodian) of the Funds.

The Funds registered office is at 2 Queen Street East, Suite 2000, Toronto, Canada, M5C 3G7. These financial statements were authorized for issue by the Manager on March 11, 2021.

The investment objectives of the First Asset Canadian Convertible Bond Fund are to provide unitholders with quarterly distributions and the opportunity for capital appreciation through investment predominantly in Canadian debentures that are convertible into equity of Canadian issuers, investments in convertible debentures of non-Canadian issuers, as well as fixed income instruments and equities.

The investment objectives of the First Asset Canadian Dividend Opportunity Fund are to provide holders with monthly distributions and the opportunity for capital appreciation, by investing in an actively managed portfolio comprised primarily of high-quality dividend paying Canadian equity securities of Canadian utility issuers, pipeline issuers and telecommunications issuers and select higher yielding equity securities. The portfolio also includes securities of dividend issuers like banks and financial services issuers that have strong track records of maintaining and raising distributions.

The investment objectives of the First Asset REIT Income Fund are to provide holders with quarterly distributions and the opportunity for capital appreciation through investment primarily in real estate investment trusts (REIT(s)), equity securities of corporations carrying on business in the real estate sector and debt or convertible debt issued by REIT(s) and real estate corporations.

The investment objectives of the First Asset Utility Plus Fund are to provide holders with quarterly income and the opportunity for capital appreciation by investing primarily in equity securities of Canadian issuers which have a market capitalization greater than \$200 million. The securities include Canadian and United States' corporations, limited partnerships and trusts. The Fund's portfolio is focused on issuers in the utilities sector (electrical, water, gas), energy infrastructure sector (including renewable energy and pipelines), the telecom sector and also on stable businesses with a strong history of growing their earnings and/or dividends.

Each of the Funds offers Class A units and Class F units.

The Statements of Financial Position are as at December 31, 2020 and 2019. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are for the years ended December 31, 2020 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in compliance with *International Financial Reporting Standards* (IFRS) as published by the International Accounting Standards Board.

The following is a summary of the significant accounting policies of the Funds:

a. Classification and recognition of financial instruments

The Funds classify and measure their investments (such as fixed-income securities, equity securities, investment fund(s), exchange-traded fund(s) and derivatives) based on both the Funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolios of financial assets are managed, and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The contractual cash flows of the Funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments and derivatives are measured at fair value through profit or loss (FVTPL). Derivative contracts that have a negative fair value are presented as liabilities at FVTPL.

The Funds' obligations for net assets attributable to holders of redeemable units are presented at the redemption amount, which approximates their fair value. All other financial assets and liabilities are measured at amortized cost, which approximates their fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest.

Financial assets and liabilities are offset, and the net amount presented in the Statements of Financial Position when, and only when, the Funds have a legal right to offset the amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously. In the normal course of business, the Funds enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position, but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

b. Fair value of financial instruments

At the financial reporting date, listed securities are valued based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the existing market conditions. Unlisted securities are valued based on price quotations received from recognized investment dealers, or failing that, their fair value is determined by the Manager based on the latest reported information available. Unlisted warrants, if any, are valued based on a pricing model which considers factors such as the market value of the underlying security, strike price, and terms of the warrant. Fixed-income securities, debentures and other debt instruments, including short-term investments, are valued at the quotation received from recognized investment dealers. Underlying fund(s) are valued on each business day at their net asset value as reported by the underlying fund(s)' managers.

The fair value of private placements and other securities where there are significant unobservable inputs is determined by using valuation models that may be based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation

CI First Asset Mutual Funds

Notes to the Financial Statements (cont'd)

related information from issuers and/or other analytical data relating to the investment and using other available indications of value. These values are independently assessed by the Manager to ensure that they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair values for these securities may be materially different from the values that would have been used had a ready market for the investment existed. The fair values of private placements are affected by the perceived credit risks of the issuer, predictability of cash flows and the length of time to maturity.

c. Cash

Cash is comprised of cash on deposit and bank overdraft.

d. Cost of investments

Cost of investments represents the amount paid for each security and is determined on an average cost basis excluding commissions and transactions costs. Average cost does not include amortization of premiums or discounts on fixed-income securities with the exception of zero-coupon bonds.

e. Investment transactions and income recognition

Investment transactions are recorded on the trade date – the date on which a Fund commits to purchase or sell the investment. The “Interest for distribution purposes” shown on the Statements of Comprehensive Income represents the coupon interest received by the Funds and is accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed-income securities except for zero-coupon bonds, which are amortized on a straight-line basis.

Dividends and distributions from investments are recognized on the ex-dividend/ex-distribution date.

Distributions received from income trust(s) and underlying fund(s) are recorded as income, capital gains or a return of capital, based on the best information available to the Manager. Due to the nature of these investments, actual allocations could vary from this information. Distributions from income trust(s) or underlying fund(s) that are treated as a return of capital for income tax purposes reduce the average cost of the income trust(s) or underlying fund(s).

f. Foreign exchange

The Funds’ functional and presentation currency is the Canadian dollar. Foreign currency amounts are translated into the functional currency as follows: fair value of investments, foreign currency forward contracts and other assets and liabilities at the closing rate of exchange on each business day; income and expenses, purchases and sales and settlements of investments at the rate of exchange prevailing on the respective dates of such transactions. Foreign exchange gains (losses) relating to cash are presented as “Foreign exchange gain (loss) on cash” and those relating to other financial assets and liabilities are presented within “Net realized gain (loss) on sale of investments and derivatives” and “Change in unrealized appreciation (depreciation) in value of investments and derivatives” in the Statements of Comprehensive Income.

g. Unit valuation

Net asset value (NAV) per unit of each class is calculated at the end of each day on which the Toronto Stock Exchange is open for business by dividing the total NAV of each class of a Fund by the number of units of that class outstanding.

The NAV of each class is computed by calculating the value of that class’ proportionate share of the Fund’s assets less that class’ proportionate share of the Fund’s common liabilities and less class specific liabilities. Expenses directly attributable to a class are charged to that class. Other income and expenses, and gains and losses, are allocated to each class proportionately based upon the relative total NAV of each class.

As at December 31, 2020 and 2019, there were no differences between the NAV used for transactions with unitholders and the net assets attributable to holders of redeemable units used for reporting purposes under IFRS.

h. Classification of units

The units of the Funds are classified as financial liabilities in accordance with IAS 32 *Financial Instruments: Presentation* (IAS 32), as they do not meet the definition of puttable instruments to be classified as equity in accordance with IAS 32 for financial reporting purposes.

i. Commissions and other portfolio transaction costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities, are included in “Commissions and other portfolio transaction costs” in the Statements of Comprehensive Income.

Funds that invest only in units of underlying fund(s) are not subject to commissions.

j. Increase (decrease) in net assets attributable to holders of redeemable units per unit

“Increase (decrease) in net assets attributable to holders of redeemable units per unit” in the Statements of Comprehensive Income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units of each class of a Fund by the weighted average number of units of that class outstanding during the year.

k. Foreign currency forward contracts

A Fund may, from time to time, enter into foreign currency forward contracts. Foreign currency forward contracts are valued on each valuation day, based on the difference between contract rate and the current forward rate at the measurement date applied to the contract’s notional amount and adjusted for counterparty risk. All unrealized gains (losses) arising from foreign currency forward contracts are recorded as part of “Change in unrealized appreciation (depreciation) in value of investments and derivatives” in the Statements of Comprehensive Income and “Unrealized gain (loss) on futures and foreign currency forward contracts” in the Statements of Financial Position until the contracts are closed out or expire, at which time the gains (losses) are realized and reported as “Net realized gain (loss) on sale of investments and derivatives” in the Statements of Comprehensive Income.

l. Offsetting of financial instruments

The disclosures set out in the Offsetting of Financial Instruments tables in the Fund Specific Notes to Financial Statements of each of the Funds include foreign currency forward contracts assets and liabilities that are subject to an enforceable master netting arrangement. Transactions with individual counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Funds and respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

International Swaps and Derivatives Association Inc. Master Agreements (ISDA Master Agreements) govern over the counter (OTC) financial derivative transactions entered into by the Funds and select counterparties. The ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The fair value of OTC financial derivative transactions net of collateral received in or pledged by a counterparty as at year end is disclosed in the Fund Specific Notes to Financial Statements of each of the Funds, as applicable.

CI First Asset Mutual Funds

Notes to the Financial Statements (cont'd)

The Funds may be subject to various Master Agreements or netting arrangements, with selected counterparties. These Master Agreements reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that improves legal certainty. Since different types of transactions have different mechanics and are sometimes traded out to different legal entities of a particular counterparty organization, each type of transaction may be covered by a different Master Agreement resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Funds to close out and net their total exposure to a counterparty in the event of a default with respect to the transactions governed under a single agreement with a counterparty.

m. Investments in associates, joint ventures, subsidiaries and unconsolidated structured entities

Subsidiaries are entities, including investments in other investment entities, over which a Fund has control. A Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. Associates and joint ventures are investments over which a Fund has significant influence or joint control. A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factors in deciding, who controls the entity, or when voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The Manager has determined that underlying fund(s) or exchange-traded fund(s) ETF(s) held typically by the Funds meet the definition of unconsolidated structured entities. Mortgage-backed securities are also considered to be unconsolidated structured entities. The Funds account for their investments in unconsolidated structured entities at FVTPL.

The Funds that invest in underlying fund(s) are subject to the terms and conditions of the respective underlying fund(s)' offering documents and are susceptible to market price risk arising from uncertainties about future values of those underlying fund(s). All of the underlying fund(s) in the investment portfolio are managed by portfolio managers who are compensated by the respective underlying fund(s) for their services. Such compensation generally consists of an asset-based fee and is reflected in the valuation of each of the underlying fund(s), except when the Funds invest in certain classes of the underlying fund(s) where the compensation to portfolio managers is negotiated and paid outside each of the underlying fund(s). The underlying fund(s) finance their operations by issuing redeemable units that entitle the holders to an equal beneficial interest in the corresponding underlying fund. The Funds can redeem their investments in the underlying fund(s) on a daily basis. These investments are included in "Investments" at FVTPL in the Statements of Financial Position. All unrealized gains (losses) arising from these investments are recorded as part of "Change in unrealized appreciation (depreciation) in value of investments and derivatives" in the Statements of Comprehensive Income until these investments are sold, at which time the gains (losses) are realized and reflected in the Statements of Comprehensive Income in "Net realized gain (loss) on sale of investments and derivatives". The Funds' maximum exposure to loss from their interest in underlying fund(s) is equal to the total fair value of their investments in underlying fund(s).

Certain Funds invest in ETF(s) which are disclosed on the Schedule of Investment Portfolio and these Funds have determined that their investments in such ETF(s) meet definition of unconsolidated structured entities. These ETF(s) finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in each ETF's net asset value. The ETF(s) are domiciled in Canada or U.S. and listed on recognized public stock exchanges. The Funds' maximum exposure to loss from their interest in ETF(s) is equal to the total fair value of their investments in the ETF(s).

Information related to Interest in Unconsolidated Structured Entities for each of the Funds appears under the Fund Specific Notes to Financial Statements, if applicable.

n. Withholding taxes

A Fund may, from time to time, incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown separately in the Statements of Comprehensive Income.

o. Harmonized sales tax

Certain provinces including Ontario, Prince Edward Island, Nova Scotia, New Brunswick and Newfoundland and Labrador (each a Participating Tax Jurisdiction) have harmonized their provincial sales tax (PST) with the federal goods and services tax (GST). The Harmonized Sales Tax (HST) combines the federal GST rate of 5% with the PST rate of the participating province. The province of Quebec also applies the Quebec sales tax (QST) of 9.975%. The Provincial HST liability or refund is calculated using the residency of unitholders and the value of their interest in the Fund as at specific times, rather than the physical location of the Fund. The effective sales tax rate charged to each class of the Fund is based on the unitholders' proportionate investments by province, using each province's HST rate, GST rate in the case of non-participating provinces and/or QST rate. All amounts are presented as "Harmonized sales tax" in the Statements of Comprehensive Income.

p. Comparative balances

The comparative financial statements have been reclassified from the statements previously presented in order to conform to the presentation of the current year financial statements. Certain balances have been combined or disaggregated in order to conform to the current year's classification of financial statement items.

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting year. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing their financial statements:

Fair value measurement of investments and derivatives not quoted in active market

The Funds may, from time to time, hold financial instruments that are not quoted in active markets, such as unlisted securities, private securities or derivatives. Unlisted securities are valued based on price quotations from recognized investment dealers, or failing that, their fair value is determined by the Manager based on the latest reported information available. The fair value of private securities is determined by using valuation models that may be based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation related information from issuers and/or other analytical data relating to the investment and using other available indications of value. These values were independently assessed by the Manager based on assumptions and estimates as at statement of the financial position date. However, because of the inherent uncertainty of valuation, the estimated fair values for these securities may be materially different from the values that would have been used had a ready market for the investment existed. The fair values of private securities are affected by the perceived credit risks of the issuer, predictability of cash flows and the length of time to maturity.

CI First Asset Mutual Funds

Notes to the Financial Statements (cont'd)

Valuation models use observable data, to the extent practicable. Since the outbreak of Coronavirus 19 (COVID-19), market volatility has increased significantly which results in fluctuation in quoted securities prices, widening of bid ask spreads and reduced liquidity in the market. These changes may also impact the observability of some of the model valuation inputs used, which may have an implication on classification of certain financial instruments within the fair value hierarchy. Areas such as credit risk (both own and counterparty); volatilities, correlations and key assumptions concerning future developments require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

The Funds consider observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The fair value of investments in underlying fund(s) that are not quoted in active markets is determined primarily by reference to the latest available net asset value of such units for each underlying fund, as determined by the underlying fund(s)' managers.

IFRS 10 - Consolidated Financial Statements, (IFRS 10)

In accordance with IFRS 10, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at FVTPL, as required by the accounting standard.

4. REDEEMABLE UNITS

Redeemable units issued and outstanding represent the capital of each Fund.

Each Fund is authorized to issue an unlimited number of classes of units and may offer and sell an unlimited number of units of each class. All classes of units of a Fund have equal rights and privileges and are substantially the same except for the fees and sales and redemption charges associated with a particular class and the existence or absence of currency hedging arrangements. Each class of units may be converted/switched into any other class of units based on their respective NAV. The conversions/switcher are reflected in the Statements of Change in Net Assets Attributable to Holders of Redeemable Units as part of proceeds or redemptions, as applicable.

The Funds' deferred sales charge and low-load purchase options for their Class A units were closed to all new and additional purchases on April 22, 2016. Class A units initial sales charge option and Class F units are offered for sale on a continuous basis and may be purchased or redeemed on any valuation date at the NAV per security of a particular class.

Each of the Funds currently offers two classes of units: Class A and Class F (both of which are currency-hedged).

Each Fund manages its capital in accordance with its investment objectives and strategies outlined in the Note 1 and the risk management practices disclosed in Note 10 and endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet distributions and redemptions. In order to manage their capital structures, the Funds may adjust the amount of any distributions paid to unitholders.

5. FEES AND OTHER EXPENSES

Management fees

The Manager of each Fund, in consideration for management fees, provides management services required in the day-to-day operations of the Funds, including management of the investment portfolios of the Funds and provision of key management personnel.

The management fee calculated as a percentage of the NAV of each class of a Fund. This fee is calculated daily and paid monthly in arrears. The entire amount of the service fee paid to registered dealers in respect of the Class A units is paid by the Manager out of the management fee.

Operational cost

The Funds are responsible for all costs relating to their operations and administration, which are presented in their Statements of Comprehensive Income.

Investments in underlying fund(s)

A Fund that invests in units of underlying fund(s) will not pay a duplicate management and administration fee on the portion of assets that are invested in units of underlying fund(s). During the reporting year, a Fund may have received a management and/or administration fee rebate from the underlying fund(s)' Manager relating to its investment in an underlying fund. The management and/or administration fee rebates, if applicable, are included in "Fees rebate receivable" and in "Fees rebate" as reflected in the Statements of Financial Position and Statements of Comprehensive Income of each Fund, if applicable.

Refer to the Management Fee Rate table in the Fund Specific Notes to the Financial Statements for the management fee rates applicable to each class of each of the Funds.

6. SECURITIES LENDING

The Funds have entered a securities lending program with the Bank of New York Mellon, who acts as the securities lending agent. These transactions involve the temporary exchange of securities for collateral with a commitment to re-deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income from securities lending is included in the Statements of Comprehensive Income and is recognized when earned. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the assets of that Fund. Collateral received consists of qualified securities and securities that are immediately convertible into, or exchangeable for, securities of the same type, the same term and in the same number as those loaned by each Fund, or cash or letters of credit with market values of at least 102% of the market value of the loaned securities. Each Fund's lending agent is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Funds and bears all operational costs directly related to securities lending as well as the cost of borrowing default indemnification. For those Funds participating in the program, amounts for securities loaned and the collateral received as well as reconciliation between gross securities lending revenue and securities lending revenue received by each Fund appear in the Fund Specific Notes to Financial Statements of each of the Funds, if applicable. Revenue from securities lending is included in "Securities lending revenue" in the Statements of Comprehensive Income.

7. TAXATION

The Funds qualify as a mutual fund trust under the *Income Tax Act* (Canada). All of the Funds' net income for tax purposes and sufficient net capital gains realized in any year are required to be distributed to unitholders such that no income tax is payable by each of the Funds. As a result, the Funds do not record income taxes. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. Income tax on net realized capital gains not paid or payable will generally be recoverable

CI First Asset Mutual Funds

Notes to the Financial Statements (cont'd)

by virtue of refunding provisions contained in the *Income Tax Act* (Canada) and provincial income tax legislation, as redemptions occur. Occasionally, the Funds may distribute more than they earn. This excess distribution is a return of capital and is not taxable to unitholders.

The tax year-end for all Funds is December 15.

Refer to Loss Carry Forwards table in the Fund Specific Notes to Financial Statements for further information relating to loss carry forwards.

8. DISTRIBUTIONS

Each Fund distributes to its unitholders on a monthly or quarterly basis. The amounts of distributions are based on the Manager's assessment of anticipated cash flow of the Funds from time to time.

If, in any year, after such distributions, there would otherwise remain in the Funds additional net income or net realized capital gains, the Funds will make, on or before December 31 of that year, a distribution of such portion of the remaining net income or net realized capital gains as is necessary to ensure that the Funds will not be liable for income tax under the *Income Tax Act* (Canada), after taking into account all available deductions, credits and refunds.

9. RELATED PARTY TRANSACTIONS

The Manager manages and administers the business operations and affairs of the Funds, is also responsible for providing all investment advisory and portfolio management services required by the Funds. These services are in the normal course of operations and are recorded at the amount of the consideration agreed to by the parties.

Inter fund trading

Inter fund trading occurs when a Fund purchases or sells a security of any issuer from or to another Fund managed by the Manager. These transactions are executed through market intermediaries and under prevailing market terms and conditions. The Independent Review Committee (IRC) reviews such transactions during scheduled meetings. During the years December 31, 2020 and 2019, certain Funds executed inter fund trades.

Related fund trading

Related fund trading occurs when a Fund purchases or sells units/shares of another Fund managed by the Manager. During the years December 31, 2020 and 2019, certain Funds engaged in related fund trading or held position(s) in related fund(s) at the end of each year.

10. FINANCIAL INSTRUMENTS RISK

COVID-19 Impact

Since the outbreak of COVID-19, emergency measures taken in response to the spread of COVID-19 have resulted in significant disruption to business operations globally, resulting in an economic slowdown. Global equity and capital markets have also experienced significant volatility and weakness. The governments have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. These developments are constantly evolving and the duration and impact of the COVID-19 pandemic is highly uncertain and cannot be predicted at this time but could have a material impact on the future performance of the Funds. In the face of the current environment of heightened uncertainty and market volatility, the Manager continues to closely monitor its impact on the Funds' risk exposures from the portfolio holdings.

Risk management

The Funds are exposed to a variety of financial instruments risks: concentration risk, credit risk, liquidity risk and market risk (including other price risk, currency risk and interest rate risk). The level of risk to which each Fund is exposed to depends on the investment objective and the type of investments the Fund holds. The value of investments within a portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic and market conditions and company specific news related to investments held by the Fund. The Manager of the Funds may minimize potential adverse effects of these risks on the Funds' performance by, but not limited to, regular monitoring of the Funds' positions and market events, diversification of the investment portfolio by asset type, country, sector, term to maturity within the constraints of the stated objectives, and through the usage of derivatives to hedge certain risk exposures.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is a geographical allocation, asset type, industry sector or counterparty.

Credit risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of a debt instrument includes consideration for the credit worthiness of the debt issuer. The carrying amount of debt instruments as shown on the Schedule of Investment Portfolio represents the credit risk exposure of each Fund. The credit risk exposure of the Fund's other assets is represented by their carrying amount as disclosed in the Statements of Financial Position.

Credit ratings for debt securities, preferred securities and derivative instruments are obtained from S&P Global Ratings, otherwise ratings are obtained from: Moody's Investors Service or Dominion Bond Rating Service, respectively. Credit ratings can be either long-term or short-term. Short-term credit ratings are generally assigned to those obligations and derivative instruments considered short-term in nature.

The table below provides a cross-reference between the long-term credit ratings disclosed in the Credit Rating table inclusive of the short-term credit ratings disclosed in the derivatives schedules in the Schedule of Investment Portfolio.

Credit Rating as per Credit Risk Table	Credit Rating as per Derivatives Schedules
AAA/Aaa/A++	A-1+
AA/Aa/A+	A-1, A-2, A-3
A	B, B-1
BBB/Baa/B++	B-2
BB/Ba/B+	B-3
B	C
CCC/Caa/C++	-
CC/Ca/C+	-
C and Lower	D
Not Rated	WR

Cash balances as disclosed in the Statements of Financial Position are maintained by the Custodian. The Manager monitors the credit worthiness of the Custodian on a regular basis. The credit rating of the Custodian as at December 31, 2020 was AA- (December 31, 2019 - AA-).

CI First Asset Mutual Funds

Notes to the Financial Statements (cont'd)

All transactions executed by the Funds in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Liquidity risk

Liquidity risk is the risk that the Funds may not be able to meet their obligation on time or at a reasonable price.

The Funds' exposure to liquidity risk is concentrated in the daily cash redemptions of units. Generally, the Funds invest in securities that are considered readily realizable as they are actively traded on public exchanges. Certain securities may be less liquid than other securities and involve the risk that the Manager may not be able to dispose of them at the current market prices. As such, it may be difficult to significantly alter the composition of a Fund's portfolio in a short period of time.

All financial liabilities are due within three months, except for the redeemable units, which are redeemable on demand at the holder's option. The Manager does not expect that this contractual maturity is representative of the actual cash outflows, as unitholders of these instruments typically retain them for a longer period.

Market risk

The Funds' investments are subject to market risk which is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market conditions.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

Other assets and liabilities are monetary items that are short-term in nature and therefore are not subject to significant other price risk.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, the functional currency of the Funds. As a result, the Funds may be exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. The Schedule of Investment Portfolio identifies all bonds and derivative instruments denominated in foreign currencies. Equities traded in foreign markets are also exposed to currency risk as the prices denominated in foreign currencies are converted to the Funds' functional currency to determine their fair value.

Interest rate risk

Interest rate risk is the risk that the fair value of interest-bearing investments and interest rate derivative instruments will fluctuate due to changes in prevailing levels of market interest rates. As a result, the value of the Funds that invest in debt securities and/or income trusts will be affected by changes in applicable interest rates. If interest rates fall, the fair value of existing debt securities may increase due to increase in yield. Alternatively, if interest rates rise, the yield of existing debt securities may decrease which may then lead to a decrease in their fair value. The magnitude of the decline will generally be greater for long-term debt securities than for short-term debt securities.

Interest rate risk also applies to Funds that invest in convertible securities. The fair value of these securities varies inversely with interest rates, similar to other debt securities. However, since they may be converted into common shares, convertible securities are generally less affected by interest rate fluctuations than other debt securities.

Fair value hierarchy

The Funds are required to classify financial instruments measured at fair value using a fair value hierarchy. Investments whose values are based on quoted market prices in active markets are classified as Level 1. This level includes publicly traded equities, exchange-traded and retail mutual fund(s), exchange-traded warrants, futures contracts and traded options.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified as Level 2. These include fixed income securities, mortgage-backed securities, short-term instruments, non-traded warrants, over-the-counter options, structured notes of indexed securities, foreign currency forward contracts, swap instruments and American depositary receipts and Global depositary receipts, if quoted market price is not available.

Investments classified as Level 3 have significant unobservable inputs. Level 3 instruments include private equities, private term-loans, private equity fund(s) and certain derivatives. As observable prices are not available for these securities, the Funds may use a variety of valuation techniques to derive their fair value.

The Funds' policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Details of each Fund's exposure to financial instruments risks including concentration risk and fair value hierarchy classification are available in the Fund Specific Notes to Financial Statements for each Fund.

11. SUBSEQUENT EVENTS

On January 18, 2021, CI Global Asset Management announced proposed Funds' mergers. The following mergers will take place on April 19, 2021, if approved by unitholders.

Terminating ETF

First Asset Utility Plus Fund
First Asset Canadian Dividend Opportunity Fund

Continuing ETF

Signature Global Infrastructure Fund
CI North American Dividend Fund

First Asset Mutual Funds

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