

CI First Asset Active Canadian Dividend ETF

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

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-563-5181, by writing to us at CI Investments Inc., 2 Queen Street East, Twentieth Floor, Toronto, ON, M5C 3G7 or by visiting our website at www.firstasset.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the CI First Asset Active Canadian Dividend ETF (the Fund) is to seek long-term total returns consisting of regular dividend income and long-term capital appreciation from an actively managed portfolio comprised primarily of dividend-paying and other equity securities of Canadian issuers. The Fund may also invest up to 30% of its net asset value in dividend-paying and other equity securities of non-Canadian issuers.

RISK

There were no changes to the Fund over the period of this report that materially affected the overall level of risk associated with an investment in the Fund. Unitholders should refer to the prospectus as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The prospectus is available free of charge on our website at www.firstasset.com and on SEDAR at www.sedar.com.

RESULTS OF OPERATIONS

The Fund's net assets decreased by \$3.1 million to \$35.6 million from December 31, 2018 to December 31, 2019. The Fund had net redemptions of \$8.0 million for the year. The Fund paid distributions totalling \$1.6 million while the portfolio's performance increased assets by \$6.5 million. The Fund returned 17.5% after fees and expenses for the year ended December 31, 2019. Over the same time period, the Fund's benchmark returned 22.9%. The Fund's benchmark is the S&P/TSX Composite Total Return Index (the Index or Benchmark).

Unlike the end of 2018, when many investors were questioning the sustainability of the upward equity market, 2019 ended the year on a positive note, with U.S. and Canadian stock markets hitting all-time highs. U.S. equities, as measured by the S&P 500 Index, had a very strong year, returning 31.5%, despite trade disputes, cautious central banks and a slowing economy that periodically concerned investors. Canadian equities, as measured by the S&P/TSX Composite Index, posted a total return of 22.8%.

At the beginning of the year, investors had been anticipating two interest rate increases by the U.S. Federal Reserve Board (Fed) in 2019. However, early in the year, it was clear that these increases would not come to fruition. The Fed reduced the federal funds rate by 75 basis points (bps) by the end of 2019, in an effort to extend the business cycle, as inflation remained low despite extremely tight labour markets.

The Fund's top-performing sectors were utilities, materials and energy, which contributed +472 bps, +328 bps and +167 bps, respectively, to performance. Utilities holdings rebounded as bond yields declined amid concerns over slowing global growth. Energy and materials sector performance was driven by pipeline and midstream firms, which are more defensive than upstream exploration and production companies.

Top individual contributors to performance included AltaGas Canada Inc. (AltaGas, +182 bps), Enbridge Inc. (+146 bps) and TC Energy Corp. (TC Energy, +97 bps). AltaGas was acquired at a significant premium, while Enbridge Inc. rebounded with other pipeline companies as investors sought yield in a declining bond yield environment. TC Energy was able to complete some key asset sales to help with funding of new projects and alleviate concerns over large equity requirements.

The weakest sector performance came from consumer staples (-3 bps), information technology (0 bps) and consumer discretionary (+2 bps). Consumer staples performance was negatively impacted by the Fund's overweight allocation to Cott Corp. (Cott) Underweight allocations to information technology and consumer discretionary versus the benchmark was the main driver of underperformance for those sectors.

Individual detractors from performance included Cenovus Energy Inc. (-53 bps), Encana Corp. (-27 bps) and Cott (-10 bps). The two energy sector stocks sold off with the decline in energy prices, while Cott was impacted by earnings misses that were driven by higher-than-expected customer acquisitions expenses.

The Portfolio Manager added new positions in Agnico Eagle Mines Ltd., Barrick Gold Corp. and Newmont Goldcorp Corp. increase the Fund's exposure to gold equities. Existing holdings in Boralex Inc., Superior Plus Corp. and Hydro One Ltd. were increased based on their valuations.

Manulife Financial Corp., Royal Bank of Canada and The Toronto-Dominion Bank were eliminated in order to reduce the Fund's exposure to the bank and life insurance industry. Enbridge Inc. was trimmed to reallocate to gold exposure, while Crombie REIT and Inter Pipeline Ltd. were reduced as they appeared to be fully valued.

Overall, the Fund underperformed its benchmark for the year.

RECENT DEVELOPMENTS

The Portfolio Manager's economic outlook for 2020 is one of continued slow growth supported by a strong employment picture and accommodative central banks, but constrained by high debt levels, particularly in Canada. However, it is unlikely that North American equity markets will be able to repeat the strong performance of 2019. Given continuing geopolitical events and risks, volatility should also remain elevated.

While the Portfolio Manager views the risk of a deep recession as low, given an expected continuation of slow growth, a technical recession (two quarters of negative gross domestic product growth) is possible. However, this volatility could create opportunities to add value. The Fund is predominantly invested in dividend-paying companies with high cash flow, where there is also the potential for strong return on capital.

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Effective April 29, 2019, First Asset ETFs were rebranded as CI First Asset ETFs.

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

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

RELATED PARTY TRANSACTIONS

Manager, Trustee and Portfolio Manager

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

Management fee rate as at December 31, 2019, for the class is shown below:

	Annual management fee rate (%)
Common Units	0.550

The Manager received \$0.2 million in management fees for the year.

Management Fees

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

Independent Review Committee

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

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

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

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

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

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FINANCIAL HIGHLIGHTS

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

Net Assets per Unit (\$) ⁽¹⁾⁽²⁾⁽⁴⁾	Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽²⁾	
	Net assets at the beginning of year ⁽²⁾	Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the year	Unrealized gains (losses) for the year	Total increase (decrease) from operations ⁽²⁾	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital		Total distributions ⁽²⁾⁽³⁾
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Common Units												
Commencement of operations July 18, 2014												
Listed TSX: FDV												
Dec. 31, 2019	9.11	0.27	(0.10)	0.35	1.15	1.67	(0.01)	(0.15)	(0.09)	(0.12)	(0.37)	10.32
Dec. 31, 2018	9.75	0.31	(0.06)	0.14	(0.60)	(0.21)	-	(0.21)	(0.10)	(0.06)	(0.37)	9.11
Dec. 31, 2017	9.32	0.25	(0.07)	0.24	0.43	0.85	-	(0.15)	(0.05)	(0.17)	(0.37)	9.75
Dec. 31, 2016	9.24	0.22	(0.09)	(0.26)	0.23	0.10	-	(0.08)	-	(0.30)	(0.38)	9.32
Dec. 31, 2015	9.58	0.40	(0.10)	(0.01)	(0.20)	0.09	-	(0.22)	-	(0.18)	(0.40)	9.24

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

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

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

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

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FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ⁽¹⁾⁽⁶⁾

	Total net assets ⁽¹⁾ \$000's	Number of units outstanding ⁽⁵⁾ 000's	Management expense ratio before waivers or absorptions ⁽²⁾ %	Management expense ratio after taxes ⁽²⁾ %	Trading expense ratio ⁽³⁾ %	Portfolio turnover rate ⁽⁴⁾ %	Closing market price (\$) ⁽⁶⁾ %
Common Units							
Commencement of operations July 18, 2014							
Listed TSX: FDV							
Dec. 31, 2019	35,596	3,450	0.77	0.77	0.19	58.18	10.31
Dec. 31, 2018	38,737	4,250	0.94	0.94	0.15	70.46	9.11
Dec. 31, 2017	30,725	3,150	1.03	1.03	0.18	93.78	9.69
Dec. 31, 2016	30,046	3,225	1.54	1.25	0.32	155.90	9.31
Dec. 31, 2015	2,541	275	4.09	1.01	0.17	154.41	9.19

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

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

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

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the year, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the year.

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

(6) Closing market price.

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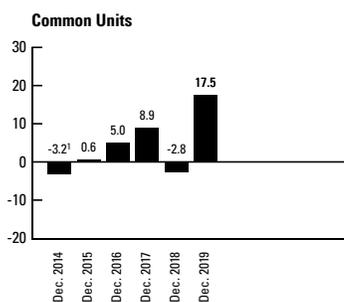
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PAST PERFORMANCE

This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the years shown were reinvested in additional units of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

Year-by-Year Returns

The following chart shows the Fund's annual performance for each of the years shown and illustrates how the Fund's performance has changed from year to year. In percentage terms, the chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year, except where noted.



¹ 2014 return is for the period from September 3, 2014 to December 31, 2014.

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Annual Compound Returns

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

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

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

	One Year (%)	Three Years (%)	Five Years (%)	Ten Years (%)	Since Inception (%)
Common Units	17.5	7.5	5.6	n/a	4.6
S&P/TSX Composite Total Return Index	22.9	6.9	6.3	n/a	4.7

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SUMMARY OF INVESTMENT PORTFOLIO as at December 31, 2019

Category	% of Net Assets	Category	% of Net Assets	Top 25 Holdings	% of Net Assets
Country allocation		Sector allocation			
Canada	55.0	Cash & Cash Equivalents	35.4	Cash & Cash Equivalents	35.4
Cash & Cash Equivalents	35.4	Utilities	25.7	Agnico Eagle Mines Ltd.	4.9
U.S.A.	9.3	Materials	12.3	Northland Power Inc.	4.5
Other Net Assets (Liabilities)	0.3	Real Estate	9.2	Algonquin Power & Utilities Corp.	4.2
		Energy	9.1	Newmont Goldcorp Corp.	3.8
		Industrials	4.5	AltaGas Canada Inc.	3.7
		Consumer Staples	1.9	Waste Connections Inc.	3.6
		Health Care	1.6	TC Energy Corp.	3.3
		Other Net Assets (Liabilities)	0.3	Enbridge Inc.	2.8
				Tricon Capital Group Inc.	2.7
				Boralex Inc., Class 'A'	2.3
				Hydro One Ltd.	2.2
				CMS Energy Corp.	2.1
				Keyera Corp.	1.9
				Loblaw Cos. Ltd.	1.9
				WPT Industrial REIT	1.7
				Sienna Senior Living Inc.	1.6
				Superior Plus Corp.	1.6
				NextEra Energy Inc.	1.6
				Kirkland Lake Gold Ltd.	1.5
				Killam Apartment REIT	1.4
				H&R REIT	1.3
				Pembina Pipeline Corp.	1.2
				Barrick Gold Corp.	1.1
				Fortis Inc.	1.1
				Total Net Assets (in \$000's)	\$35,596

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

A NOTE ON FORWARD-LOOKING STATEMENTS

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

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

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

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