

CI First Asset Short Term Government Bond Index Class 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 CI First Asset Short Term Government Bond Index Class ETF (the Fund) has been designed to replicate, to the extent possible, the performance of a Canadian short-term government bond index, currently the FTSE Canada Short Term Government Bond Index (the Index or Benchmark), net of expenses. Under normal market conditions, the Fund will primarily invest in Canadian federal, provincial and municipal bonds issued domestically in Canada and denominated in Canadian dollars. The investment strategy of the Fund is to invest in and hold the constituent securities of the Index in substantially the same proportion as they are reflected in the Index. The Fund may use a sampling strategy to achieve its objectives, if such an approach is appropriate in the discretion of Portfolio Manager.

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 \$0.9 million to \$46.4 million from December 31, 2018 to December 31, 2019. The Fund had net redemptions of \$1.0 million for the year. The Fund paid distributions totalling \$1.0 million while the portfolio's performance increased assets by \$1.1 million. The Fund returned 2.1% after fees and expenses for the year ended December 31, 2019. Over the same time period, the Fund's benchmark returned 2.4%.

At the beginning of the year, investors had been anticipating a couple of 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, and by the second quarter of 2019, there was discussion of possibly two to three interest rate cuts by year-end. The Fed fulfilled those expectations with three 25-basis-point interest rate cuts in the second half of the year. Bond yields responded to the change in Fed's tone, with 10-year U.S. Treasury yields declining from 2.7% at the end of 2018 to as low as 1.5% in early September, before climbing back to 1.9% by year-end on the back of better economic data. In Canada, 10-year bond yields declined from 2.0% to 1.1% in September, but rose to 1.7% to end the year. The Bank of Canada held interest rates steady throughout the year, resulting in a lesser decline for Canadian bond yields versus their U.S. counterparts. Provincial bonds performed well in 2019, as credit spreads narrowed considerably. The Province of Ontario five-year spread narrowed by 30 basis points, from +65 to +35, and Province of Quebec bonds had similar good performance.

Top individual contributors to the Fund's performance included Canada Housing Trust (2.4%, Dec. 2022), Province of Ontario (3.2%, Jun. 2022) and Government of Canada (GoC, 2.8%, Jun. 2022). The largest individual detractors from performance were GoC

(1.5%, Sep. 2024), Province of Quebec (3.8%, Sep. 2024) and Canada Housing Trust (1.8%, Dec. 2024).

Overall, the Fund slightly underperformed its benchmark for the year.

RECENT DEVELOPMENTS

The U.S. economy is expected to slow somewhat in 2020 with real gross domestic product (GDP) growth expected at 1.8% versus 2.3% in 2019. The signing of the U.S.-China phase one trade deal avoided escalating tariffs and has reduced investor anxiety. U.S. inflation is expected to increase somewhat, but still remain near the Fed's target.

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 and Portfolio Manager

CI is the Manager 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 (%)
ETF Shares	0.250

The Manager received \$0.1 million in management fees for the year.

During the year ended December 31, 2019, the Manager of the Fund absorbed \$75,219 in management fees.

Management Fees

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

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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 periods.

Net Assets per Share (\$) ^{(1) (2) (4)}	Increase (decrease) from operations:					Dividends:					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 dividends ^(2, 3)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

ETF Shares

Commencement of operations February 23, 2016

Listed TSX: FGB

Dec. 31, 2019	18.91	0.45	(0.07)	(0.02)	0.04	0.40	-	-	-	(0.39)	(0.39)	18.91
Dec. 31, 2018	18.99	0.44	(0.07)	(0.51)	0.50	0.36	-	-	-	(0.39)	(0.39)	18.91
Dec. 31, 2017	19.55	0.46	(0.08)	(0.37)	(0.14)	(0.13)	-	-	-	(0.41)	(0.41)	18.99
Dec. 31, 2016	20.00	0.42	(0.06)	(0.09)	(0.37)	(0.10)	-	-	-	(0.38)	(0.38)	19.55

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

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

(3) Dividends are automatically reinvested in additional shares 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 shares 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⁾ %
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ETF Shares

Commencement of operations February 23, 2016

Listed TSX: FGB

Dec. 31, 2019	46,321	2,450	0.50	0.34	0.03	88.21	18.91
Dec. 31, 2018	47,272	2,500	0.54	0.34	0.03	111.68	18.95
Dec. 31, 2017	40,836	2,150	0.54	0.35	0.03	79.78	18.97
Dec. 31, 2016	60,617	3,100	0.47	0.34	0.03	83.36	19.57

(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 shareholder 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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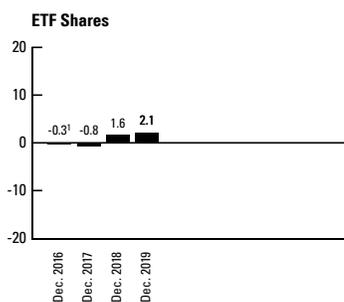
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PAST PERFORMANCE

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 dividends made by the Fund in the years shown were reinvested in additional shares 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 2016 return is for the period from February 24, 2016 to December 31, 2016.

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Annual Compound Returns

The following table shows the Fund's annual compound returns for each year indicated, compared to the FTSE Canada Short Term Government Bond Total Return Index and the FTSE Canada Universe Bond Total Return Index.

The FTSE Canada Short Term Government Bond Index is a market capitalization weighted index that measures the performance of the Canadian investment-grade fixed income market. The Index consists of investment grade, fixed rate Government bonds denominated in Canadian dollars, with term to maturity between one to five years. The Index is a sub-sector of the FTSE Canada Universe Bond Index.

The FTSE Canada Universe Bond Index is a market capitalization weighted index that measures the performance of the Canadian investment-grade fixed income market. The Index consists of fixed rate bonds denominated in Canadian dollars, with a remaining effective term to maturity of at least one year, rated BBB or higher. The Index is comprised of four main credit or borrower categories: bonds issued by the Government of Canada (including Crown Corporations), Provincial bonds (including provincially-guaranteed securities), Municipal bonds and Corporate bonds. The Corporate sector is further divided into sub-sectors based on major industry groups: Financial, Communication, Industrial, Energy, Infrastructure, Real Estate and Securitization. The Corporate sector is also divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector and a BBB sector.

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 (%)
ETF Shares	2.1	1.0	n/a	n/a	0.7
FTSE Canada Short Term Government Bond Total Return Index	2.4	1.3	n/a	n/a	1.0
FTSE Canada Universe Bond Total Return Index	6.9	3.6	n/a	n/a	3.1

The CI First Asset ETFs (the "ETFs") are not sponsored, endorsed, sold or promoted by FTSE Global Debt Capital Markets Inc. ("FTDCM"), FTSE International Limited ("FTSE"), the London Stock Exchange Group companies (the "Exchange") or TSX Inc. (together with FTDCM, FTSE and the Exchange, the "Licensor Parties"). The Licensor Parties make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Index and/or the figure at which the said Index stands at any particular time on any given day or otherwise. Each Index is compiled and calculated by FTDCM and all copyright in the Index values and constituent lists vests in FTDCM. The Licensor Parties shall not be liable (whether in negligence or otherwise) to any person for any error in any Index and the Licensor Parties shall not be under any obligation to advise any person of any error therein. The FTSE Canada 1-5 Year Laddered Government Bond Index™ is a trademark of FTSE Global Debt Capital Markets Inc., incorporating "FTSE®" under license. "FTSE®" is a trademark of the London Stock Exchange Group companies and is used by FTDCM under license.

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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	99.7	Government of Canada & Guaranteed	71.6	Government of Canada, 2.75%, June 1, 2022	6.6
Other Net Assets (Liabilities)	0.3	Provincial Government & Guaranteed	27.8	Canada Housing Trust N ^o . 1, 2.40%, December 15, 2022	4.1
		Financials	0.3	Government of Canada, 0.75%, March 1, 2021	4.1
		Other Net Assets (Liabilities)	0.3	Canada Housing Trust N ^o . 1, 2.90%, June 15, 2024	3.9
				Province of Ontario, 3.50%, June 2, 2024	3.7
				Government of Canada, 1.75%, March 1, 2023	3.6
				Government of Canada, 0.75%, September 1, 2021	3.4
				Government of Canada, 2.00%, September 1, 2023	3.3
				Government of Canada, 0.50%, March 1, 2022	3.2
				Government of Canada, 1.50%, September 1, 2024	3.2
				Canada Housing Trust N ^o . 1, 3.80%, June 15, 2021	2.9
				Government of Canada, 2.25%, March 1, 2024	2.9
				Government of Canada, 2.25%, February 1, 2021	2.7
				Province of Ontario, 3.15%, June 2, 2022	2.7
				Province of Quebec, 3.50%, December 1, 2022	2.5
				Government of Canada, 1.50%, June 1, 2023	2.4
				Province of Ontario, 4.00%, June 2, 2021	2.3
				Government of Canada, 3.25%, June 1, 2021	2.2
				Canada Housing Trust N ^o . 1, 1.80%, December 15, 2024	2.2
				Government of Canada, 1.50%, August 1, 2021	2.1
				Canada Housing Trust N ^o . 1, 1.75%, June 15, 2022	2.1
				Province of Ontario, 2.85%, June 2, 2023	2.1
				Government of Canada, 1.25%, November 1, 2021	2.0
				Government of Canada, 1.75%, May 1, 2021	2.0
				Canada Housing Trust N ^o . 1, 1.50%, December 15, 2021	2.0
				Total Net Assets (in \$000's)	\$46,321

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.