

CI First Asset Enhanced Short Duration Bond 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 Enhanced Short Duration Bond ETF (the Fund) is to provide absolute returns through interest income and capital gains and its risk objective is to have very low volatility and positive returns over any twelve month period. The Fund invests primarily in debt instruments across the credit spectrum including cash, government debt, investment-grade corporate debt, high-yield corporate debt, government debt futures, convertible debentures and credit derivatives. The Fund's strategy will primarily focus on U.S. and Canadian corporate bonds and will include the use of government bond futures to manage the duration of the Fund according to the volatility objectives. To minimize interest rate volatility, the Fund would typically target an overall portfolio duration of less than 2 years.

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 \$109.6 million to \$191.8 million from December 31, 2018 to December 31, 2019. The Fund had net redemptions of \$110.5 million for the year. The Fund paid distributions totalling \$5.6 million while the portfolio's performance increased assets by \$6.5 million. Common Units returned 3.3% after fees and expenses for the year ended December 31, 2019. Over the same time period, the Fund's benchmark returned 4.5%. The benchmark is the FTSE Canada Short Term Corporate Bond Total Return Index (the Index or Benchmark).

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

Riskier assets performed very well in December, ending 2019 strongly. These assets were supported by stabilizing global growth at low levels, reduced trade tensions and accommodative central banks. The U.S. Federal Reserve Board's (Fed) balance sheet expansion, in response to repurchase agreement (repo) market pressures, helped create robust demand for riskier markets, which encouraged further optimism that the economic cycle could be extended. Measures of global growth and trade, including export data overseas and global purchasing managers' indices (PMI) continued to be flat. The tone around trade negotiations, which contributed to much of the volatility in riskier assets during the year, exited 2019 on a positive note. A "phase one" trade agreement between the U.S. and China was accepted by both sides, avoiding further tariff increases in December and resulted in some relief to those previously imposed.

The Fund underperformed its benchmark largely as a result of its focus on capital preservation and lower duration (sensitivity to interest rates) exposure. Exposure to short-dated interest-sensitive holdings, as well as short-dated credit-sensitive holdings, contributed to the Fund's performance as interest rates declined and credit spreads narrowed. Allocation to U.S. Treasury bonds, particularly two-year bonds, contributed to the Fund's performance, as did short-dated high-yield health care positions. Top individual contributors to performance included Reynolds Group Issuer Inc. (5.8%, Oct. 2020), a short-dated senior secured bond in the stable packaging business.

The main detractor from the Fund's performance was a small basket of portfolio hedges (credit, equity and government futures). A holding in iShares IBOXX \$ Investment Grade Corporate Bond ETF was a notable individual detractor from performance. The Portfolio Manager added a new position in CCO Holdings LLC / CCO Holdings Capital Corp. (5.3%, Sep. 2022) and increased existing short-dated U.S. Treasury bond holdings. Teva Pharmaceuticals Industries Ltd. (1.7%, Jul. 2019) and Hughes Satellite Systems Corp. (6.5%, Jun. 2019) were eliminated from the Fund, and a position in GLP Capital L.P. / GLP Financing II Inc. (4.9%, Nov. 2020) was trimmed.

RECENT DEVELOPMENTS

The Portfolio Manager remains tactically defensive based on valuation, while maintaining a diversified portfolio of primarily short-dated positions across governments, high-grade credit, high-yield credit and cash. A more significant backup in interest rates would be viewed as an opportunity to add government duration as the Portfolio Manager believes that the best-case scenario for the global economy is subpar growth achieved only with accommodative central banks. In the meantime, the Portfolio Manager will continue to look for attractive yield opportunities to generate stable returns while focusing on capital preservation. However, given the improved economic backdrop, risk exposure may be tactically added and duration in credit may be extended as market opportunities present themselves.

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.

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RELATED PARTY TRANSACTIONS

Manager and Trustee

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

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

	Annual management fee rate (%)
Common Units	0.600
US\$ Common Units	0.600

The Manager received \$1.4 million in management fees for the year.

Management Fees

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

Portfolio Manager

Marret Asset Management Inc., an affiliate of CI Investments Inc., provides investment advice to the Fund.

Independent Review Committee

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

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

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

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

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

LEVERAGE

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced

into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that magnifies gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times.

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

The Fund may borrow cash up to a maximum of 20% of the Fund's net asset value and may sell securities short, whereby the aggregate market value of securities sold short will be limited to 20% of the Fund's net asset value. The combined use of short selling and cash borrowing by the Fund is subject to an overall limit of 20% of the Fund's net asset value.

During the year ended December 31, 2019, the lowest aggregated fair value amount of the leverage exercised by the Fund was \$9.0 million (3.2% of net asset value), (December 31, 2018 - \$0.7 million, 0.3% of net asset value) and the highest aggregated fair value amount of the leverage used during the year was \$21.5 million (8.1% of net asset value), (December 31, 2018 - \$11.0 million, 3.6% of net asset value).

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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 Unit (\$) ⁽¹⁾⁽²⁾⁽⁴⁾	Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽⁵⁾	
	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 August 21, 2017

Listed TSX: FSB

Dec. 31, 2019	9.82	0.32	(0.07)	0.32	(0.23)	0.34	(0.16)	-	-	(0.08)	(0.24)	9.91
Dec. 31, 2018	9.93	0.44	(0.08)	(0.38)	0.15	0.13	(0.39)	-	-	-	(0.39)	9.82
Dec. 31, 2017	10.00	0.10	(0.03)	-	(0.01)	0.06	(0.06)	-	-	(0.05)	(0.11)	9.93

US\$ Common Units ⁽⁵⁾

Commencement of operations August 21, 2017

Listed TSX: FSB.U

Dec. 31, 2019	9.90	0.33	(0.07)	0.04	(0.55)	(0.25)	(0.17)	-	-	(0.07)	(0.24)	10.06
Dec. 31, 2018	9.98	0.42	(0.07)	0.09	0.49	0.93	(0.39)	-	-	-	(0.39)	9.90
Dec. 31, 2017	10.00	0.13	(0.02)	(0.02)	(0.26)	(0.17)	(0.06)	-	-	(0.03)	(0.09)	9.98

(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.

(5) Per units amounts are presented in U.S. dollars.

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FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ⁽¹⁾⁽⁶⁾

	Total net assets ⁽¹⁾ \$000's	Number of units outstanding ⁽¹⁾ 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 August 21, 2017							
Listed TSX: FSB							
Dec. 31, 2019	168,888	17,050	0.72	0.72	0.24	258.72	9.92
Dec. 31, 2018	255,389	26,000	0.77	0.77	0.03	271.22	9.76
Dec. 31, 2017	180,265	18,150	0.80	0.80	-	107.42	9.97

US\$ Common Units ⁽⁷⁾

Commencement of operations August 21, 2017							
Listed TSX: FSB.U							
Dec. 31, 2019	22,863	1,750	0.70	0.70	0.24	258.72	10.05
Dec. 31, 2018	45,995	3,400	0.77	0.77	0.03	271.22	9.92
Dec. 31, 2017	46,930	3,750	0.87	0.87	-	107.42	9.94

(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.

(7) Per units amounts are presented in U.S. dollars.

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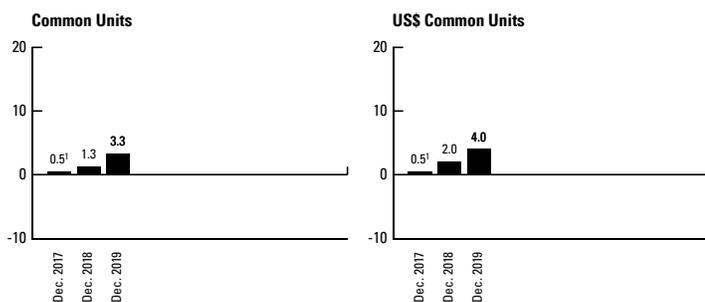
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PAST PERFORMANCE

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 relevant classes of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

Year-by-Year Returns

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



1 2017 return is for the period from August 21, 2017 to December 31, 2017.

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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 Universe Bond Total Return Index and the FTSE Canada Short Term Corporate Bond Total Return 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.

The FTSE Canada Short Term Corporate 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 corporate 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.

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	3.3	n/a	n/a	n/a	2.2
FTSE Canada Universe Bond Total Return Index	6.9	n/a	n/a	n/a	3.8
FTSE Canada Short Term Corporate Bond Total Return Index	4.5	n/a	n/a	n/a	3.0
US\$ Common Units	4.0	n/a	n/a	n/a	2.9
FTSE Canada Universe Bond Total Return Index	6.9	n/a	n/a	n/a	4.6
FTSE Canada Short Term Corporate Bond Total Return Index	4.5	n/a	n/a	n/a	3.1

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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			
Long Positions		Long Positions			
U.S.A.	41.1	Short-Term Investments	25.6	Short-Term Investments	25.6
Canada	27.4	U.S. Federal Bonds & Guaranteed	17.0	United States Treasury Bond, 1.63%, June 30, 2021	7.7
Short-Term Investments	25.6	Industrials	11.0	Cash & Cash Equivalents	6.9
Cash & Cash Equivalents	6.9	Communication Services	8.2	Reynolds Group Issuer Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer (Luxembourg) SA, 5.75%, October 15, 2020	6.1
Netherlands	1.0	Cash & Cash Equivalents	6.9	Bausch Health Cos. Inc., 7.00%, March 15, 2024	2.9
U.K.	0.7	Health Care	6.5	United States Treasury Bond, 1.50%, September 30, 2024	2.5
Jersey	0.6	Consumer Discretionary	5.1	United States Treasury Bond, 2.50%, January 31, 2021	2.2
Other Net Assets (Liabilities)	0.6	Government of Canada & Guaranteed	4.6	Charter Communications Operating LLC / Charter	
Luxembourg	0.5	Real Estate	3.9	Communications Operating Capital Corp, 3.58%, July 23, 2020	2.2
Bermuda	0.3	Energy	3.6	United States Treasury Bond, 1.63%, August 15, 2029	1.8
Total Long Positions	104.7	Materials	3.4	CCO Holdings LLC / CCO Holdings Capital Corp., 5.25%, September 30, 2022	1.6
		Financials	2.5	Government of Canada, 0.75%, September 1, 2020	1.5
Short Positions		Utilities	2.4	First Quantum Minerals Ltd., 7.00%, February 15, 2021	1.4
France	(0.2)	Consumer Staples	2.1	Bausch Health Cos. Inc., 6.50%, March 15, 2022	1.2
Canada	(1.0)	Information Technology	1.3	United States Treasury Bond, 2.13%, March 31, 2024	1.2
U.S.A.	(3.5)	Other Net Assets (Liabilities)	0.6	Electronic Arts Inc., 3.70%, March 1, 2021	1.1
Total Short Positions	(4.7)	Total Long Positions	104.7	Viterra Inc., 5.95%, August 1, 2020	1.0
				Ball Corp., 4.38%, December 15, 2020	1.0
		Short Positions		Penske Truck Leasing Canada Inc., 2.95%, June 12, 2020	1.0
		Industrials	(0.1)	Equinix Inc., 5.88%, January 15, 2026	1.0
		Consumer Discretionary	(0.2)	Fiat Chrysler Automobiles NV, 4.50%, April 15, 2020	0.9
		Information Technology	(0.3)	Universal Health Services Inc., 4.75%, August 1, 2022	0.9
		Government of Canada & Guaranteed	(0.6)	American Tower Corp., 2.80%, June 1, 2020	0.9
		Financials	(1.2)	Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co III LLC, Series 'A-1', 3.36%, March 20, 2023	0.9
		Investment Fund(s)	(2.3)	Canadian Natural Resources Ltd., 2.05%, June 1, 2020	0.9
		Total Short Positions	(4.7)	CVS Health Corp., 2.80%, July 20, 2020	0.8
				Total Net Assets (in \$000's)	\$191,751

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.