

# CI Canadian REIT ETF

## Management Report of Fund Performance for the period/year ended June 30, 2024

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-792-9355, by writing to us at CI Investments Inc., 15 York Street, Second Floor, Toronto, ON, M5J 0A3 or by visiting our website at [www.ci.com](http://www.ci.com) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

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.

### RESULTS OF OPERATIONS

The Fund's net assets decreased by \$56.7 million to \$442.9 million from December 31, 2023 to June 30, 2024. The Fund had net redemptions of \$27.9 million for the period. The portfolio's performance decreased assets by \$16.5 million. The Fund paid distributions totalling \$12.3 million. Common Units returned -3.5% after fees and expenses for the six-month period ended June 30, 2024. Over the same time period, the Fund's benchmark returned -6.7%. The benchmark is the S&P/TSX Capped REIT Total Return Index (the Benchmark or the Index).

The first half of 2024 was characterized by generally strong equity markets, especially in the United States. Bond yields generally rose as interest rate cuts were mostly pushed down the road on the back of resilient economic data and still persistently high inflation. Canadian 10-year bond yields increased from 3.11% to 3.50%, reaching as high as 3.87% in late April. U.S. 10-year bond yields increased from 3.88% to 4.40% during the period. The Bank of Canada (BoC) started cutting interest rates at its June meeting, with expectations of two more cuts by the end of 2024. While the U.S. Federal Reserve Board had yet to initiate any interest rate cuts, by the end of the period, the market was anticipating a couple of 25-basis-point cuts before year-end.

Real estate investment trusts (REITs) underperformed broader equity markets primarily because of higher bond yields. Canadian REITs significantly underperformed their U.S. counterparts, with the underperformance coming since early May 2024, likely due to the perceived challenges faced by Canadian consumers from higher mortgage rates and the announced reduction in non-permanent residents from an unsustainable high level.

The Fund outperformed its benchmark during the period. Exposures to the U.S. single-family rental and Canadian seniors housing markets contributed to the Fund's performance. Top individual contributors to the Fund's performance included holdings in Tricon Residential Inc., Canadian Apartment Properties REIT and Chartwell Retirement Residences. Tricon Residential Inc. performed well after it announced its acquisition by Blackstone Inc. at a premium. The Fund's underweight position in Canada Apartment Properties REIT was a contributor to performance as the stock was down over 7%. Chartwell Retirement Residences saw its stock perform well on rebounding occupancy rates.

Exposures to U.S. manufactured housing and Canadian self-storage detracted from the Fund's performance. The largest individual detractors from the Fund's performance included holdings in Minto Apartment REIT, StorageVault Canada Inc. and Flagship Communities REIT. Despite strong results, Minto Apartment REIT, like many other Ontario- and Quebec-focused apartment REITs, was affected by a negative narrative regarding a reduction in the number of non-permanent residents in Canada. StorageVault Canada Inc.'s fundamentals have normalized after a surge of COVID-19 pandemic-related demand, causing the company's stock to lose some ground. Flagship Communities REIT, despite solid operating results, saw its shares drop largely due to an equity financing that was priced below consensus net asset value.

Bond yields that have stayed higher for longer than expected have increased the risk to the real estate sector broadly. We added to the Fund new holdings in American Homes 4 Rent, Healthpeak Properties Inc., PRO REIT and Ventas Inc., and we increased existing positions in RioCan REIT, H&R REIT, Crombie REIT, Northwest Healthcare Properties REIT and Sienna Senior Living Inc.

Positions in Tricon Residential Inc., American Hotel Income Properties L.P. and Dream Office REIT were eliminated from the Fund. We also trimmed positions in Morguard North American Residential REIT and Choice Properties REIT.

### RECENT DEVELOPMENTS

While central banks have been slower to cut interest rates than anticipated at the beginning of 2024, a few, including the BoC, have started, and expectations are that interest rate cuts should continue. Bond yields have drifted higher so far in 2024 but should gradually ease as inflation continues to come down. Lower, or even steadier, bond yields should lead to an increase in real estate transactions and provide some price clarity, which will likely show that REITs are trading at discounts to their underlying property values.

Apart from the office sub-sector, fundamentals for the real estate sector remain in good shape, and continued strong operational results should also be supportive for the sector.

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## RELATED PARTY TRANSACTIONS

### **Manager, Portfolio Manager and Trustee**

CI Investments Inc. is the Manager, Portfolio Manager and Trustee of the Fund. CI Investments Inc. 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. The Manager bears all of the operating expenses of the Fund (other than taxes, borrowing costs and new governmental fees) in return for an administration fee.

Management fee and administration fee rates as at June 30, 2024, for the Series/Class or for each of the Series/Classes, as applicable, is/are shown below:

	<b>Annual management fee rate (%):</b>	<b>Annual administration fee rate (%):</b>
<b>Common Units</b>	0.750	0.04

The Manager received \$1.8 million in management fees and \$0.1 million in administration fees for the period.

### **Management Fees**

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

### **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 period/year ended June 30, 2024, the Fund executed inter fund trades.

### **Independent Review Committee**

The Manager, in respect of the Fund, received the following standing instructions from the IRC with respect to related party transactions:

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 reports related party transactions periodically to the IRC and advise the IRC of any material breach of such policies. The Manager's policies and procedures 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) do not exceed the limitations of the applicable legislation; and (d) achieve a fair and reasonable result for the Fund.

Except as otherwise noted above under Related Party Transactions section, the Fund was not a party to any related party transactions during the period/year ended June 30, 2024. If the Fund invested in related party transactions, it relied on the IRC's standing instructions regarding related party transactions during this reporting period/year.

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## FINANCIAL HIGHLIGHTS

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six period(s)/year(s), as applicable.

Net Assets per Unit (\$)	Increase (decrease) from operations:					Distributions:					Net assets at the end of the period/year shown	
	Net assets at the beginning of period/year	Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the period/year	Unrealized gains (losses) for the period/year	Total increase (decrease) from operations	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital		Total distributions
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Common Units</b> <sup>(1)(2)(3)(4)</sup>												
Commencement of operations November 15, 2004												
Listed TSX: RIT												
Jun. 30, 2024	16.07	0.31	(0.08)	0.31	(1.08)	(0.54)	(0.17)	(0.03)	(0.20)	(0.01)	(0.41)	15.12
Dec. 31, 2023	16.09	0.55	(0.15)	0.45	(0.15)	0.70	(0.33)	(0.06)	(0.40)	(0.02)	(0.81)	16.07
Dec. 31, 2022	21.22	0.33	(0.17)	0.24	(4.78)	(4.38)	(0.16)	(0.04)	(0.32)	(0.29)	(0.81)	16.09
Dec. 31, 2021	16.47	0.37	(0.18)	0.73	4.62	5.54	(0.16)	(0.02)	(0.56)	(0.07)	(0.81)	21.22
Dec. 31, 2020	18.65	0.38	(0.15)	0.13	(1.89)	(1.53)	(0.16)	(0.09)	(0.17)	(0.39)	(0.81)	16.47
Dec. 31, 2019	15.86	0.39	(0.17)	0.76	2.28	3.26	(0.19)	(0.01)	(0.54)	(0.07)	(0.81)	18.65

(1) This information is derived from the Fund's semi-annual and 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 Series/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 Series/Class over the fiscal period/year.

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

(4) This information is provided for the period(s)/year(s) ended June 30, 2024 and December 31.

# CI Canadian REIT ETF

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## FINANCIAL HIGHLIGHTS (cont'd)

### Ratios and Supplemental Data

	Total net assets	Number of units outstanding	Management expense ratio before waivers or absorptions after taxes	Management expense ratio before taxes	Harmonized sales tax	Management expense ratio after taxes	Effective HST rate for the period/year	Trading expense ratio	Portfolio turnover rate	Closing market price
	\$000's	000's	%	%	%	%	%	%	%	\$
<b>Common Units</b> <small>(1320640500)</small>										
Commencement of operations November 15, 2004										
Listed TSX: RIT										
Jun. 30, 2024	442,872	29,296	0.87	0.79	0.08	0.87	10.03	0.07	11.29	15.11
Dec. 31, 2023	499,639	31,096	0.87	0.79	0.08	0.87	10.16	0.03	17.21	16.08
Dec. 31, 2022	590,409	36,696	0.87	0.79	0.08	0.87	10.21	0.04	17.79	16.08
Dec. 31, 2021	791,527	37,296	0.87	0.79	0.08	0.87	10.33	0.03	18.56	21.22
Dec. 31, 2020	569,088	34,546	0.86	0.78	0.08	0.86	10.04	0.03	25.72	16.46
Dec. 31, 2019	627,453	33,646	0.87	n/a <sup>^</sup>	n/a <sup>^</sup>	0.87	n/a <sup>^</sup>	0.04	28.69	18.67

(1) This information is derived from the Fund's semi-annual and 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 period/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 period/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 period/year. The higher a Fund's portfolio turnover rate in a period/year, the greater the trading costs payable by the Fund in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/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 period/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 period/year.

(5) This information is provided for the period(s)/year(s) ended June 30, 2024 and December 31.

(6) Closing market price.

<sup>^</sup>Historical information pertaining to HST is not available.

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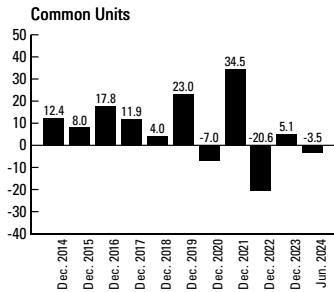
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## PAST PERFORMANCE

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 period(s)/year(s) shown were reinvested in additional units of the Fund or relevant Series/Class of the Fund, as applicable. 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/charts shows/show the Fund's semi-annual and annual performance for each of the period(s)/year(s) shown and illustrates/illustrate how the Fund's performance has changed from period/year to period/year. In percentage terms, the chart/charts shows/show how much an investment made on the first day of each financial period/year would have grown or decreased by the last day of each financial period/year, except where noted.



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## SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2024

Category	% of Net Assets	Category	% of Net Assets	Category	% of Net Assets
<b>Country allocation</b>		<b>Sector allocation</b>		<b>Asset allocation</b>	
Canada .....	84.5	Real Estate .....	89.1	Common Equities .....	96.9
U.S.A. ....	12.4	Health Care .....	7.8	Cash & Cash Equivalents .....	2.9
Cash & Cash Equivalents .....	2.9	Cash & Cash Equivalents .....	2.9	Other Net Assets (Liabilities) .....	0.3
Other Net Assets (Liabilities) .....	0.3	Other Net Assets (Liabilities) .....	0.3	Foreign Currency Forward Contract(s) .....	(0.1)
Foreign Currency Forward Contract(s) .....	(0.1)	Foreign Currency Forward Contract(s) .....	(0.1)		

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

# CI Canadian REIT ETF

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## SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2024 (cont'd)

Top 25 Holdings	% of Net Assets
Chartwell Retirement Residences .....	5.7
Dream Industrial REIT .....	5.4
Granite REIT .....	5.4
RioCan REIT .....	5.3
Boardwalk REIT .....	5.2
Canadian Apartment Properties REIT .....	5.1
Killam Apartment REIT .....	5.1
First Capital REIT .....	4.8
InterRent REIT .....	4.6
Minto Apartment REIT .....	4.3
Crombie REIT .....	4.0
Choice Properties REIT .....	3.7
Flagship Communities REIT .....	3.4
H&R REIT .....	3.3
CT REIT .....	3.3
Primaris REIT, Series A .....	3.2
Cash & Cash Equivalents .....	2.9
Morguard North American Residential REIT .....	2.9
StorageVault Canada Inc. ....	2.5
BSR REIT .....	2.4
Allied Properties REIT .....	2.2
Sienna Senior Living Inc. ....	2.0
American Tower Corp. ....	1.7
Equinix Inc. ....	1.6
European Residential REIT .....	1.4
<b>Total Net Assets (in \$000's)</b>	<b>\$442,872</b>

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.