

MACKENZIE CANADIAN EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Canadian Equity Index ETF (the "ETF"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Effective March 31, 2023, KPMG LLP was appointed as the external auditor of the ETF. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the unitholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,
Manager of the ETF



Luke Gould
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

June 5, 2023

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Mackenzie Canadian Equity Index ETF (the "ETF")

Opinion

We have audited the financial statements of the ETF, which comprise:

- the statement of financial position as at March 31, 2023
- the statement of comprehensive income for the period then ended as indicated in note 1
- the statement of changes in financial position for the period then ended as indicated in note 1
- the statement of cash flows for the period then ended as indicated in note 1 and
- notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2023, and its financial performance and cash flows for the period then ended as indicated in note 1 in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

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 auditor's report.

We are independent of the ETF 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 Matter – Comparative Information

The financial statements for the period ended March 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 15, 2022.



MACKENZIE
Investments

MACKENZIE CANADIAN EQUITY INDEX ETF

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INDEPENDENT AUDITOR'S REPORT (cont'd)

Other Information

Management is responsible for the other information. Other information comprises:

– the information included in the Annual Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the 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 International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), 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 ETF's 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 ETF or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the ETF.

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 the 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 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 ETF's 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 ETF 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.
- 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.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The logo for KPMG LLP, featuring the letters 'KPMG' in a stylized, handwritten font, with 'LLP' in a smaller, simpler font to the right. A horizontal line is drawn underneath the 'KPMG' text.

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this independent auditor's report is Jacob Smolack.

Toronto, Ontario
June 5, 2023

MACKENZIE CANADIAN EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per unit amounts)

	2023	2022
	\$	\$
ASSETS		
Current assets		
Investments at fair value	1,102,593	1,298,396
Cash and cash equivalents	1,552	1,617
Dividends receivable	2,896	2,966
Accounts receivable for investments sold	–	–
Accounts receivable for units issued	–	–
Due from manager	6	9
Total assets	1,107,047	1,302,988
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	–	–
Accounts payable for units redeemed	–	–
Due to manager	47	58
Total liabilities	47	58
Net assets attributable to unitholders	1,107,000	1,302,930

	Net assets attributable to unitholders (note 3)			
	per unit		per series	
	2023	2022	2023	2022
CAD Units	122.46	133.22	1,107,000	1,302,930

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31 (in \$ 000 except per unit amounts)

	2023	2022
	\$	\$
Income		
Dividends	35,416	19,658
Interest income for distribution purposes	73	1
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(9,428)	28,117
Net unrealized gain (loss)	(106,173)	76,113
Securities lending income	380	236
Total income (loss)	(79,732)	124,125
Expenses (note 6)		
Management fees	484	314
Management fee rebates	(251)	(251)
Commissions and other portfolio transaction costs	88	60
Independent Review Committee fees	4	2
Other	1	–
Expenses before amounts absorbed by Manager	326	125
Expenses absorbed by Manager	8	20
Net expenses	318	105
Increase (decrease) in net assets attributable to unitholders from operations before tax	(80,050)	124,020
Foreign withholding tax expense (recovery)	–	2
Foreign income tax expense (recovery)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	(80,050)	124,018

	Increase (decrease) in net assets attributable to unitholders from operations (note 3)			
	per unit		per series	
	2023	2022	2023	2022
CAD Units	(8.84)	22.31	(80,050)	124,018

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

MACKENZIE CANADIAN EQUITY INDEX ETF

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STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except per unit amounts)

	CAD Units	
	2023	2022
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		
Beginning of period	1,302,930	456,582
Increase (decrease) in net assets from operations	(80,050)	124,018
Distributions paid to unitholders:		
Investment income	(35,557)	(20,086)
Capital gains	(12,339)	(10,377)
Management fee rebates	(251)	(251)
Total distributions paid to unitholders	(48,147)	(30,714)
Unit transactions:		
Proceeds from units issued	236,971	935,261
Reinvested distributions	12,339	10,377
Payments on redemption of units	(317,043)	(192,594)
Total unit transactions	(67,733)	753,044
Increase (decrease) in net assets attributable to unitholders	(195,930)	846,348
End of period	1,107,000	1,302,930
Increase (decrease) in units (in thousands) (note 7):	Units	
Units outstanding – beginning of period	9,780	4,020
Issued	1,960	7,300
Reinvested distributions	–	–
Redeemed	(2,700)	(1,540)
Units outstanding – end of period	9,040	9,780

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STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

	2023	2022
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	(80,050)	124,018
Adjustments for:		
Net realized loss (gain) on investments	9,452	(28,118)
Change in net unrealized loss (gain) on investments	106,173	(76,113)
Purchase of investments	(68,289)	(39,865)
Proceeds from sale and maturity of investments	68,513	40,152
(Increase) decrease in accounts receivable and other assets	73	(1,899)
Increase (decrease) in accounts payable and other liabilities	(11)	20
Net cash provided by (used in) operating activities	35,861	18,195
Cash flows from financing activities		
Proceeds from units issued	927	4,148
Payments on redemption of units	(1,075)	(816)
Distributions paid net of reinvestments	(35,808)	(20,337)
Net cash provided by (used in) financing activities	(35,956)	(17,005)
Net increase (decrease) in cash and cash equivalents	(95)	1,190
Cash and cash equivalents at beginning of period	1,617	382
Effect of exchange rate fluctuations on cash and cash equivalents	30	45
Cash and cash equivalents at end of period	1,552	1,617
Cash	1,552	1,617
Cash equivalents	–	–
Cash and cash equivalents at end of period	1,552	1,617
Supplementary disclosures on cash flow from operating activities:		
Dividends received	35,486	17,749
Foreign taxes paid	–	2
Interest received	73	1
Interest paid	–	–

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

MACKENZIE CANADIAN EQUITY INDEX ETF

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SCHEDULE OF INVESTMENTS

as at March 31, 2023

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES					
Absolute Software Corp.	Canada	Information Technology	19,688	262	208
Adentra Inc.	Canada	Industrials	6,544	243	169
Advantage Energy Ltd.	Canada	Energy	63,215	398	494
Aecon Group Inc.	Canada	Industrials	22,773	364	313
Africa Oil Corp.	Canada	Energy	146,681	404	444
AG Growth International Inc.	Canada	Industrials	7,001	241	429
Agnico-Eagle Mines Ltd.	Canada	Materials	171,799	11,849	11,837
Air Canada	Canada	Industrials	134,846	2,926	2,582
AirBoss of America Corp.	Canada	Materials	6,556	197	51
Alamos Gold Inc.	Canada	Materials	147,970	1,535	2,442
Alaris Equity Partners Income Trust	Canada	Financials	16,330	286	274
Algoma Steel Inc.	Canada	Materials	32,532	391	356
Algonquin Power & Utilities Corp.	Canada	Utilities	253,966	4,467	2,880
Alimentation Couche Tard Inc.	Canada	Consumer Staples	285,800	14,213	19,420
Allied Properties Real Estate Investment Trust	Canada	Real Estate	47,532	1,832	1,158
AltaGas Ltd.	Canada	Utilities	105,411	2,576	2,375
Altius Minerals Corp.	Canada	Materials	14,518	261	334
Altus Group Ltd.	Canada	Real Estate	17,107	974	982
Andlauer Healthcare Group Inc.	Canada	Health Care	7,438	382	379
ARC Resources Ltd.	Canada	Energy	234,192	2,782	3,590
Argonaut Gold Inc.	United States	Materials	313,526	354	198
Aritzia Inc.	Canada	Consumer Discretionary	33,814	1,443	1,467
Artis Real Estate Investment Trust	Canada	Real Estate	23,774	262	181
ATCO Ltd. Class I non-voting	Canada	Utilities	27,968	1,163	1,212
Athabasca Oil Corp.	Canada	Energy	218,842	329	707
ATS Corp.	Canada	Industrials	34,415	1,445	1,948
Aurora Cannabis Inc.	Canada	Health Care	113,121	699	106
AutoCanada Inc.	Canada	Consumer Discretionary	8,533	269	170
Aya Gold & Silver Inc.	Canada	Materials	33,601	312	366
B2Gold Corp.	Canada	Materials	400,318	2,135	2,138
Badger Infrastructure Solutions Ltd.	Canada	Industrials	12,902	419	422
Ballard Power Systems Inc.	Canada	Industrials	94,966	1,608	716
Bank of Montreal	Canada	Financials	255,994	32,097	30,817
The Bank of Nova Scotia	Canada	Financials	449,484	35,418	30,596
Barrick Gold Corp.	Canada	Materials	660,288	17,093	16,567
Bausch Health Cos. Inc.	United States	Health Care	129,774	3,540	1,421
Baytex Energy Corp.	Canada	Energy	204,257	787	1,036
BCE Inc.	Canada	Communication Services	344,023	21,498	20,827
BELLUS Health Inc.	Canada	Health Care	39,310	491	382
Birchcliff Energy Ltd.	Canada	Energy	99,219	608	760
Bitfarms Ltd. of Canada	Canada	Information Technology	75,209	246	97
Blackberry Ltd.	Canada	Information Technology	215,058	2,233	1,333
Boardwalk Real Estate Investment Trust	Canada	Real Estate	13,927	664	768
Bombardier Inc. Class B Sub. voting	Canada	Industrials	31,745	1,181	2,342
Bonterra Energy Corp.	Canada	Energy	10,475	90	69
Boralex Inc. Class A	Canada	Utilities	38,547	1,405	1,586
Boyd Group Services Inc.	Canada	Industrials	8,076	1,655	1,745
Brookfield Asset Management Inc.	Canada	Financials	129,318	4,088	5,725
Brookfield Corp. Class A	Canada	Financials	499,986	27,917	22,014
Brookfield Infrastructure Corp. Class A	Canada	Utilities	41,718	2,293	2,599
Brookfield Reinsurance Ltd	Canada	Financials	3,179	188	141
BRP Inc.	United States	Consumer Discretionary	13,288	1,279	1,405
CAE Inc.	Canada	Industrials	119,789	3,780	3,661
Calian Group Ltd.	Canada	Industrials	4,357	295	284
Cameco Corp.	Canada	Energy	162,722	4,524	5,759
Canaccord Genuity Group Inc.	Canada	Financials	32,616	395	357
Canada Goose Holdings Inc.	Canada	Consumer Discretionary	20,345	793	529
Canadian Apartment Properties Real Estate Investment Trust	Canada	Real Estate	63,515	3,298	3,011
Canadian Imperial Bank of Commerce	Canada	Financials	341,732	23,386	19,585
Canadian National Railway Co.	Canada	Industrials	248,548	36,720	39,636
Canadian Natural Resources Ltd.	Canada	Energy	408,239	22,403	30,532
Canadian Pacific Railway Ltd.	Canada	Industrials	350,964	32,462	36,525
Canadian Tire Corp. Ltd. Class A non-voting	Canada	Consumer Discretionary	20,189	3,433	3,561

MACKENZIE CANADIAN EQUITY INDEX ETF

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES (cont'd)					
Canadian Utilities Ltd. Class A non-voting	Canada	Utilities	75,635	2,682	2,848
Canadian Western Bank	Canada	Financials	35,288	1,159	874
Canfor Corp.	Canada	Materials	21,333	552	463
Canopy Growth Corp.	Canada	Health Care	116,383	1,658	276
Capital Power Corp.	Canada	Utilities	44,005	1,741	1,832
Capstone Mining Corp.	Canada	Materials	216,389	1,149	1,320
Cardinal Energy Ltd.	Canada	Energy	45,940	234	327
Cargojet Inc.	Canada	Industrials	6,285	1,066	692
Cascades Inc.	Canada	Materials	29,236	392	321
CCL Industries Inc. Class B non-voting	Canada	Materials	54,279	3,378	3,644
Celestica Inc. Sub. voting	Canada	Information Technology	38,411	491	670
Cenovus Energy Inc.	Canada	Energy	515,993	8,599	12,167
Centerra Gold Inc.	Kyrgyzstan	Materials	52,983	567	463
CES Energy Solutions Corp.	Canada	Energy	92,450	251	248
CGI Inc.	Canada	Information Technology	79,301	8,330	10,329
Chartwell Retirement Residences	Canada	Health Care	88,688	947	758
Chemtrade Logistics Income Fund	Canada	Materials	43,504	331	342
Choice Properties Real Estate Investment Trust	Canada	Real Estate	104,390	1,481	1,516
Chorus Aviation Inc.	Canada	Industrials	65,220	235	209
CI Financial Corp.	Canada	Financials	62,003	1,334	792
Cineplex Inc.	Canada	Communication Services	23,553	289	208
Cogeco Communications Inc.	Canada	Communication Services	6,895	684	454
Cogeco Inc. Sub. voting	Canada	Communication Services	3,021	185	184
Colliers International Group Inc.	Canada	Real Estate	13,543	2,044	1,932
Constellation Software Inc.	Canada	Information Technology	7,532	15,010	19,138
Converge Technology Solutions Corp.	Canada	Information Technology	74,232	650	303
Copper Mountain Mining Corp.	Canada	Materials	75,768	239	166
Corus Entertainment Inc. Class B non-voting	Canada	Communication Services	70,984	319	122
Crescent Point Energy Corp.	Canada	Energy	208,724	1,472	1,991
Crew Energy Inc.	Canada	Energy	53,653	199	254
Crombie Real Estate Investment Trust	Canada	Real Estate	39,242	651	598
Cronos Group Inc.	Canada	Health Care	74,818	497	195
CT Real Estate Investment Trust	Canada	Real Estate	27,658	449	443
Definity Financial Corp.	Canada	Financials	43,528	1,366	1,535
Denison Mines Corp.	Canada	Energy	307,698	522	452
Dentalcorp Holdings Ltd.	Canada	Health Care	38,855	551	350
The Descartes Systems Group Inc.	Canada	Information Technology	31,927	2,810	3,483
Docebo Inc.	Canada	Information Technology	6,486	432	357
Dollarama Inc.	Canada	Consumer Discretionary	102,445	6,280	8,274
Doman Building Materials Group Ltd.	Canada	Industrials	26,170	191	168
Dream Industrial Real Estate Investment Trust	Canada	Real Estate	93,239	1,342	1,371
Dream Office Real Estate Investment Trust	Canada	Real Estate	9,311	202	135
Dream Unlimited Corp. Class A	Canada	Real Estate	8,461	256	200
Dundee Precious Metals Inc.	Canada	Materials	71,338	560	703
Dye & Durham Ltd.	Canada	Information Technology	21,631	733	389
ECN Capital Corp.	Canada	Financials	83,609	384	234
Eldorado Gold Corp.	Canada	Materials	69,553	836	974
Element Fleet Management Corp.	Canada	Financials	147,841	1,972	2,624
Emera Inc.	Canada	Utilities	101,680	5,828	5,645
Empire Co. Ltd. Class A non-voting	Canada	Consumer Staples	59,147	2,217	2,143
Enbridge Inc.	Canada	Energy	762,381	38,613	39,285
Endeavour Silver Corp.	Canada	Materials	71,082	381	371
Enerflex Ltd.	Canada	Energy	46,427	365	374
Energy Fuels Inc.	United States	Energy	58,053	497	438
Enerplus Corp.	Canada	Energy	83,341	1,042	1,623
Enghouse Systems Ltd.	Canada	Information Technology	16,145	796	618
Ensign Energy Services Inc.	Canada	Energy	42,794	180	130
EQB Inc.	Canada	Financials	10,060	643	586
Equinox Gold Corp.	Canada	Materials	106,025	936	736
Ero Copper Corp.	Canada	Materials	29,794	565	712
Exchange Income Corp.	Canada	Industrials	14,935	633	800
Extendicare Inc.	Canada	Health Care	27,695	195	177
Fairfax Financial Holdings Ltd. Sub. voting	Canada	Financials	8,959	5,282	8,053

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES (cont'd)					
Fiera Capital Corp.	Canada	Financials	23,830	242	184
Filo Mining Corp.	Canada	Materials	30,584	453	711
Finning International Inc.	Canada	Industrials	56,780	1,775	1,913
First Capital Real Estate Investment Trust	Canada	Real Estate	80,399	1,367	1,265
First Majestic Silver Corp.	Canada	Materials	89,468	1,261	872
First Quantum Minerals Ltd.	Zambia	Materials	209,961	5,836	6,523
FirstService Corp.	Canada	Real Estate	14,419	2,799	2,746
Fission Uranium Corp.	Canada	Energy	227,012	214	154
Fortis Inc.	Canada	Utilities	180,821	10,168	10,388
Fortuna Silver Mines Inc.	Canada	Materials	107,794	596	555
Franco-Nevada Corp.	Canada	Materials	71,804	12,478	14,155
Freehold Royalties Ltd.	Canada	Energy	56,640	643	823
Gear Energy Ltd.	Canada	Energy	90,808	136	94
George Weston Ltd.	Canada	Consumer Staples	23,380	3,111	4,187
GFL Environmental Inc.	Canada	Industrials	121,030	4,774	5,640
Gibson Energy Inc.	Canada	Energy	53,964	1,262	1,166
Gildan Activewear Inc.	Canada	Consumer Discretionary	66,268	2,792	2,975
Global Atomic Corp.	Canada	Materials	58,956	230	172
goeasy Ltd.	Canada	Financials	4,731	655	452
GoGold Resources Inc.	Canada	Materials	104,107	276	218
Granite Real Estate Investment Trust	Canada	Real Estate	24,016	2,109	2,010
¹ Great-West Lifeco Inc.	Canada	Financials	103,311	3,550	3,701
H&R Real Estate Investment Trust	Canada	Real Estate	98,120	1,313	1,236
Headwater Exploration Inc.	Canada	Energy	64,397	397	406
Home Capital Group Inc.	Canada	Financials	14,363	496	593
HudBay Minerals Inc.	Canada	Materials	89,199	719	632
Hut 8 Mining Corp.	Canada	Information Technology	76,058	527	187
Hydro One Inc.	Canada	Utilities	119,170	3,715	4,586
i-80 Gold Corp.	Canada	Materials	57,466	209	189
IA Financial Corporate Inc.	Canada	Financials	39,485	2,759	3,382
IAMGOLD Corp.	Canada	Materials	170,657	628	630
¹ IGM Financial Inc.	Canada	Financials	30,166	1,265	1,218
Imperial Oil Ltd.	Canada	Energy	50,116	2,328	3,444
Innergex Renewable Energy Inc.	Canada	Utilities	58,132	1,123	853
InPlay Oil Corp.	Canada	Energy	24,710	102	66
Intact Financial Corp.	Canada	Financials	65,994	11,025	12,765
Interfor Corp.	Canada	Materials	19,297	591	425
International Petroleum Corp. of Sweden (IPC)	Canada	Energy	35,419	536	460
InterRent Real Estate Investment Trust	Canada	Real Estate	51,063	751	684
Ivanhoe Mines Ltd.	Canada	Materials	215,074	2,005	2,626
Jamieson Wellness Inc.	Canada	Consumer Staples	15,392	559	515
Journey Energy Inc.	Canada	Energy	19,009	100	114
K92 Mining Inc.	Canada	Materials	82,696	634	635
Karora Resources Inc.	Canada	Materials	63,964	253	290
Kelt Exploration Ltd.	Canada	Energy	60,778	283	279
Keyera Corp.	Canada	Energy	86,021	2,472	2,545
Killam Apartment Real Estate Investment Trust	Canada	Real Estate	43,472	842	746
Kinaxis Inc.	Canada	Information Technology	10,421	1,742	1,934
Kinross Gold Corp.	Canada	Materials	471,978	3,486	3,002
Labrador Iron Ore Royalty Corp.	Canada	Materials	24,138	850	772
Laurentian Bank of Canada	Canada	Financials	16,331	630	519
Lightspeed Commerce Inc.	Canada	Information Technology	50,670	3,085	1,041
Linamar Corp.	Canada	Consumer Discretionary	15,449	1,005	1,005
¹ The Lion Electric Co.	Canada	Industrials	36,533	396	92
Lithium Americas Corp.	Canada	Materials	42,600	1,283	1,252
Loblaw Companies Ltd.	Canada	Consumer Staples	55,860	5,178	6,880
Lumine Group Inc.	Canada	Information Technology	22,007	360	324
Lundin Gold Inc.	Canada	Materials	31,995	344	505
Lundin Mining Corp.	Canada	Materials	246,642	2,445	2,264
Mag Silver Corp.	Canada	Materials	36,924	727	631
Magna International Inc.	Canada	Consumer Discretionary	107,507	9,957	7,782
Magnet Forensics Inc.	Canada	Information Technology	3,861	170	171
Major Drilling Group International Inc.	Canada	Materials	27,715	241	295
Manulife Financial Corp.	Canada	Financials	703,313	16,965	17,442

MACKENZIE CANADIAN EQUITY INDEX ETF

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES (cont'd)					
Maple Leaf Foods Inc.	Canada	Consumer Staples	27,580	759	721
Marathon Gold Corp.	Canada	Materials	146,870	265	117
Martinrea International Inc.	Canada	Consumer Discretionary	26,114	295	380
MEG Energy Corp.	Canada	Energy	108,942	1,316	2,365
Methanex Corp.	Canada	Materials	26,204	1,362	1,648
Metro Inc.	Canada	Consumer Staples	88,381	5,650	6,570
Minto Apartment Real Estate Investment Trust	Canada	Real Estate	14,674	296	217
MTY Food Group Inc.	Canada	Consumer Discretionary	7,417	404	451
Mullen Group Ltd.	Canada	Industrials	33,018	397	488
National Bank of Canada	Canada	Financials	126,908	11,569	12,268
Neo Performance Materials Inc.	Canada	Materials	13,623	231	126
New Gold Inc.	Canada	Materials	256,610	476	377
NexGen Energy Ltd.	Canada	Energy	150,914	832	783
Nexus Real Estate Investment Trust	Canada	Real Estate	18,430	212	180
NFI Group Inc.	Canada	Industrials	28,794	561	237
The North West Co. Inc.	Canada	Consumer Staples	17,874	606	675
Northland Power Inc.	Canada	Utilities	94,223	3,616	3,192
NorthWest Healthcare Properties Real Estate Investment Trust	Canada	Real Estate	84,434	1,030	715
NovaGold Resources Inc.	Canada	Materials	92,677	842	776
Nutrien Ltd.	Canada	Materials	196,351	16,866	19,598
Nuvei Corp.	Canada	Information Technology	23,928	1,967	1,409
NuVista Energy Ltd.	Canada	Energy	64,222	439	702
Obsidian Energy Ltd.	Canada	Energy	30,653	236	265
OceanaGold Corp.	Australia	Materials	265,615	633	890
Onex Corp. Sub. voting	Canada	Financials	25,623	2,110	1,619
Open Text Corp.	Canada	Information Technology	100,128	5,659	5,220
Orla Mining Ltd.	Canada	Materials	74,867	388	480
Osisko Gold Royalties Ltd.	Canada	Materials	69,032	1,025	1,475
Osisko Mining Inc.	Canada	Materials	108,557	380	467
Pan American Silver Corp.	Canada	Materials	79,415	2,526	1,958
Paramount Resources Ltd. Class A	Canada	Energy	34,498	788	1,021
Parex Resources Inc.	Canada	Energy	40,441	922	1,017
Park Lawn Corp.	Canada	Consumer Discretionary	12,841	432	357
Parkland Fuel Corp.	Canada	Energy	52,604	1,826	1,704
Pason Systems Inc.	Canada	Energy	30,702	350	372
Pembina Pipeline Corp.	Canada	Energy	208,016	8,467	9,107
Pet Valu Holdings Ltd.	Canada	Consumer Discretionary	12,053	389	454
Peyto Exploration & Development Corp.	Canada	Energy	63,041	577	763
Pine Cliff Energy Ltd.	Canada	Energy	103,382	185	133
Pipestone Energy Corp.	Canada	Energy	63,426	265	176
¹ Power Corp. of Canada Sub. Voting	Canada	Financials	200,708	7,399	6,932
PrairieSky Royalty Ltd.	Canada	Energy	89,046	1,385	1,906
Precision Drilling Corp.	Canada	Energy	5,065	286	352
Premium Brands Holdings Corp.	Canada	Consumer Staples	16,458	1,827	1,646
Primaris Retail Real Estate Investment Trust	Canada	Real Estate	36,702	530	496
Quebecor Inc. Class B Sub. voting	Canada	Communication Services	57,778	1,735	1,930
Restaurant Brands International Inc.	Canada	Consumer Discretionary	113,493	8,489	10,297
Richelieu Hardware Ltd.	Canada	Industrials	19,369	783	723
RioCan Real Estate Investment Trust	Canada	Real Estate	112,849	2,364	2,301
Ritchie Bros. Auctioneers Inc.	Canada	Industrials	41,804	3,185	3,179
Rogers Communications Inc. Class B non-voting	Canada	Communication Services	132,157	8,002	8,278
Royal Bank of Canada	Canada	Financials	522,923	66,572	67,587
Russel Metals Inc.	Canada	Industrials	23,189	683	796
Sandstorm Gold Ltd.	Canada	Materials	90,026	732	708
Saputo Inc.	Canada	Consumer Staples	91,504	2,905	3,200
Savaria Corp.	Canada	Industrials	19,004	325	301
Seabridge Gold Inc.	Canada	Materials	25,454	528	444
Secure Energy Services Inc.	Canada	Energy	114,392	616	722
Shaw Communications Inc. Class B non-voting	Canada	Communication Services	160,054	5,463	6,473
ShawCor Ltd.	Canada	Energy	26,221	162	326
Shopify Inc. Class A	Canada	Information Technology	423,722	50,345	27,457
Sienna Senior Living Inc.	Canada	Health Care	27,409	373	294
Silvercorp Metals Inc.	Canada	Materials	63,884	340	328
SilverCrest Metals Inc.	Canada	Materials	53,065	532	510

MACKENZIE CANADIAN EQUITY INDEX ETF

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SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2023

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES (cont'd)					
Skeena Resources Ltd.	Canada	Materials	25,062	270	208
Slate Grocery Real Estate Investment Trust	Canada	Real Estate	22,595	322	309
Sleep Country Canada Holdings Inc.	Canada	Consumer Discretionary	12,737	388	300
Smart Real Estate Investment Trust	Canada	Real Estate	48,834	1,359	1,298
SNC-Lavalin Group Inc.	Canada	Industrials	66,171	1,867	2,198
Solaris Resources Inc.	Canada	Materials	23,580	275	154
Spartan Delta Corp.	Canada	Energy	57,187	549	806
Spin Master Corp.	Canada	Consumer Discretionary	12,578	497	473
Sprott Inc.	Canada	Financials	8,034	392	397
SSR Mining Inc.	Canada	Materials	77,525	1,712	1,585
Stantec Inc.	Canada	Industrials	41,623	2,482	3,289
Stelco Holdings Inc.	Canada	Materials	15,528	565	813
Stella-Jones Inc.	Canada	Materials	22,289	923	1,154
STEP Energy Services Ltd.	Canada	Energy	11,701	75	39
StorageVault Canada Inc.	Canada	Real Estate	88,748	574	545
Sun Life Financial Inc.	Canada	Financials	221,093	14,286	13,960
Suncor Energy Inc.	Canada	Energy	509,169	16,893	21,365
Superior Plus Corp.	Canada	Utilities	75,455	919	841
Surge Energy Inc.	Canada	Energy	32,373	234	285
Tamarack Valley Energy Ltd.	Canada	Energy	182,503	717	721
TC Energy Corp.	Canada	Energy	383,460	23,981	20,158
Teck Resources Ltd. Class B	Canada	Materials	189,731	6,871	9,363
TELUS Corp.	Canada	Communication Services	538,236	15,197	14,441
TELUS International CDA Inc.	Philippines	Information Technology	24,689	924	674
TFI International Inc.	Canada	Industrials	29,131	3,311	4,698
Thomson Reuters Corp.	Canada	Industrials	57,433	7,497	10,099
TMX Group Ltd.	Canada	Financials	20,779	2,706	2,836
Topaz Energy Corp.	Canada	Energy	34,445	639	658
Torex Gold Resources Inc.	Canada	Materials	32,247	471	725
Toromont Industries Ltd.	Canada	Industrials	30,944	3,120	3,433
The Toronto-Dominion Bank	Canada	Financials	686,504	60,188	55,571
Tourmaline Oil Corp.	Canada	Energy	120,138	5,345	6,766
TransAlta Corp.	Canada	Utilities	101,179	1,246	1,196
TransAlta Renewables Inc.	Canada	Utilities	40,163	688	500
Transcontinental Inc. Class A Sub. voting	Canada	Materials	27,362	513	384
Trican Well Service Ltd.	Canada	Energy	86,289	270	266
Tricon Residential Inc.	Canada	Real Estate	100,163	1,576	1,050
Trisura Group Ltd.	Canada	Financials	16,583	610	549
True North Commercial Real Estate Investment Trust	Canada	Real Estate	31,714	192	110
Uni-Select Inc.	Canada	Consumer Discretionary	16,585	390	773
Vermilion Energy Inc.	Canada	Energy	59,788	1,016	1,048
Victoria Gold Corp.	Canada	Materials	19,296	268	173
Voyager Digital Ltd.	Canada	Financials	56,982	553	19
Waste Connections Inc.	United States	Industrials	96,802	15,071	18,208
WELL Health Technologies Corp.	Canada	Health Care	77,624	392	377
Wesdome Gold Mines Ltd.	Canada	Materials	54,085	589	419
West Fraser Timber Co. Ltd.	Canada	Materials	20,631	2,133	1,989
Westshore Terminals Investment Corp.	Canada	Industrials	12,152	305	329
Wheaton Precious Metals Corp.	Brazil	Materials	169,820	8,930	11,054
Whitecap Resources Inc.	Canada	Energy	227,416	1,716	2,376
Winpak Ltd.	Canada	Materials	11,602	467	498
WSP Global Inc.	Canada	Industrials	46,563	6,947	8,243
Yamana Gold Inc.	Canada	Materials	362,067	2,183	2,853
Total equities				1,084,693	1,102,593
Transaction costs				(122)	—
Total investments				1,084,571	1,102,593
Cash and cash equivalents					1,552
Other assets less liabilities					2,855
Net assets attributable to unitholders					1,107,000

¹ The issuer of this security is related to Mackenzie. See Note 1.

MACKENZIE CANADIAN EQUITY INDEX ETF

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SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2023

PORTFOLIO ALLOCATION	% OF NAV
Equities	99.6
Other assets (liabilities)	0.3
Cash and short-term investments	0.1

REGIONAL ALLOCATION	% OF NAV
Canada	99.3
Other assets (liabilities)	0.3
United States	0.2
Cash and short-term investments	0.1
Australia	0.1

SECTOR ALLOCATION	% OF NAV
Financials	29.7
Energy	16.8
Industrials	14.2
Materials	12.9
Information technology	6.6
Communication services	4.8
Consumer staples	4.2
Utilities	3.8
Consumer discretionary	3.7
Real estate	2.5
Health care	0.4
Other assets (liabilities)	0.3
Cash and short-term investments	0.1

MARCH 31, 2022

PORTFOLIO ALLOCATION	% OF NAV
Equities	99.6
Other assets (liabilities)	0.3
Cash and short-term investments	0.1

REGIONAL ALLOCATION	% OF NAV
Canada	97.3
United States	2.1
Other assets (liabilities)	0.3
Australia	0.2
Cash and short-term investments	0.1

SECTOR ALLOCATION	% OF NAV
Financials	31.5
Energy	16.5
Materials	13.8
Industrials	12.1
Information technology	6.7
Communication services	4.9
Consumer staples	3.8
Utilities	3.8
Consumer discretionary	3.3
Real estate	2.5
Health care	0.7
Other assets (liabilities)	0.3
Cash and short-term investments	0.1

MACKENZIE CANADIAN EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2023

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2023 and 2022, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 11 for the formation date of the ETF.

The ETF is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the ETF’s registered office is 180 Queen Street West, Toronto, Ontario, Canada. The ETF is authorized to issue an unlimited number of units for sale under a Prospectus. The units of the ETF are listed on the Toronto Stock Exchange/NEO Exchange (“the Exchange”).

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Corporation of Canada. Canada Life Investment Management Ltd. (“CLIML”) is wholly owned by The Canada Life Assurance Company (“Canada Life”), a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These audited annual financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). A summary of the ETF’s significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the ETF’s functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial instruments that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on June 5, 2023.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, exchange-traded funds and derivatives. The ETF classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* (“IFRS 9”). Upon initial recognition, financial instruments are classified as fair value through profit or loss (“FVTPL”). All financial instruments are recognized in the Statement of Financial Position when the ETF becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the ETF has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. Investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The cost of investments is determined on a weighted average cost basis.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The ETF accounts for its holdings in exchange-traded funds, if any, at FVTPL.

The ETF’s redeemable units are held by different types of unitholders that are entitled to different redemption rights. Unitholders may redeem units of the ETF at a redemption price per unit equal to 95% of the closing price of the units on the Exchange on the effective day of the redemption, subject to a maximum redemption price of the applicable NAV per unit. These different redemption features create equally subordinate but not identical units of the ETF which therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The ETF’s obligation for net assets attributable to unitholders is presented at the redemption amount. Refer to Note 7 for details of subscriptions and redemptions of the ETF’s units.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the units of the ETF, arising from financing activities. Changes in units of the ETF, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the units not settled in cash as at the end of the period are presented as either Accounts receivable for units issued or Accounts payable for units redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

(b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie’s opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

MACKENZIE CANADIAN EQUITY INDEX ETF

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(b) Fair value measurement (cont'd)

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the ETF in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The ETF may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The ETF may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the ETF are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the ETF closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2023.

The ETF categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 11 for the fair value classifications of the ETF.

(c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the ETF which is accounted for on an accrual basis. The ETF does 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 are accrued as of the ex-dividend date. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income or realized gains (losses) on sale of investments, as appropriate, on the ex-dividend or distribution date.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the ETF in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the ETF. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of these services generated during the periods is disclosed in Note 11. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(d) Commissions and other portfolio transaction costs (cont'd)

Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in the Statement of Comprehensive Income – expenses absorbed by Manager.

(e) Securities lending, repurchase and reverse repurchase transactions

The ETF is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the ETF's Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver 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 earned from these transactions included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 11 summarizes the details of securities loaned and collateral received as at the end of period, as well as a reconciliation of securities lending income during the period, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the ETF enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 11 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the ETF.

(g) Currency

The functional and presentation currency of the ETF is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to unitholders per unit

Net assets attributable to unitholders per unit is computed by dividing the net assets attributable to unitholders on a business day by the total number of units outstanding on that day.

(i) Net asset value per unit

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to unitholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 11.

(j) Increase (decrease) in net assets attributable to unitholders from operations per unit

Increase (decrease) in net assets attributable to unitholders from operations per unit in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to unitholders from operations for the period, divided by the weighted average number of units outstanding during the period.

(k) Future accounting changes

The ETF has determined there are no material implications to the ETF's financial statements arising from IFRS issued but not yet effective.

4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

Use of Estimates

Fair value of securities not quoted in an active market

The ETF may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the ETF.

MACKENZIE CANADIAN EQUITY INDEX ETF

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NOTES TO FINANCIAL STATEMENTS

4. Critical Accounting Estimates and Judgments (cont'd)

Use of Judgments

Classification and measurement of investments

In classifying and measuring financial instruments held by the ETF, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the ETF's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the ETF's financial instruments.

Functional currency

The ETF's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the ETF's underlying transactions, events and conditions taking into consideration the manner in which units are issued and redeemed and how returns and performance by the ETF are measured.

Interest in unconsolidated structured entities

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the ETF invests ("Underlying Funds"), but that it does not consolidate, meets the definition of a structured entity, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

- I. The voting rights in the Underlying Funds are not dominant factors in deciding who controls them;
- II. the activities of the Underlying Funds are restricted by their offering documents; and
- III. the Underlying Funds have narrow and well-defined investment objective to provide investment opportunities for investors while passing on the associated risks and rewards.

As a result, such investments are accounted for at FVTPL. Note 10 summarizes the details of the ETFs' interest in these Underlying Funds, if applicable.

5. Income Taxes

The ETF qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its unitholders as at the end of the taxation year. The ETF maintains a December year-end for tax purposes. The ETF may be subject to withholding taxes on foreign income. In general, the ETF treats withholding tax as a charge against income for tax purposes. The ETF will distribute sufficient amounts from net income for tax purposes, as required, so that the ETF will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the ETF cannot be allocated to investors and are retained in the ETF for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 11 for the ETF's loss carryforwards.

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions and making brokerage arrangements relating to the purchase and sale of the investment portfolio. The management fee is calculated as a fixed annual percentage of the daily net asset value of the units of the ETF.

In addition to the applicable management fee, the operating expenses payable by the ETF include interest and borrowing costs, brokerage expenses and related transaction fees, fees and expenses relating to the operation of the Mackenzie ETFs' Independent Review Committee (IRC), fees under any derivative instrument used by the ETF, cost of complying with the regulatory requirement to produce summary documents, ETF facts or other similar disclosure documents, the costs of complying with governmental or regulatory requirements introduced after the date of the most recently filed prospectus, including, without limitation, any new fees or increases in fees, the fees related to external services that are not commonly charged in the Canadian exchange-traded fund industry after the date of the most recently filed prospectus, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the ETFs, fees paid to external legal counsel and/or others in connection with corporate or other actions affecting the portfolio holdings of the ETF, and any applicable taxes, including income, withholding or other taxes and also including G.S.T. or H.S.T. on expenses.

Mackenzie may waive or absorb management fees and operating expenses at its discretion and stop waiving or absorbing such fees at any time without notice. Mackenzie may charge a reduced management fee rate with respect to investments in the ETF by large investors, including other funds managed by Mackenzie or affiliates of Mackenzie. An amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed in cash to those unitholders by the ETF as a management fee distribution. Refer to Note 11 for the management fee rates charged to units of the ETF.

7. Units and Unit Transactions

Mackenzie, on behalf of the ETF, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker has agreed to perform certain duties relating to the ETF including, without limitation: (i) to subscribe for a sufficient number of units to satisfy the Exchange's original listing requirements; (ii) to subscribe for units on an ongoing basis in connection with any rebalancing event, as applicable, and when cash redemptions of units occur; and (iii) to post a liquid two-way market for the trading of units on the Exchange. In accordance with the designated broker agreement, Mackenzie may from time to time require the designated broker to subscribe for units of the ETF for cash.

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7. Units and Unit Transactions (cont'd)

The number of units issued/redeemed for subscription/redemption orders (the "Prescribed Number of Units") is determined by Mackenzie. On any trading day, a designated broker may place a subscription or redemption order for any multiple of the Prescribed Number of Units of the ETF based on the NAV per unit determined on the applicable trading day. A trading day is each day on which the Exchange is opened for business.

Generally, all orders to purchase units directly from an ETF must be placed by a designated broker or a dealer. The ETF reserves the absolute right to reject any subscription order placed by a designated broker or a dealer. No fees will be payable by the ETF to a designated broker or a dealer in connection with the issuance of units. On the issuance of units, an amount may be charged to a designated broker or a dealer to offset the expenses incurred in issuing the units.

For each Prescribed Number of Units issued, a dealer must deliver payment consisting of: (i) a basket of securities and cash equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by Mackenzie, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate NAV per unit of the Prescribed Number of Units next determined following the receipt of the subscription order.

8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at March 31, 2023 and 2022 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 11.

9. Financial Instruments Risk

i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The ETF's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2023, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the ETF's performance by employing professional, experienced portfolio advisors, by monitoring the ETF's positions and market events daily, by diversifying the investment portfolio within the constraints of the ETF's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they become due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

iii. Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the ETF's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 11 indicates the foreign currencies, if applicable, to which the ETF had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the ETF's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to currency risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the ETF to significant currency risk.

iv. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The ETF is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 11 summarizes the ETF's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the ETF's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. The ETF's sensitivity to interest rate changes was estimated using weighted average duration. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to interest rate risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk.

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9. Financial Instruments Risk (cont'd)

v. 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 interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the ETF continues to increase, theoretically without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the ETF. This risk is mitigated by ensuring that the ETF holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract.

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 11 illustrates the potential increase or decrease in the ETF's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The ETF's sensitivity to other price risk illustrated in Note 11 includes potential indirect impacts from underlying ETFs in which the ETF invests, and/or derivative contracts.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the ETF. Note 11 summarizes the ETF's exposure, if applicable and significant, to credit risk.

If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by underlying ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position. The ETF may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

vii. Underlying ETFs

The ETF may invest in underlying ETFs and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying ETFs. Note 11 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.

10. Other Information

Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HUF	Hungarian forint	PLN	Polish zloty
AED	United Arab Emirates Dirham	IDR	Indonesian rupiah	QAR	Qatar Rial
BRL	Brazilian real	ILS	Israeli shekel	RON	Romanian leu
CAD	Canadian dollars	INR	Indian rupee	RUB	Russian ruble
CHF	Swiss franc	JPY	Japanese yen	SAR	Saudi riyal
CKZ	Czech koruna	KOR	South Korean won	SEK	Swedish krona
CLP	Chilean peso	MXN	Mexican peso	SGD	Singapore dollars
CNY	Chinese yuan	MYR	Malaysian ringgit	THB	Thailand baht
COP	Colombian peso	NGN	Nigerian naira	TRL	Turkish lira
DKK	Danish krone	NOK	Norwegian krona	USD	United States dollars
EGP	Egyptian pound	NTD	New Taiwan dollar	VND	Vietnamese dong
EUR	Euro	NZD	New Zealand dollars	ZAR	South African rand
GBP	United Kingdom pounds	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha
GHS	Ghana Cedi	PHP	Philippine peso		
HKD	Hong Kong dollars	PKR	Pakistani rupee		

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11. ETF Specific Information (in '000, except for (a))

(a) ETF Formation and Series Information

Date of Formation: January 9, 2018

The ETF may issue an unlimited number of units. The number of issued and outstanding units is disclosed in the Statements of Changes in Financial Position.

CAD Units were listed on the TSX under the symbol QCN on January 24, 2018. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2023 was \$122.28 (2022 – \$133.36).

The management fee rate for CAD Units is 0.04%.

As at March 31, 2023, the ETF's NAV per unit was \$122.46 (2022 – \$133.22) and its Net Assets per unit calculated in accordance with IFRS was \$122.46 (2022 – \$133.22).

(b) Tax Loss Carryforwards

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

(c) Securities Lending

	March 31, 2023		March 31, 2022	
	(\$)		(\$)	
Value of securities loaned	55,056		50,526	
Value of collateral received	57,915		53,132	

	March 31, 2023		March 31, 2022	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	519	100.0	328	100.0
Tax withheld	(56)	(10.8)	(40)	(12.2)
	463	89.2	288	87.8
Payments to Securities Lending Agent	(83)	(16.0)	(52)	(15.9)
Securities lending income	380	73.2	236	71.9

(d) Commissions

	(\$)
March 31, 2023	–
March 31, 2022	–

(e) Risks Associated with Financial Instruments

i. Risk exposure and management

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Canada Broad Market Index, or any successor thereto. It invests primarily in Canadian equity securities.

ii. Currency risk

As at March 31, 2023 and 2022, the ETF did not have a significant exposure to currency risk.

iii. Interest rate risk

As at March 31, 2023 and 2022, the ETF did not have a significant exposure to interest rate risk.

iv. Other price risk

The table below summarizes the ETF's exposure to other price risk.

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
March 31, 2023	110,259	10.0	(110,259)	(10.0)
March 31, 2022	129,840	10.0	(129,840)	(10.0)

v. Credit risk

As at March 31, 2023 and 2022, the ETF did not have a significant exposure to credit risk.

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11. ETF Specific Information (in '000, except for (a)) (cont'd)

(f) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the fair value hierarchy described in note 3.

	March 31, 2023				March 31, 2022			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	1,102,574	19	–	1,102,593	1,298,396	–	–	1,298,396
Total	1,102,574	19	–	1,102,593	1,298,396	–	–	1,298,396

The ETF's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the period ended March 31, 2023, equities with a fair value of \$21 (2022 – \$Nil) were transferred from Level 1 to Level 2 as a result of changes in the inputs used for valuation.

(g) Investments by the Manager and Affiliates

The investments held by the Manager, other funds managed by the Manager, and funds managed by affiliates of the Manager were as follows:

	March 31, 2023	March 31, 2022
	(\$)	(\$)
The Manager	–	–
Other funds managed by the Manager	387,264	717,038
Funds managed by affiliates of the Manager	90,769	56,161

(h) Offsetting of Financial Assets and Liabilities

As at March 31, 2023 and 2022, there were no amounts subject to offsetting.

(i) Interest in Unconsolidated Structured Entities

As at March 31, 2023 and 2022, the ETF had no investments in Underlying ETFs.