

MACKENZIE UNCONSTRAINED BOND ETF

Annual Management Report of Fund Performance

For the Year Ended March 31, 2025

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the exchange-traded fund ("ETF"). You may obtain a copy of the annual financial statements, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at www.mackenzieinvestments.com or by visiting the SEDAR+ website at www.sedarplus.ca.

Unitholders may also contact us using one of these methods to request a copy of the ETF's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the ETF's Prospectus and ETF Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the ETF's current net asset value per unit and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.



MACKENZIE
Investments

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Management Discussion of Fund Performance

June 4, 2025

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the ETF's performance and outlook in the year ended March 31, 2025 (the "period"). If the ETF was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer to Mackenzie Financial Corporation, the manager of the ETF. In addition, net asset value ("NAV") refers to the value of the ETF as calculated for subscription and redemption purposes, on which the discussion of ETF performance is based.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

Investment Objective and Strategies

The ETF seeks a positive total return over a market cycle, regardless of market conditions, by investing primarily in fixed income securities of issuers anywhere in the world and in derivative instruments.

Risk

The risks of the ETF remain as discussed in the ETF's Prospectus.

The ETF is suitable for medium-term investors seeking to diversify a traditional portfolio of fixed income and equity investments, who can handle the volatility of bond markets and who have a low tolerance for risk.

Results of Operations

Investment Performance

During the period, the ETF returned 5.3% (after deducting fees and expenses). This compares with the Bloomberg Multiverse (Hedged) Index return of 3.5%. All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

In response to an uncertain economic outlook, the U.S. Federal Reserve reduced its federal funds rates three times during the period to a target range of 4.25%–4.50%. High-yield spreads (the difference in yield between high-yield and investment grade bonds) widened in response to concerns about economic growth resulting from tariff threats, faltering consumer confidence and a weakening labour market. Loan prices rose, and loan spreads (the margin by which the interest rate, which fluctuates according to a loan's market price, exceeds the floating reference rate) narrowed over the period.

The ETF outperformed the index, with security selection in corporate bonds, particularly in the financial sector, contributing to performance. Holdings in corporate bonds in the energy sector also contributed to performance.

Over the period, neither portfolio activity nor market developments significantly changed the positioning of the ETF.

Net Assets

The ETF's net assets increased by 26.6% during the period to \$1.2 billion. This change was composed primarily of \$50.3 million in net income (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and an increase of \$192.5 million due to net unitholder activity (including sales, redemptions and cash distributions).

Recent Developments

The portfolio management team believes that the U.S. Federal Reserve's federal funds rate reductions over the period demonstrated the central bank's willingness to make significant moves in its policy stance when necessary. The team expects the Federal Reserve to maintain a cautious approach as it gauges inflation trends amid trade-related uncertainty.

In anticipation of slow economic growth and low bond issuance, the ETF had overweight exposure to U.S. long-term government bonds at the end of the period. In emerging markets, the team favours local government bonds issued in Indonesia because of the potential for more accommodative policy by the country's central bank.

As a result of unattractive valuations for high-yield assets and an uncertain market environment, the team favours sectors that are less sensitive to the economic cycle. The team has also reduced exposure to the sectors that are most likely to be affected by increasing tariffs. Because the team expects trade conflicts and weakening consumer confidence to contribute to risk-averse market sentiment, it continues to focus on higher-quality issuers of high-yield debt.

The following changes to the Mackenzie Funds' Independent Review Committee occurred:

- effective September 13, 2023, Saijal Patel was appointed;
- effective March 5, 2024, Atul Tiwari resigned; and
- effective April 30, 2024, the terms for Robert Hines and George Hucal expired, and Rebecca Cowdery was appointed.

Related Party Transactions

Management Fees

The management expense ratio ("MER") for the ETF during the year ended March 31, 2025, was similar to the MER for the year ended March 31, 2024. Total expenses paid vary from period to period mainly as a result of changes in average assets in the ETF. The MERs are presented in the *Financial Highlights* section of this report. The ETF paid management fees to the Manager at the annual rate of 0.50%.

The management fee for the ETF is calculated and accrued daily as a percentage of its NAV. The ETF's management fees were used by the Manager to pay for the costs of managing the investment portfolio of the ETF, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services, and to pay for all costs and expenses (other than certain specified fund costs as more fully described in the Prospectus) required to operate the ETF.

Other Related Party Transactions

During the period, the ETF received \$0.4 million in income distributions from investments in other ETFs managed by Mackenzie to offset fees paid within those ETFs. There is no assurance that these distributions will continue in the future.

The ETF did not rely on an approval, positive recommendation or standing instruction from the Mackenzie Funds' Independent Review Committee with respect to any related party transactions in the period.

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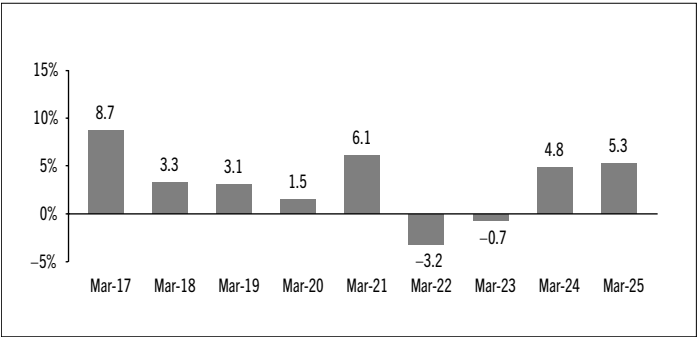
Past Performance

The ETF’s performance information assumes all distributions made by the ETF in the periods presented are reinvested in additional units of the ETF. The performance information does not take into account brokerage commissions or income taxes payable by any investor that would have reduced returns or performance. The past performance of the ETF is not necessarily an indication of how it will perform in the future.

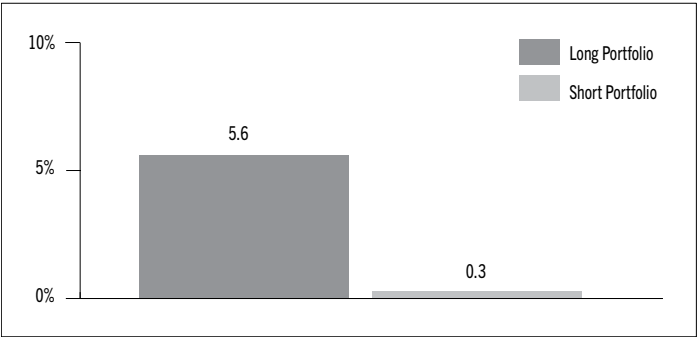
If you hold this ETF outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units of the ETF. The amount of reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later sell from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The following bar chart presents the performance of the ETF for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the ETF’s inception date (April 19, 2016), as applicable, would have increased or decreased by the last day of the fiscal period presented.



The following bar chart presents the performance of the ETF’s long and short portfolio positions for the period ended March 31, 2025, before deducting fees and expenses and before the effect of other assets (liabilities).



Annual Compound Returns

The following table compares the historical annual compound total returns for the ETF with the relevant index or indices shown below for each of the periods ended March 31, 2025. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie Unconstrained Bond ETF	5.3	3.1	2.4	n/a	3.2
Bloomberg Multiverse (Hedged) Index	3.5	0.9	0.2	n/a	1.5

The Bloomberg Multiverse (Hedged) Index is a broad-based measure of the global fixed income market. The index represents the union of the Global Aggregate Index, a broad-based measure of the global investment grade fixed-rate debt market, and the Global High Yield Index, a broad-based measure of the global high-yield fixed income market, and captures securities in all eligible currencies. The foreign currency exposure is hedged to the Canadian dollar.

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Summary of Investment Portfolio at March 31, 2025

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Bonds	98.8
Bonds	86.9
Long bond futures*	11.7
Purchased options**	0.2
Short bond futures*	–
Written options**	–
Equities	0.7
Other assets (liabilities)	0.3
Cash and cash equivalents	0.2
Exchange-traded funds/notes	0.1
Purchased swap options†	–
Written swap options†	–
Purchased currency options††	–
Swaps‡	(0.1)

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
United States	54.5
Canada	31.1
United Kingdom	2.9
Germany	2.1
Other	1.4
South Korea	1.3
Luxembourg	1.1
New Zealand	1.0
Indonesia	1.0
Netherlands	0.8
Ireland	0.6
Brazil	0.5
France	0.5
Saudi Arabia	0.5
Other assets (liabilities)	0.3
Poland	0.2
Cash and cash equivalents	0.2

EFFECTIVE SECTOR ALLOCATION	% OF NAV
Corporate bonds	62.9
Foreign government bonds	26.9
Term loans	5.3
Federal bonds	2.9
Utilities	0.4
Mortgage backed	0.3
Other assets (liabilities)	0.3
Provincial bonds	0.3
Cash and cash equivalents	0.2
Communication services	0.1
Energy	0.1
Financials	0.1
Exchange-traded funds/notes	0.1
Other	0.1

BONDS BY CREDIT RATING§§	% OF NAV
AAA	4.2
AA	16.1
A	3.1
BBB	19.4
Less than BBB	27.5
Unrated	9.5

* Notional values represent 11.7% of NAV for long bond futures and –9.0% of NAV for short bond futures.

** Notional values represent 5.7% of NAV for purchased options and –1.8% of NAV for written options.

† Notional values represent 18.8% of NAV for purchased swap options and –15.1% of NAV for written swap options.

†† Notional values represent 0.4% of NAV for purchased currency options.

‡ Notional values represent 0.4% of NAV for swaps.

§§ Credit ratings and rating categories are based on ratings issued by a designated rating organization. This table includes only bonds held directly by the ETF.

The effective allocation shows the portfolio, regional or sector exposure of the ETF calculated by combining its direct and indirect investments.

TOP 25 LONG POSITIONS

Issuer/Underlying Fund	% OF NAV
Cash and cash equivalents	11.8
Mackenzie Floating Rate Income ETF	3.5
United States Treasury 4.63% 02-15-2055	3.3
Government of Canada 3.50% 09-01-2029	2.3
Bundesobligation 2.10% 04-12-2029	2.0
United States Treasury 3.50% 02-15-2033	1.9
Mackenzie Canadian All Corporate Bond Index ETF	1.8
United Kingdom Gilt 0.88% 07-31-2033	1.3
Government of Korea 3.00% 12-10-2034	1.1
Government of New Zealand 4.25% 05-15-2034	1.0
Government of Indonesia 6.63% 02-15-2034	0.9
Government of United Kingdom 4.38% 07-31-2054	0.9
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	0.9
Manulife Financial Corp. F/R 06-19-2082	0.8
Continental Resources Inc. 4.90% 06-01-2044 Callable 2043	0.7
Costco Wholesale Corp. 1.60% 04-20-2030 Callable 2030	0.7
Bank of Montreal F/R 11-26-2080	0.7
Mackenzie Emerging Markets Bond Index ETF (CAD-Hedged)	0.7
Trulieve Cannabis Corp. 8.00% 10-06-2026	0.7
Enbridge Inc. F/R 04-12-2078 Callable 2028	0.7
Diamondback Energy Inc. 4.25% 03-15-2052	0.7
Schlumberger Holdings Corp. 3.90% 05-17-2028 Callable 2028	0.6
Sun Life Financial Inc. F/R 06-30-2081	0.6
Mackenzie Global Sustainable Bond ETF	0.6
United States Treasury 0.63% 12-31-2027	0.6

Top long positions as a percentage
of total net asset value

40.8

TOP 25 SHORT POSITIONS

Issuer	% OF NAV
Canadian 10-Year Bond Futures	–
Markit North American Investment Grade CDX Index Written Put Option @ \$85.00 Exp. 06-18-2025	–
Markit North American Investment Grade CDX Index Written Put Option @ \$85.00 Exp. 05-21-2025	–
iShares iBoxx \$ High Yield Corporate Bond ETF Written Put Option @ \$73.00 Exp. 05-16-2025	–
Markit North American Investment Grade CDX Index Written Put Option @ \$100.00 Exp. 04-16-2025	–

Top short positions as a percentage
of total net asset value

–

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit www.mackenzieinvestments.com or www.sedarplus.ca.

The investments and percentages may have changed since March 31, 2025, due to the ongoing portfolio transactions of the ETF. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the ETF's fiscal year-end, when they are available within 90 days.

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Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. In the period when the ETF was established, "period" represents the period from inception to the end of that fiscal period. The inception date can be found under *Past Performance*.

THE ETF'S NET ASSETS PER SECURITY (\$)¹

	Mar. 31 2025	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021
CAD Units (Ticker: MUB)					
Net assets, beginning of period	18.24	18.31	19.35	20.68	20.17
Increase (decrease) from operations:					
Total revenue	0.97	1.00	0.96	0.87	0.78
Total expenses	(0.10)	(0.10)	(0.12)	(0.12)	(0.13)
Realized gains (losses) for the period	(0.81)	(0.80)	(1.08)	(0.34)	0.12
Unrealized gains (losses) for the period	0.84	0.73	0.01	(1.05)	0.19
Total increase (decrease) from operations²	0.90	0.83	(0.23)	(0.64)	0.96
Distributions:					
From net investment income (excluding Canadian dividends)	(0.87)	(0.91)	(0.80)	(0.70)	(0.66)
From Canadian dividends	—	(0.01)	(0.01)	(0.01)	(0.01)
From capital gains	—	—	—	—	(0.11)
Return of capital	—	—	—	—	—
Total annual distributions³	(0.87)	(0.92)	(0.81)	(0.71)	(0.78)
Net assets, end of period	18.30	18.24	18.31	19.35	20.68

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per unit. This information is derived from the ETF's audited annual financial statements. The net assets per unit presented in the financial statements may differ from the net asset value per unit calculated for ETF pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the fiscal period.

(3) Distributions were paid in cash/reinvested in additional units of the ETF, or both.

RATIOS AND SUPPLEMENTAL DATA

	Mar. 31 2025	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021
CAD Units (Ticker: MUB)					
Total net asset value (\$000) ¹	1,155,847	912,733	909,967	987,662	1,001,064
Units outstanding (000) ¹	63,150	50,050	49,700	51,050	48,400
Management expense ratio (%) ²	0.55	0.56	0.56	0.56	0.55
Management expense ratio before waivers or absorptions (%) ²	0.55	0.56	0.56	0.56	0.55
Trading expense ratio (%) ³	—	—	0.03	—	—
Trading expense ratio before reimbursements (%) ³	—	—	0.03	—	—
Portfolio turnover rate (%) ⁴	44.73	35.47	41.83	78.45	63.07
Net asset value per unit (\$)	18.30	18.24	18.31	19.35	20.68
Closing market price (\$) ⁵	18.32	18.25	18.38	19.34	20.72

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. If the ETF was established in the period, the MER is annualized from the date of inception to the end of the period. Where the ETF directly invests in securities of another fund (including other ETFs), the MER presented for the ETF includes the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(3) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period. Where the ETF invests in securities of another fund (including other ETFs), the TER presented for the ETF includes the portion of TERs of the other fund(s) attributable to this investment. The Manager may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). The Manager may make these reimbursements at its discretion and stop these reimbursements at any time without notice.

(4) The ETF's portfolio turnover rate indicates how actively the ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher the ETF's portfolio turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF. The portfolio turnover rate is not provided when the ETF is less than one year old.

(5) Closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, on the last trading day of the period as reported on the Toronto Stock Exchange.