

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Core Plus Canadian Fixed Income 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 is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also 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.

Deloitte LLP is 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 securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,
Manager of the ETF



Barry McInerney
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

June 7, 2018

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Core Plus Canadian Fixed Income ETF (the "ETF")

We have audited the accompanying financial statements of the ETF which comprise the statements of financial position as at March 31, 2018 and 2017, and the statements of comprehensive income, statements of changes in financial position and statements of cash flows for the periods then ended, as indicated in Note 1, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2018 and 2017, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards.



Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

June 7, 2018



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

STATEMENTS OF FINANCIAL POSITION

*In thousands (except per unit figures)
As at March 31*

	2018	2017
	\$	\$
ASSETS		
Current assets		
Investments at fair value	51,820	8,432
Cash and cash equivalents	883	588
Accrued interest receivable	343	56
Accounts receivable for investments sold	138	298
Accounts receivable for securities issued	–	–
Margin on futures contracts	52	–
Unrealized gains on derivative contracts	11	2
Total assets	53,247	9,376
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	750	252
Distribution payable	–	16
Due to manager	30	6
Unrealized losses on derivative contracts	151	13
Total liabilities	931	287
Net assets attributable to unitholders	52,316	9,089
Net assets attributable to unitholders per series (note 3)		
Series E	52,316	9,089
Net assets attributable to unitholders per unit (note 3)		
Series E	20.12	20.20

STATEMENTS OF COMPREHENSIVE INCOME

*For the periods ended March 31 (note 1)
In thousands (except per unit figures)*

	2018	2017
	\$	\$
Income		
Dividends	15	6
Interest income	868	143
Other changes in fair value of investments		
Net realized gain (loss)	(111)	26
Net unrealized gain (loss)	(214)	58
Securities lending income	1	–
Other	44	15
Total income (loss)	603	248
Expenses (note 6)		
Management fees	183	32
Commissions and other portfolio transaction costs	14	8
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	197	40
Expenses absorbed by Manager	–	–
Net expenses	197	40
Increase (decrease) in net assets attributable to unitholders from operations before tax	406	208
Foreign withholding taxes	–	–
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	406	208
Increase (decrease) in net assets attributable to unitholders from operations per series		
Series E	406	208
Increase (decrease) in net assets attributable to unitholders from operations per unit		
Series E	0.27	0.78

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



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)
In thousands

	2018	2017
	Series E	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	\$	
Beginning of period	9,089	–
Increase (decrease) in net assets from operations	406	208
Distributions paid to unitholders:		
Investment Income	(759)	(271)
Capital gains	–	–
Total distributions paid to unitholders	(759)	(271)
Unit transactions:		
Proceeds from units issued	43,580	13,054
Reinvested distributions	–	117
Value of units redeemed	–	(4,019)
Total unit transactions	43,580	9,152
Total increase (decrease) in net assets	43,227	9,089
End of period	52,316	9,089
	Units	
Increase (decrease) in units (note 7):		
Units outstanding – beginning of period	450	–
Issued	2,150	650
Reinvested distributions	–	–
Redeemed	–	(200)
Units outstanding – end of period	2,600	450

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



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)
In thousands

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	406	208
Adjustments for:		
Net realized loss (gain) on investments	111	(26)
Change in net unrealized loss (gain) on investments	214	(58)
Purchase of investments	(72,624)	(21,012)
Proceeds from sale and maturity of investments	29,701	12,635
Change in accrued interest receivable	(287)	(56)
Change in due to manager	24	6
Change in margin on futures contracts	(52)	–
Net cash from operating activities	(42,507)	(8,303)
Cash flows from financing activities		
Proceeds from redeemable securities issued	43,580	13,054
Payments on redemption of redeemable securities	–	(4,019)
Distributions paid net of reinvestments	(775)	(138)
Net cash from financing activities	42,805	8,897
Net increase (decrease) in cash and cash equivalents	298	594
Cash and cash equivalents at beginning of period	588	–
Effect of exchange rate fluctuations on cash and cash equivalents	(3)	(6)
Cash and cash equivalents at end of period	883	588
Cash	883	588
Cash equivalents	–	–
Cash and cash equivalents at end of period	883	588
Supplementary disclosures on cash flow from operating activities:		
Dividends received	15	6
Foreign taxes paid	–	–
Interest received	581	87
Interest paid	–	–

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



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS					
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	335,000	349	343
407 International Inc. 3.60% 05-21-2047 Callable	Canada	Corporate - Non Convertible	70,000	70	71
AECOM 5.13% 03-15-2027 Callable 2026	United States	Corporate - Non Convertible	USD 10,000	12	12
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	150,000	151	145
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	40,000	40	40
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	405,000	420	416
Allied Properties Real Estate Investment Trust 3.93% 11-14-2022	Canada	Corporate - Non Convertible	95,000	98	97
Allied Properties Real Estate Investment Trust 3.64% 04-21-2025 Callable 2025	Canada	Corporate - Non Convertible	30,000	30	29
AltaGas Ltd. 3.98% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	30,000	30	30
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	175,000	182	182
AMC Entertainment Holdings Inc. 5.88% 11-15-2026 Callable	United States	Corporate - Non Convertible	USD 40,000	48	51
Amneal Pharmaceuticals LLC Term loan B 1st Lien F/R 03-23-2025	United States	Term Loans	USD 50,000	64	65
AMS FinCo SARL Term Loan 1st Lien F/R 05-27-2024	Luxembourg	Term Loans	USD 24,813	33	32
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	210,000	209	205
Antero Resources Corp. 5.00% 03-01-2025	United States	Corporate - Non Convertible	USD 5,000	7	6
Aramark Services Inc. 4.75% 06-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 40,000	51	50
Arch Merger Sub Inc. 8.50% 09-15-2025 Callable 2020	United States	Corporate - Non Convertible	USD 40,000	51	48
Artis Real Estate Investment Trust 3.753% 03-27-2019	Canada	Corporate - Non Convertible	50,000	50	50
ASP AMC Merger Sub Inc. 8.00% 05-15-2025 Callable 2020	United States	Corporate - Non Convertible	USD 100,000	129	121
AT&T Inc. 3.825% 11-25-2020	United States	Corporate - Non Convertible	400,000	419	412
ATS Consolidated Inc. Term Loan B 1st Lien F/R 02-23-2025	United States	Term Loans	USD 20,000	25	26
Aviva PLC 4.50% 05-10-2021	United Kingdom	Corporate - Non Convertible	70,000	74	73
Avolon Holdings Funding Ltd. 5.50% 01-15-2023 Callable 2022	Ireland	Corporate - Non Convertible	USD 40,000	51	51
Bank of America Corp. 3.228% 06-22-2022	United States	Corporate - Non Convertible	90,000	91	91
Bank of America Corp. F/R 03-15-2023 Callable 2022	United States	Corporate - Non Convertible	260,000	261	257
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	300,000	300	302
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	120,000	119	118
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	140,000	140	139
Bank of Montreal 3.32% 06-01-2026	Canada	Corporate - Non Convertible	155,000	158	157
Bank of Montreal F/R 12-15-2032 Callable 2027	Canada	Corporate - Non Convertible	USD 60,000	77	73
The Bank of Nova Scotia 1.83% 04-27-2022	Canada	Corporate - Non Convertible	150,000	148	145
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	140,000	140	138
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	135,000	133	131
The Bank of Nova Scotia F/R 04-12-2066 Callable 2022	Canada	Corporate - Non Convertible	USD 70,000	88	85
bclMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	145,000	151	145
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate - Non Convertible	60,000	61	59
Bell Canada 3.60% 09-29-2027 Callable	Canada	Corporate - Non Convertible	205,000	208	207
Bell Canada 4.45% 02-27-2047 Callable	Canada	Corporate - Non Convertible	210,000	218	216
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 60,000	76	77
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	435,000	437	433
Bruce Power LP 2.84% 06-23-2021	Canada	Corporate - Non Convertible	420,000	427	420
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	80,000	82	83
BWAY Holding Co. 7.25% 04-15-2025	United States	Corporate - Non Convertible	USD 10,000	13	13
Calpine Corp. 5.25% 06-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 10,000	13	12
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 59,550	73	77



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 59,550	74	77
Canada Goose Inc. Term Loan 1st Lien F/R 12-22-2021	Canada	Term Loans	USD 40,000	50	51
Canada Housing Trust No. 1 F/R 03-15-2023	Canada	Federal Government	530,000	532	532
Canada Housing Trust No. 1 2.65% 03-15-2028	Canada	Federal Government	290,000	289	294
Canada Housing Trust F/R 09-15-2022	Canada	Federal Government	220,000	222	222
Canadian Imperial Bank of Commerce 2.30% 07-11-2022 DPNT	Canada	Corporate - Non Convertible	210,000	210	207
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	170,000	170	168
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate - Non Convertible	260,000	267	263
Canadian Imperial Bank of Commerce F/R 04-04-2028 Callable 2023	Canada	Corporate - Non Convertible	90,000	90	90
Canadian National Railway Co. 3.60% 08-01-2047 Callable 2047	Canada	Corporate - Non Convertible	120,000	119	121
Canadian Real Estate Investment Trust 2.95% 01-18-2023 Callable 2022	Canada	Corporate - Non Convertible	20,000	20	20
Canadian Western Bank 2.74% 06-16-2022 DPNT	Canada	Corporate - Non Convertible	10,000	10	10
Canadian Western Bank 2.92% 12-15-2022	Canada	Corporate - Non Convertible	80,000	80	80
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	410,000	416	415
Careerbuilder LLC Term Loan 1st Lien F/R 07-31-2023	United States	Term Loans	USD 29,250	36	38
Central 1 Credit Union F/R 02-05-2021	Canada	Corporate - Non Convertible	30,000	30	30
Central 1 Credit Union 2.60% 11-07-2022	Canada	Corporate - Non Convertible	50,000	50	49
CenturyLink Inc. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 214,463	269	272
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	120,000	120	120
Chassis Inc. Term Loan B 1st Lien F/R 11-10-2023	United States	Term Loans	USD 30,000	37	39
CHIP Mortgage Trust 2.98% 11-15-2021	Canada	Corporate - Non Convertible	10,000	10	10
Choice Properties Real Estate Investment Trust 3.01% 03-21-2022 Callable 2022	Canada	Corporate - Non Convertible	370,000	370	370
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	40,000	40	40
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	110,000	110	112
Citigroup Inc. 3.39% 11-18-2021	United States	Corporate - Non Convertible	430,000	443	440
Citigroup Inc. 4.09% 06-09-2025	United States	Corporate - Non Convertible	330,000	343	337
Comfort Holding LLC Term Loan 1st Lien F/R 02-05-2024	United States	Term Loans	USD 119,048	142	149
Commonwealth of Bahamas 6.00% 11-21-2028 Callable 2028	Bahamas	Foreign Governments	USD 160,000	204	215
ConvergeOne Holdings Corp. Term Loan B 1st Lien F/R 06-20-2024	United States	Term Loans	USD 124,063	158	161
Coronado Australian Holdings Pty Ltd. Term Loan B 1st Lien F/R 03-21-2025	United States	Term Loans	USD 23,571	29	30
Coronado Australian Holdings Pty Ltd. Term Loan C 1st Lien F/R 03-21-2025	United States	Term Loans	USD 6,429	8	8
CU Inc. 4.085% 09-02-2044 Callable	Canada	Corporate - Non Convertible	160,000	180	174
CU Inc. 3.964% 07-27-2045 Callable	Canada	Corporate - Non Convertible	20,000	21	21
Daseke Inc. Term Loan 1st Lien F/R 02-27-2024	United States	Term Loans	USD 29,837	38	39
DaVita Healthcare Partners Inc. 5.00% 05-01-2025 Callable 2020	United States	Corporate - Non Convertible	USD 40,000	50	50
Digicert Holdings Inc. Term Loan 1st Lien F/R 09-20-2024	United States	Term Loans	USD 50,000	61	65
DISH DBS Corp. 5.875% 11-15-2024	United States	Corporate - Non Convertible	USD 10,000	13	12



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Drive DeVilbiss Healthcare Ltd. Term Loan 1st Lien F/R 01-03-2023	United States	Term Loans	USD 102,945	120	125
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	820,000	819	816
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 49,800	62	65
Enbridge Gas Distribution Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	70,000	70	69
Enbridge Inc. 3.20% 06-08-2027 Callable 2027	Canada	Corporate - Non Convertible	20,000	20	19
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	170,000	175	170
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	240,000	240	231
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	30,000	30	30
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate - Non Convertible	30,000	30	31
Envigo Holdings Inc. Term Loan B 1st Lien F/R 12-14-2023	United States	Term Loans	USD 30,000	37	38
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	50,000	50	50
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020	United States	Corporate - Non Convertible	USD 50,000	60	65
Fairfax Financial Holdings Ltd. 4.70% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	280,000	290	289
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	130,000	130	129
Fédération des Caisses Desjardins du Québec 2.09% 01-17-2022	Canada	Corporate - Non Convertible	380,000	381	372
Fédération des Caisses Desjardins du Québec 2.39% 08-25-2022	Canada	Corporate - Non Convertible	50,000	50	49
Fortified Trust 1.67% 07-23-2021	Canada	Corporate - Non Convertible	800,000	785	777
General Motors Financial of Canada Ltd. 2.60% 06-01-2022	United States	Corporate - Non Convertible	20,000	20	20
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020	Canada	Corporate - Non Convertible	USD 40,000	51	51
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	50,000	50	50
G-III Apparel Group Ltd. Term Loan B 1st Lien F/R 12-01-2022	United States	Term Loans	USD 104,286	131	136
Glacier Credit Card Trust 2.05% 09-20-2022	Canada	Corporate - Non Convertible	40,000	40	39
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	340,000	338	332
The Goodyear Tire & Rubber Co. 4.88% 03-15-2027 Callable 2026	United States	Corporate - Non Convertible	USD 20,000	25	25
Government of Bermuda 3.72% 01-25-2027 Callable 2026	Bermuda	Foreign Governments	USD 200,000	245	253
Government of Canada 3.25% 06-01-2021	Canada	Federal Government	160,000	167	167
Government of Canada 1.50% 06-01-2023	Canada	Federal Government	10,000	10	10
Government of Canada 2.50% 06-01-2024	Canada	Federal Government	200,000	205	206
Government of Canada 1.00% 06-01-2027	Canada	Federal Government	1,740,000	1,603	1,583
Government of Canada 2.00% 06-01-2028	Canada	Federal Government	6,540,000	6,389	6,474
Government of Canada 1.25% 12-01-2047 Real Return	Canada	Federal Government	170,000	195	218
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	1,500,000	1,626	1,674
Granite REIT Holdings LP 3.87% 11-30-2023 Callable 2023	Canada	Corporate - Non Convertible	20,000	20	20
Green Plains Inc. Term Loan B 1st Lien F/R 08-29-2023	United States	Term Loans	USD 19,900	25	26
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 10-12-2022	United States	Term Loans	USD 9,875	12	13
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	90,000	90	89
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	340,000	340	340
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	40,000	39	40
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	385,000	399	390
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	100,000	100	101
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 40,000	51	52
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	460,000	457	449
HSBC Bank Canada 2.54% 01-31-2023	Canada	Corporate - Non Convertible	270,000	270	266
Hudson River Trading LLC Term Loan 1st Lien F/R 03-20-2025	United States	Term Loans	USD 30,000	39	39



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	100,000	100	102
Hyster-Yale Group Inc. Term Loan B 1st Lien F/R 05-30-2023	United States	Term Loans	USD 52,938	68	69
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	240,000	237	232
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	170,000	171	167
Interior Logic Group Inc. Term Loan B 1st Lien F/R 03-01-2024	United States	Term Loans	USD 47,500	61	62
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 34,641	42	45
Itron Inc. 5.00% 01-15-2026 Callable 2021	United States	Corporate - Non Convertible	USD 40,000	50	51
Jane Street Group LLC Term Loan B 1st Lien F/R 08-25-2022	United States	Term Loans	USD 119,000	151	154
JBS USA Lux SA Term Loan B 1st Lien F/R 10-30-2022	Brazil	Term Loans	USD 123,998	157	160
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	115,000	120	117
KEMET Corp. Term Loan B 1st Lien F/R 04-26-2024	United States	Term Loans	USD 48,125	63	63
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 24,875	33	32
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021	United States	Corporate - Non Convertible	USD 85,000	107	109
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 85,000	108	109
Lantheus Medical Imaging Inc. Term Loan B 1st Lien F/R 06-30-2022	United States	Term Loans	USD 109,148	139	142
Laurentian Bank of Canada F/R 10-22-2019	Canada	Corporate - Non Convertible	70,000	70	70
Laurentian Bank of Canada 3.00% 09-12-2022	Canada	Corporate - Non Convertible	90,000	90	89
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 9,849	13	13
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 19,000	24	25
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 10,000	13	13
The Manufacturers Life Insurance Co. 2.389% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	205,000	206	203
Manulife Bank of Canada 2.08% 05-26-2022	Canada	Corporate - Non Convertible	200,000	200	195
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	60,000	60	60
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	90,000	90	89
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	15,000	15	15
McAfee LLC Term Loan B 1st Lien F/R 09-30-2024	United States	Term Loans	USD 49,750	61	65
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	120,000	120	120
Meredith Corp. Term Loan B 1st Lien F/R 01-18-2025	United States	Term Loans	USD 50,000	62	65
Metro Inc. 2.68% 12-05-2022 Callable 2022	Canada	Corporate - Non Convertible	20,000	20	20
Metro Inc. 3.39% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	50,000	50	49
Molson Coors International LP 2.84% 07-15-2023 Callable 2023	United States	Corporate - Non Convertible	100,000	101	98
Mondelez International Inc. 3.25% 03-07-2025 Callable 2025	United States	Corporate - Non Convertible	90,000	90	90
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	340,000	343	336
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	700,000	684	680
NAV Canada 3.29% 03-30-2048 Callable 2047	Canada	Corporate - Non Convertible	60,000	60	61
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 19,750	25	25
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020	Canada	Corporate - Non Convertible	USD 40,000	50	49
Newell Brands Inc. 4.20% 04-01-2026 Callable 2026	United States	Corporate - Non Convertible	USD 40,000	51	51
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	300,000	293	289
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	60,000	60	60
Ocean Bidco Inc. Term Loan B 1st Lien F/R 03-02-2025	United States	Term Loans	USD 20,000	26	26
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 20,000	25	26
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 29,250	36	38
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	360,000	359	366



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	410,000	415	415
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	235,000	245	236
Osteon Merger Sub Inc. Term Loan B 1st Lien F/R 02-06-2025	United States	Term Loans	USD 20,000	25	26
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021	Canada	Corporate - Non Convertible	USD 210,000	275	273
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	80,000	80	81
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 56,000	18	20
Pisces Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Term Loans	USD 40,000	51	51
PNI Canada Acquireco Corp. Term Loan B 1st Lien F/R 08-23-2022	Canada	Term Loans	USD 119,400	145	153
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 60,000	74	77
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	250,000	276	270
Province of Ontario 2.60% 09-08-2023	Canada	Provincial Governments	750,000	750	755
Province of Ontario 2.40% 06-02-2026	Canada	Provincial Governments	3,450,000	3,408	3,376
Province of Ontario 2.60% 06-02-2027	Canada	Provincial Governments	2,410,000	2,414	2,380
Province of Ontario 4.60% 06-02-2039	Canada	Provincial Governments	180,000	221	225
Province of Ontario 2.90% 12-02-2046	Canada	Provincial Governments	340,000	327	331
Province of Ontario 2.80% 06-02-2048	Canada	Provincial Governments	60,000	56	57
Province of Quebec 2.50% 09-01-2026	Canada	Provincial Governments	530,000	523	524
Province of Quebec 2.75% 09-01-2027	Canada	Provincial Governments	1,890,000	1,923	1,896
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	750,000	836	828
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 10,000	13	13
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 49,875	62	65
QCP SNF West 8.125% 11-01-2023 Callable 2019	United States	Corporate - Non Convertible	USD 5,000	7	7
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019	United States	Corporate - Non Convertible	USD 5,000	7	6
Red Ventures LLC Term Loan B 1st Lien F/R 11-08-2024	United States	Term Loans	USD 29,850	37	39
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2018	Canada	Corporate - Non Convertible	USD 15,000	20	20
Reliance LP 3.84% 03-15-2025 Callable 2025	Canada	Corporate - Non Convertible	450,000	451	449
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 49,875	61	64
Royal Bank of Canada 2.00% 03-21-2022	Canada	Corporate - Non Convertible	265,000	263	259
Royal Bank of Canada 2.36% 12-05-2022	Canada	Corporate - Non Convertible	50,000	50	49
Royal Bank of Canada 2.33% 12-05-2023 DPNT	Canada	Corporate - Non Convertible	160,000	161	156
Royal Bank of Canada 4.65% 01-27-2026 GMTN	Canada	Corporate - Non Convertible	USD 10,000	14	13
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	100,000	100	101
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 30,000	48	47
Sigma US Corp. Term Loan B 1st Lien F/R 03-06-2025	Netherlands	Term Loans	USD 30,000	39	39
SmartCentres Real Estate Investment Trust 3.83% 12-21-2027 Callable 2027	Canada	Corporate - Non Convertible	20,000	20	20
SNC-Lavalin Group Inc. 2.69% 11-24-2020	Canada	Corporate - Non Convertible	310,000	311	310
SNC-Lavalin Group Inc. 3.24% 03-02-2023 Callable 2023	Canada	Corporate - Non Convertible	50,000	50	50
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2018	Canada	Corporate - Non Convertible	17,000	17	19
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 129,675	163	166
Stepstone Group LP Term Loan B 1st Lien F/R 03-19-2025	United States	Term Loans	USD 20,000	26	26
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	40,000	40	40
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	300,000	303	300
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	20,000	20	20



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS (cont'd)					
Superior Plus LP 5.13% 08-27-2025 Callable 2021	Canada	Corporate - Non Convertible	100,000	100	100
Talen Energy Supply LLC 9.50% 07-15-2022 Callable 2020	United States	Corporate - Non Convertible	USD 10,000	13	13
Talen Energy Supply LLC 10.50% 01-15-2026 Callable 2022	United States	Corporate - Non Convertible	USD 10,000	12	11
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	345,000	354	350
TELUS Corp. 3.63% 03-01-2028 Callable 2027	Canada	Corporate - Non Convertible	50,000	50	50
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	202,000	213	209
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027	United States	Corporate - Non Convertible	USD 60,000	74	74
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026 Callable	Israel	Corporate - Non Convertible	USD 90,000	93	93
Titan Acquisition Ltd. Term Loan 1st Lien F/R 03-16-2025	United Kingdom	Term Loans	USD 40,000	52	52
T-Mobile USA Inc. 6.50% 01-15-2024 Callable 2019	United States	Corporate - Non Convertible	USD 13,000	18	18
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	15,000	17	16
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	50,000	50	50
The Toronto-Dominion Bank 1.91% 07-18-2023 DPNT	Canada	Corporate - Non Convertible	295,000	290	283
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	66,000	66	65
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	80,000	80	81
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	280,000	278	277
Traverse Midstream Partners LLC Term Loan B 1st Lien F/R 09-21-2024	United States	Term Loans	USD 10,000	12	13
Trico Products Corp. Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 30,000	36	39
Uber Technologies Inc. Term Loan 1st Lien F/R 03-21-2025	United States	Term Loans	USD 50,000	64	65
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 84,196	107	109
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	50,000	50	50
United States Treasury Inflation Indexed 0.89% 02-15-2047	United States	Foreign Governments	USD 480,000	589	631
United States Treasury 2.25% 11-15-2027	United States	Foreign Governments	USD 40,000	51	49
United States Treasury 2.75% 02-15-2028	United States	Foreign Governments	USD 30,000	38	39
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	100,000	100	98
Ventas Realty LP 4.00% 03-01-2028 Callable 2027	United States	Corporate - Non Convertible	USD 50,000	62	64
Verizon Communications Inc. 2.63% 08-15-2026 Callable 2026	United States	Corporate - Non Convertible	USD 47,000	57	55
Videotron Ltd. 5.13% 04-15-2027 Callable 2022	Canada	Corporate - Non Convertible	USD 180,000	231	228
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 30,000	37	39
VW Credit Canada Inc. 3.25% 03-29-2023	Germany	Corporate - Non Convertible	60,000	60	60
Wells Fargo & Co. 2.222% 03-15-2021	United States	Corporate - Non Convertible	300,000	299	296
Werner FinCo LP Term Loan 1st Lien F/R 06-23-2024	United States	Term Loans	USD 134,763	172	175
Westcoast Energy Inc. 4.79% 10-28-2041	Canada	Corporate - Non Convertible	50,000	53	55
Western Dental Services Inc. Term Loan B 1st Lien F/R 06-23-2023	United States	Term Loans	USD 24,813	33	32
YRC Worldwide Inc. Term Loan 1st Lien F/R 07-21-2022	United States	Term Loans	USD 108,429	135	141
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 40,000	50	52
Total bonds				50,849	50,836



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
AltaGas Ltd. Pfd. Series K	Canada	Energy	1,090	27	28
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	479	12	12
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	1,570	39	40
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	1,900	48	48
Source Energy Services Ltd.	Canada	Energy	154	–	1
TransAlta Corp. Pfd. Series A	Canada	Utilities	1,726	23	26
TransCanada Corp. Pfd. Series 15	Canada	Energy	955	24	25
Total equities				173	180
OPTIONS					
Options purchased (see schedule of options purchased)				6	5
Total options				6	5
EXCHANGE-TRADED FUNDS/NOTES					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	8,134	809	799
Total exchange-traded funds/notes				809	799
Transaction costs				(1)	–
Total investments				51,836	51,820
Derivative instruments (see schedule of derivative instruments)					(140)
Cash and cash equivalents					883
Other assets less liabilities					(247)
Total net assets					52,316



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2018	
Portfolio Allocation	% of NAV
Bonds	97.1
<i>Bonds</i>	97.2
<i>Purchased options</i>	0.0
<i>Short futures</i>	(0.1)
Cash and short-term investments	1.7
Exchange-traded funds/notes	1.5
Equities	0.3
Other assets (liabilities)	(0.6)

Regional Allocation	
	% of NAV
Canada	79.0
United States	16.3
Cash and short-term investments	1.7
United Kingdom	1.2
Bermuda	0.5
Bahamas	0.4
Belgium	0.4
Brazil	0.3
Israel	0.2
Netherlands	0.2
Germany	0.1
Ireland	0.1
Luxembourg	0.1
Colombia	0.1
Other assets (liabilities)	(0.6)

Sector Allocation	
	% of NAV
Corporate bonds	44.5
Federal bonds	21.8
Provincial bonds	20.8
Term loans	7.9
Foreign government bonds	2.1
Cash and short-term investments	1.7
Exchange-traded funds/notes	1.5
Utilities	0.1
Energy	0.1
Financials	0.1
Other assets (liabilities)	(0.6)

March 31, 2017	
Portfolio Allocation	% of NAV
Bonds	89.4
<i>Bonds</i>	89.4
<i>Purchased options</i>	0.0
<i>Short futures</i>	0.0
Cash and short-term investments	6.5
Equities	1.8
Exchange-traded funds/notes	1.5
Other assets (liabilities)	0.8

Regional Allocation	
	% of NAV
Canada	79.0
United States	12.3
Cash and short-term investments	6.5
Other assets (liabilities)	0.8
Denmark	0.6
United Kingdom	0.5
Luxembourg	0.2
Bahamas	0.1

Sector Allocation	
	% of NAV
Corporate bonds	48.2
Provincial bonds	20.5
Federal bonds	17.1
Cash and short-term investments	6.5
Term loans	3.5
Exchange-traded funds/notes	1.5
Energy	0.9
Other assets (liabilities)	0.8
Utilities	0.8
Real estate	0.1
Foreign government bonds	0.1



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
iShares iBoxx \$ High Yield Corporate Bond ETF	9	Put	Jun. 15, 2018	85 USD	3	2
iShares iBoxx \$ High Yield Corporate Bond ETF	7	Put	Sep. 21, 2018	83 USD	2	2
iShares iBoxx \$ High Yield Corporate Bond ETF	3	Put	Sep. 21, 2018	85 USD	1	1
Total options					6	5



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2018

Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized (Losses) (\$ 000s)
(17)	10 Year United States Treasury Note Futures	June 20, 2018	121.14 USD	(2,653)	(31)
Unrealized (Losses)				(2,653)	(31)
Total futures contracts				(2,653)	(31)

*Notional value represents the exposure to the underlying instruments as at March 31, 2018

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
AA	144 Canadian dollar	(110) U.S. dollar	Apr. 13, 2018	(144)	(142)	2
AA	50 U.S. dollar	(62) Canadian dollar	Apr. 20, 2018	62	64	2
AA	440 U.S. dollar	(567) Canadian dollar	Apr. 20, 2018	567	567	–
AA	144 Canadian dollar	(110) U.S. dollar	May 11, 2018	(144)	(142)	2
AA	144 Canadian dollar	(110) U.S. dollar	May 18, 2018	(144)	(142)	2
AA	593 Canadian dollar	(460) U.S. dollar	Jun. 22, 2018	(593)	(592)	1
AA	143 Canadian dollar	(110) U.S. dollar	Jun. 29, 2018	(143)	(141)	2
Unrealized Gains						11
AA	377 Canadian dollar	(300) U.S. dollar	Apr. 13, 2018	(377)	(386)	(9)
AA	939 Canadian dollar	(750) U.S. dollar	Apr. 13, 2018	(939)	(965)	(26)
AA	651 Canadian dollar	(520) U.S. dollar	Apr. 20, 2018	(651)	(669)	(18)
AA	443 Canadian dollar	(350) U.S. dollar	Apr. 20, 2018	(443)	(450)	(7)
AA	274 Canadian dollar	(215) U.S. dollar	Apr. 20, 2018	(274)	(277)	(3)
AA	800 Canadian dollar	(640) U.S. dollar	May 11, 2018	(800)	(823)	(23)
AA	273 Canadian dollar	(215) U.S. dollar	May 11, 2018	(273)	(277)	(4)
AA	343 Canadian dollar	(280) U.S. dollar	May 18, 2018	(343)	(360)	(17)
AA	218 Canadian dollar	(170) U.S. dollar	May 18, 2018	(218)	(219)	(1)
AA	201 Canadian dollar	(160) U.S. dollar	Jun. 08, 2018	(201)	(206)	(5)
AA	385 Canadian dollar	(300) U.S. dollar	Jun. 15, 2018	(385)	(386)	(1)
AA	218 Canadian dollar	(170) U.S. dollar	Jun. 15, 2018	(218)	(219)	(1)
AA	218 Canadian dollar	(170) U.S. dollar	Jun. 22, 2018	(218)	(219)	(1)
A	218 Canadian dollar	(170) U.S. dollar	Jul. 13, 2018	(218)	(219)	(1)
AA	218 Canadian dollar	(170) U.S. dollar	Jul. 13, 2018	(218)	(219)	(1)
AA	218 Canadian dollar	(170) U.S. dollar	Jul. 20, 2018	(218)	(219)	(1)
AA	218 Canadian dollar	(170) U.S. dollar	Jul. 27, 2018	(218)	(219)	(1)
Unrealized (Losses)						(120)
Total forward currency contracts						(109)
Total derivative instruments at fair value						(140)



MACKENZIE
Investments

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, 2018 and 2017, 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 10 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/Aequitas 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 Financial Corporation, which itself is 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 assets and liabilities 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 7, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment 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. As such, 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 – Net unrealized gain (loss).

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 year-end.

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.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

The ETF accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at fair value through profit and loss. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the ETF invests, does not meet either the definition of a structured entity or the definition of an associate.

(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.

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

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 – 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 unrealized gains or losses on a "mark to market" basis. 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 futures contracts or swaps. Any change in the variation margin requirement is settled daily.

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, 2018.

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. 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.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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, advisers, brokers and dealers. 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 third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. 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 expenses absorbed by Manager in the Statement of Comprehensive Income.

(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. Securities lending transactions are administered by Canadian Imperial Bank of Commerce (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. 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 is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(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 10 summarizes the details of such offsetting, if applicable.

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) Foreign 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 – 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. Refer to Note 10 for the ETF's NAV per unit.

(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.

NOTES TO FINANCIAL STATEMENTS

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.

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.

Use of Judgments

Classification and measurement of investments and application of the fair value option

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.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the ETF invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the ETF does not have contracts or financing arrangements with these underlying funds and the ETF does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

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. It is the intention of the ETF to distribute all of its net income and sufficient net realized capital gains so that the ETF will not be subject to income taxes other than foreign withholding taxes, 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 10 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.

NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses (cont'd)

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 10 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.

The number of units issued for subscription 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 an integral 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, 2018 and 2017 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 10.

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, 2018, 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.

NOTES TO FINANCIAL STATEMENTS

9. Financial Instruments Risk (cont'd)

ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they come 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 90% 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 arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the ETF to significant amounts of interest rate risk. Note 10 summarizes the ETF's exposure, if applicable and significant, to interest rate risk.

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, 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. Note 10 summarizes the ETF's exposure, if applicable and significant, to other price risk.

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 10 summarizes the ETF's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. 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 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.



MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

NOTES TO FINANCIAL STATEMENTS

10. ETF Specific Information *(in '000s, except for (a))*

(a) ETF Formation and Series Information

Date of Formation April 1, 2016

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.

Series E units were listed on the TSX under the symbol MKB on April 19, 2016. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2018 was \$20.17 (2017 – \$20.21).

The management fee rate for Series E units is 0.55%.

As at March 31, 2018 and 2017, the ETF's NAV per unit was \$20.17 (2017 – \$20.21) and its Net Assets per unit calculated in accordance with IFRS was \$20.12 (2017 – \$20.20).

(b) Investment by Mackenzie and Affiliates

As at March 31, 2018 and 2017, other funds managed by Mackenzie had an investment of \$2,106 (2017 – \$Nil) in the ETF.

(c) Loss Carryforwards

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

(d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2018 and 2017, were as follows:

	March 31, 2018	March 31, 2017
	(\$)	(\$)
Value of securities loaned	10,348	–
Value of collateral received	10,869	–

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the ETF for the periods ended March 31, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	1	100.0	–	–
Tax withheld	–	–	–	–
	1	100.0	–	–
Payments to Securities Lending Agent	–	–	–	–
Securities lending income	1	100.0	–	–



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

NOTES TO FINANCIAL STATEMENTS

10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

(e) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	4	(4)	–	–
Unrealized losses on derivative contracts	(85)	4	52	(29)
Liability for options written	–	–	–	–
Total	(81)	–	52	(29)

As at March 31, 2017, there were no amounts subject to offsetting.

(f) Risks Associated with Financial Instruments

i. Risk exposure and management

The ETF seeks a steady flow of income with an emphasis on capital preservation by investing primarily in investment grade Canadian government, corporate fixed income and/or asset-backed securities, in each case with maturities of more than one year and may hold up to 30% of its assets in foreign investments.

ii. Currency risk

The table below indicates currencies to which the ETF had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the ETF to significant currency risk.

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Euro	47	–	–	47
U.S. dollar	7,340	107	(9,513)	(2,066)
Total	7,387	107	(9,513)	(2,019)
% of Net Assets	14.1	0.2	(18.2)	(3.9)

Currency	March 31, 2017			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Danish krone	51	–	(52)	(1)
U.S. dollar	806	441	(3,231)	(1,984)
Total	857	441	(3,283)	(1,985)
% of Net Assets	9.4	4.9	(36.1)	(21.8)

* Includes both monetary and non-monetary financial instruments

As at March 31, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have increased or decreased by approximately \$101 or 0.2% of total net assets (2017 – \$99 or 1.1%). In practice, the actual trading results may differ and the difference could be material.



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

NOTES TO FINANCIAL STATEMENTS

10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

(f) Risks Associated with Financial Instruments (cont'd)

iii. Interest rate risk

The table below summarizes the ETF's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	March 31, 2018 (\$)		March 31, 2017 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	50	(2,653)	–	(2,319)
1-5 years	11,372	–	1,409	–
5-10 years	26,029	–	2,608	–
Greater than 10 years	13,385	–	4,111	–
Total	50,836	(2,653)	8,128	(2,319)

As at March 31, 2018, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$3,645 or 7.0% (2017 – \$606 or 6.7%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$3,646 or 7.0% (2017 – \$606 or 6.7%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at March 31, 2018 and 2017, the ETF did not have a significant exposure to price risk.

v. Credit risk

The ETF's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2018, was 21.8% of the net assets of the ETF (2017 – 17.1%).

As at March 31, 2018 and 2017, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2018	March 31, 2017
	% of Net Assets	% of Net Assets
AAA	26.3	20.4
AA	29.3	22.3
A	14.0	23.2
BBB	15.9	16.7
Less than BBB	10.2	5.9
Unrated	1.5	0.9
Total	97.2	89.4

* Credit ratings and rating categories are based on ratings issued by a designated rating organization



MACKENZIE
Investments

MACKENZIE CORE PLUS CANADIAN FIXED INCOME ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

ACTIVE FIXED INCOME ETF

NOTES TO FINANCIAL STATEMENTS

10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

(g) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the following fair value hierarchy:

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; 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.

	March 31, 2018				March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	50,836	–	50,836	–	8,128	–	8,128
Equities	180	–	–	180	166	–	–	166
Options	5	–	–	5	3	–	–	3
Exchange-traded funds/notes	799	–	–	799	135	–	–	135
Derivative assets	–	11	–	11	–	2	–	2
Derivative liabilities	(31)	(120)	–	(151)	–	(13)	–	(13)
Total	953	50,727	–	51,680	304	8,117	–	8,421

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, there were no significant transfers between Level 1 and Level 2.

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.



MACKENZIE
Investments