

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

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

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board 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 US Large Cap Equity Index ETF (the "ETF")

We have audited the accompanying financial statements of the ETF which comprise the statement of financial position as at March 31, 2018, and the statement of comprehensive income, statement of changes in financial position and statement of cash flows for the period 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 audit. We conducted our audit 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 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 its financial performance and its cash flows for the period 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 US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

STATEMENT OF FINANCIAL POSITION

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

	2018 \$
ASSETS	
Current assets	
Investments at fair value	43,857
Cash and cash equivalents	19
Dividends receivable	22
Accounts receivable for investments sold	29
Accounts receivable for securities issued	-
Due from manager	14
Total assets	43,941
LIABILITIES	
Current liabilities	
Accounts payable for investments purchased	14
Accounts payable for securities redeemed	23
Due to manager	18
Total liabilities	55
Net assets attributable to unitholders	43,886
Net assets attributable to unitholders per series (note 3)	
Series E	43,886
Net assets attributable to unitholders per unit (note 3)	
Series E	97.53

STATEMENT OF COMPREHENSIVE INCOME

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

	2018 \$
Income	
Dividends	49
Other changes in fair value of investments	
Net realized gain (loss)	(225)
Net unrealized gain (loss)	(1,592)
Total income (loss)	(1,768)
Expenses (note 6)	
Management fees	2
Commissions and other portfolio transaction costs	16
Independent Review Committee fees	-
Expenses before amounts absorbed by Manager	18
Expenses absorbed by Manager	14
Net expenses	4
Increase (decrease) in net assets attributable to unitholders from operations before tax	(1,772)
Foreign withholding taxes	7
Foreign income taxes paid (recovered)	-
Increase (decrease) in net assets attributable to unitholders from operations	(1,779)
Increase (decrease) in net assets attributable to unitholders from operations per series	
Series E	(1,779)
Increase (decrease) in net assets attributable to unitholders from operations per unit	
Series E	(11.64)

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



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

STATEMENT OF CHANGES IN FINANCIAL POSITION

*For the period ended March 31 (note 1)
In thousands*

	2018 Series E
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	\$
Beginning of period	-
Increase (decrease) in net assets from operations	(1,779)
Distributions paid to unitholders:	
Investment income	(22)
Capital gains	-
Total distributions paid to unitholders	(22)
Unit transactions:	
Proceeds from units issued	50,512
Reinvested distributions	-
Value of units redeemed	(4,825)
Total unit transactions	45,687
Total increase (decrease) in net assets	43,886
End of period	43,886
Increase (decrease) in units (note 7):	Units
Units outstanding – beginning of period	-
Issued	500
Reinvested distributions	-
Redeemed	(50)
Units outstanding – end of period	450

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



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

STATEMENT OF CASH FLOWS

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

	2018
	\$
Cash flows from operating activities	
Net increase (decrease) in net assets attributable to unitholders from operations	(1,779)
Adjustments for:	
Net realized loss (gain) on investments	225
Change in net unrealized loss (gain) on investments	1,592
Purchase of investments	(519)
Proceeds from sale and maturity of investments	89
Change in dividends receivable	(22)
Change in due from manager	(14)
Change in due to manager	18
Net cash from operating activities	(410)
Cash flows from financing activities	
Proceeds from redeemable securities issued	451
Payments on redemption of redeemable securities	–
Distributions paid net of reinvestments	(22)
Net cash from financing activities	429
Net increase (decrease) in cash and cash equivalents	19
Cash and cash equivalents at beginning of period	–
Effect of exchange rate fluctuations on cash and cash equivalents	–
Cash and cash equivalents at end of period	19
Cash	19
Cash equivalents	–
Cash and cash equivalents at end of period	19
Supplementary disclosures on cash flow from operating activities:	
Dividends received	27
Foreign taxes paid	7
Interest received	–
Interest paid	–

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



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

SCHEDULE OF INVESTMENTS

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
3M Co.	United States	Industrials	908	275	257
Abbott Laboratories	United States	Health Care	2,636	210	203
AbbVie Inc.	United States	Health Care	2,404	344	293
Accenture PLC Class A	United States	Information Technology	937	194	185
Activision Blizzard Inc.	United States	Information Technology	1,073	100	93
Adobe Systems Inc.	United States	Information Technology	748	211	208
Advanced Micro Devices Inc.	United States	Information Technology	1,371	20	18
Aetna Inc.	United States	Health Care	494	112	108
Affiliated Managers Group Inc.	United States	Financials	82	20	20
Aflac Inc.	United States	Financials	1,178	68	66
Agilent Technologies Inc.	United States	Health Care	488	44	42
Air Products and Chemicals Inc.	United States	Materials	330	71	68
Akamai Technologies Inc.	United States	Information Technology	246	23	22
Alaska Air Group Inc.	United States	Industrials	182	15	15
Albemarle Corp.	United States	Materials	164	21	20
Alexandria Real Estate Equities Inc.	United States	Real Estate	147	24	24
Alexion Pharmaceuticals Inc.	United States	Health Care	323	51	46
Align Technology Inc.	United States	Health Care	109	38	35
Alleghany Corp.	United States	Financials	20	16	16
Allergan PLC	United States	Health Care	505	108	109
Alliance Data Systems Corp.	United States	Information Technology	69	21	19
Alliant Energy Corp.	United States	Utilities	352	18	19
The Allstate Corp.	United States	Financials	533	67	65
Ally Financial Inc.	United States	Financials	668	24	23
Alnylam Pharmaceuticals Inc.	United States	Health Care	129	23	20
Alphabet Inc. Class A	United States	Information Technology	452	651	603
Alphabet Inc. Class C	United States	Information Technology	461	663	612
Altria Group Inc.	United States	Consumer Staples	2,908	239	233
Amazon.com Inc.	United States	Consumer Discretionary	613	1,219	1,142
Amdocs Ltd.	United States	Information Technology	217	19	19
Ameren Corp.	United States	Utilities	366	26	27
American Airlines Group Inc.	United States	Industrials	649	46	43
American Electric Power Co. Inc.	United States	Utilities	748	65	66
American Express Co.	United States	Financials	1,088	134	131
American International Group Inc.	United States	Financials	1,369	99	96
American Tower Corp. Class A	United States	Real Estate	650	121	122
American Water Works Co. Inc.	United States	Utilities	271	28	29
Ameriprise Financial Inc.	United States	Financials	219	45	42
AmerisourceBergen Corp.	United States	Health Care	244	30	27
Ametek Inc.	United States	Industrials	344	34	34
Amgen Inc.	United States	Health Care	1,106	265	243
Amphenol Corp. Class A	United States	Information Technology	461	54	51
Anadarko Petroleum Corp.	United States	Energy	830	63	65
Analog Devices Inc.	United States	Information Technology	559	67	66
Andeavor	United States	Energy	218	28	28
Annaly Capital Management Inc.	United States	Financials	1,758	24	24
ANSYS Inc.	United States	Information Technology	127	27	26
Anthem Inc.	United States	Health Care	389	116	110



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Aon PLC	United States	Financials	375	69	68
Apache Corp.	United States	Energy	578	28	29
Apple Inc.	United States	Information Technology	7,076	1,606	1,529
Applied Materials Inc.	United States	Information Technology	1,603	123	115
Aramark Corp.	United States	Consumer Discretionary	363	19	19
Arch Capital Group Ltd.	United States	Financials	190	21	21
Archer-Daniels-Midland Co.	United States	Consumer Staples	830	46	46
Arconic Inc.	United States	Industrials	650	21	19
Arthur J. Gallagher & Co.	United States	Financials	271	24	24
AT&T Inc.	United States	Telecommunication Services	9,368	443	429
Atmos Energy Corp.	United States	Utilities	164	17	18
Autodesk Inc.	United States	Information Technology	334	57	54
Automatic Data Processing Inc.	United States	Information Technology	624	94	91
AutoZone Inc.	United States	Consumer Discretionary	38	33	32
AvalonBay Communities Inc.	United States	Real Estate	208	44	44
Baker Hughes a GE Co.	United States	Energy	650	25	23
Ball Corp.	United States	Materials	525	27	27
Bank of America Corp.	United States	Financials	14,885	611	574
The Bank of New York Mellon Corp.	United States	Financials	1,457	103	97
Baxter International Inc.	United States	Health Care	775	67	65
BB&T Corp.	United States	Financials	1,190	84	80
Becton, Dickinson and Co.	United States	Health Care	404	116	113
Berkshire Hathaway Inc. Class B	United States	Financials	1,928	512	494
Best Buy Co. Inc.	United States	Consumer Discretionary	388	35	35
Biogen Inc.	United States	Health Care	317	118	112
BioMarin Pharmaceutical Inc.	United States	Health Care	263	28	27
BlackRock Inc.	United States	Financials	182	131	127
The Boeing Co.	United States	Industrials	856	371	362
Booking Holdings Inc.	United States	Consumer Discretionary	73	198	196
BorgWarner Inc.	United States	Consumer Discretionary	317	21	21
Boston Properties Inc.	United States	Real Estate	228	37	36
Boston Scientific Corp.	United States	Health Care	2,089	74	74
Bristol-Myers Squibb Co.	United States	Health Care	2,494	212	203
Broadridge Financial Solutions Inc.	United States	Information Technology	173	24	24
Brown-Forman Corp. Class B non-voting	United States	Consumer Staples	353	25	25
Bunge Ltd.	United States	Consumer Staples	209	20	20
C.H. Robinson Worldwide Inc.	United States	Industrials	208	25	25
CA Inc.	United States	Information Technology	478	22	21
Cabot Oil & Gas Corp.	United States	Energy	694	22	21
Cadence Design Systems Inc.	United States	Information Technology	424	22	20
Campbell Soup Co.	United States	Consumer Staples	299	17	17
Capital One Financial Corp.	United States	Financials	731	93	90
Cardinal Health Inc.	United States	Health Care	478	42	39
CarMax Inc.	United States	Consumer Discretionary	272	22	22
Carnival Corp.	United States	Consumer Discretionary	615	53	52
Caterpillar Inc.	United States	Industrials	902	181	171
Choe Global Markets Inc.	United States	Financials	170	26	25
CBRE Group Inc. Class A	United States	Real Estate	470	29	29



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
CBS Corp. Class B non-voting	United States	Consumer Discretionary	532	36	35
CDK Global Inc.	United States	Information Technology	208	18	17
CDW Corp. of Delaware	United States	Information Technology	227	22	21
Celanese Corp. Series A	United States	Materials	201	27	26
Celgene Corp.	United States	Health Care	1,198	141	138
Centene Corp.	United States	Health Care	253	34	35
CenterPoint Energy Inc.	United States	Utilities	640	22	23
CenturyLink Inc.	United States	Telecommunication Services	1,614	35	34
Cerner Corp.	United States	Health Care	480	38	36
The Charles Schwab Corp.	United States	Financials	1,828	130	123
Charter Communications Inc. Class A	United States	Consumer Discretionary	273	119	109
The Chemours Co.	United States	Materials	280	18	18
Chenerie Energy Inc.	United States	Energy	307	21	21
Chevron Corp.	United States	Energy	2,899	435	425
Chipotle Mexican Grill Inc.	United States	Consumer Discretionary	38	16	16
Chubb Ltd.	United States	Financials	658	120	116
Church & Dwight Co. Inc.	United States	Consumer Staples	379	24	25
Cigna Corp.	United States	Health Care	371	85	80
Cimarex Energy Co.	United States	Energy	138	17	17
Cincinnati Financial Corp.	United States	Financials	235	23	22
Cintas Corp.	United States	Industrials	128	28	28
Cisco Systems Inc.	United States	Information Technology	7,543	431	417
Citigroup Inc.	United States	Financials	4,031	383	351
Citizens Financial Group Inc.	United States	Financials	748	43	40
Citrix Systems Inc.	United States	Information Technology	210	26	25
The Clorox Co.	United States	Consumer Staples	191	32	33
CME Group Inc.	United States	Financials	514	109	107
CMS Energy Corp.	United States	Utilities	425	24	25
The Coca-Cola Co.	United States	Consumer Staples	5,842	330	327
Cognex Corp.	United States	Information Technology	246	18	16
Cognizant Technology Solutions Corp.	United States	Information Technology	893	96	93
Colgate Palmolive Co.	United States	Consumer Staples	1,333	121	123
Comcast Corp. Class A	United States	Consumer Discretionary	7,076	331	312
Comerica Inc.	United States	Financials	262	33	32
ConAgra Brands Inc.	United States	Consumer Staples	606	29	29
Concho Resources Inc.	United States	Energy	219	43	42
ConocoPhillips	United States	Energy	1,820	130	139
Consolidated Edison Inc.	United States	Utilities	469	46	47
Constellation Brands Inc. Class A	United States	Consumer Staples	251	73	74
The Cooper Companies Inc.	United States	Health Care	73	22	22
Corning Inc.	United States	Information Technology	1,317	51	47
CoStar Group Inc.	United States	Industrials	51	24	24
Costco Wholesale Corp.	United States	Consumer Staples	658	159	160
Crown Castle International Corp.	United States	Real Estate	614	87	87
CSX Corp.	United States	Industrials	1,289	94	93
Cummins Inc.	United States	Industrials	244	52	51
CVS Health Corp.	United States	Consumer Staples	1,540	132	123
D.R. Horton Inc.	United States	Consumer Discretionary	533	30	30
Danaher Corp.	United States	Health Care	930	121	117



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Darden Restaurants Inc.	United States	Consumer Discretionary	186	22	20
DAVITA Inc.	United States	Health Care	210	19	18
Deere & Co.	United States	Industrials	488	101	98
Delta Air Lines Inc.	United States	Industrials	1,001	72	71
Dentsply Sirona Inc.	United States	Health Care	344	25	22
Devon Energy Corp.	United States	Energy	798	34	33
Diamondback Energy Inc.	United States	Energy	146	24	24
Digital Realty Trust Inc.	United States	Real Estate	314	42	43
Discover Financial Services	United States	Financials	546	53	51
DISH Network Corp. Class A	United States	Consumer Discretionary	334	17	16
Dollar General Corp.	United States	Consumer Discretionary	413	50	50
Dollar Tree Inc.	United States	Consumer Discretionary	352	44	43
Dominion Resources Inc.	United States	Utilities	980	90	85
Domino's Pizza Inc.	United States	Consumer Discretionary	64	19	19
Dover Corp.	United States	Industrials	228	30	29
DowDuPont Inc.	United States	Materials	3,565	317	293
Dr. Pepper Snapple Group Inc.	United States	Consumer Staples	254	38	39
DTE Energy Co.	United States	Utilities	271	36	36
Duke Energy Corp.	United States	Utilities	1,064	105	106
Duke Realty Corp.	United States	Real Estate	541	18	18
DXC Technology Co.	United States	Information Technology	433	58	56
E*TRADE Financial Corp.	United States	Financials	406	29	29
Eastman Chemical Co.	United States	Materials	199	27	27
Eaton Corp. PLC	United States	Industrials	668	70	69
eBay Inc.	United States	Information Technology	1,502	81	78
Ecolab Inc.	United States	Materials	395	69	70
Edison International	United States	Utilities	496	40	41
Edwards Lifesciences Corp.	United States	Health Care	317	57	57
Electronic Arts Inc.	United States	Information Technology	460	75	72
Eli Lilly and Co.	United States	Health Care	1,486	151	148
Emerson Electric Co.	United States	Industrials	973	89	86
Entergy Corp.	United States	Utilities	272	27	28
EOG Resources Inc.	United States	Energy	875	117	119
EQT Corp.	United States	Energy	388	25	24
Equifax Inc.	United States	Industrials	174	27	26
Equinix Inc.	United States	Real Estate	118	63	64
Equity Residential	United States	Real Estate	550	42	44
Essex Property Trust Inc.	United States	Real Estate	96	29	30
The Estée Lauder Companies Inc. Class A	United States	Consumer Staples	335	62	65
Everest Re Group Ltd.	United States	Financials	57	19	19
Eversource Energy	United States	Utilities	479	36	36
Exelon Corp.	United States	Utilities	1,460	72	73
Expedia Inc.	United States	Consumer Discretionary	182	26	26
Expeditors International of Washington Inc.	United States	Industrials	264	22	22
Express Scripts Holding Co.	United States	Health Care	857	83	76
Extra Space Storage Inc.	United States	Real Estate	182	20	20
Exxon Mobil Corp.	United States	Energy	6,452	632	619
Facebook Inc.	United States	Information Technology	3,584	819	737



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Fastenal Co.	United States	Industrials	434	32	31
Federal Realty Investment Trust	United States	Real Estate	109	16	16
FedEx Corp.	United States	Industrials	377	121	117
Fidelity National Information Services Inc.	United States	Information Technology	505	65	63
Fifth Third Bancorp	United States	Financials	1,054	45	43
First Republic Bank	United States	Financials	240	29	29
FirstEnergy Corp.	United States	Utilities	676	29	30
Fiserv Inc.	United States	Information Technology	632	59	58
FleetCor Technologies Inc.	United States	Information Technology	129	34	34
FMC Corp.	United States	Materials	200	21	20
Ford Motor Co.	United States	Consumer Discretionary	5,914	84	84
Fortive Corp.	United States	Industrials	467	47	47
Fortune Brands Home & Security Inc.	United States	Industrials	227	18	17
Franklin Resources Inc.	United States	Financials	505	26	23
Freeport-McMoRan Inc.	United States	Materials	2,081	50	47
Gartner Inc.	United States	Information Technology	129	21	20
General Dynamics Corp.	United States	Industrials	395	113	112
General Electric Co.	United States	Industrials	13,121	241	228
General Mills Inc.	United States	Consumer Staples	858	56	50
General Motors Co.	United States	Consumer Discretionary	1,862	92	87
Genuine Parts Co.	United States	Consumer Discretionary	217	26	25
GGP Inc.	United States	Real Estate	939	26	25
Gilead Sciences Inc.	United States	Health Care	1,981	201	192
Global Payments Inc.	United States	Information Technology	236	35	34
The Goldman Sachs Group Inc.	United States	Financials	515	175	167
The Goodyear Tire & Rubber Co.	United States	Consumer Discretionary	371	14	13
Halliburton Co.	United States	Energy	1,235	74	75
Hanesbrands Inc.	United States	Consumer Discretionary	550	14	13
Harley-Davidson Inc.	United States	Consumer Discretionary	253	15	14
Harris Corp.	United States	Industrials	174	35	36
The Hartford Financial Services Group Inc.	United States	Financials	541	38	36
Hasbro Inc.	United States	Consumer Discretionary	172	20	19
HCA Holdings Inc.	United States	Health Care	429	56	54
HCP Inc.	United States	Real Estate	712	21	21
Henry Schein Inc.	United States	Health Care	235	21	20
The Hershey Co.	United States	Consumer Staples	210	27	27
Hess Corp.	United States	Energy	452	29	29
Hewlett Packard Enterprise Co.	United States	Information Technology	2,424	58	55
Hilton Inc.	United States	Consumer Discretionary	325	34	33
Hologic Inc.	United States	Health Care	415	21	20
The Home Depot Inc.	United States	Consumer Discretionary	1,781	416	409
Honeywell International Inc.	United States	Industrials	1,160	227	216
Hormel Foods Corp.	United States	Consumer Staples	407	18	18
Host Hotels & Resorts Inc.	United States	Real Estate	1,110	27	27
HP Inc.	United States	Information Technology	2,510	76	71
Humana Inc.	United States	Health Care	217	76	75
Huntington Bancshares Inc.	United States	Financials	1,623	33	32
Huntington Ingalls Industries Inc.	United States	Industrials	65	21	22



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
IAC/InterActiveCorp	United States	Information Technology	110	23	22
IDEX Corp.	United States	Industrials	111	21	20
IDEXX Laboratories Inc.	United States	Health Care	128	32	32
IHS Markit Ltd.	United States	Industrials	506	32	31
Illinois Tool Works Inc.	United States	Industrials	451	98	91
Illumina Inc.	United States	Health Care	218	69	66
Incyte Corp.	United States	Health Care	263	30	28
Ingersoll-Rand PLC	United States	Industrials	379	44	42
Ingredion Inc.	United States	Consumer Staples	102	17	17
Intel Corp.	United States	Information Technology	7,145	464	478
Intercontinental Exchange Inc.	United States	Financials	883	84	82
International Business Machines Corp.	United States	Information Technology	1,352	275	267
International Flavors & Fragrances Inc.	United States	Materials	118	21	21
International Paper Co.	United States	Materials	623	44	43
The Interpublic Group of Companies Inc.	United States	Consumer Discretionary	587	17	17
Intuit Inc.	United States	Information Technology	370	84	83
Intuitive Surgical Inc.	United States	Health Care	164	91	87
Invesco Ltd.	United States	Financials	606	26	25
IQVIA Holdings Inc.	United States	Health Care	228	30	29
Iron Mountain Inc.	United States	Real Estate	406	17	17
J.B. Hunt Transport Services Inc.	United States	Industrials	128	20	19
J.M. Smucker Co.	United States	Consumer Staples	164	26	26
Jazz Pharmaceuticals PLC	United States	Health Care	84	16	16
Johnson & Johnson	United States	Health Care	4,097	701	675
Johnson Controls International PLC	United States	Industrials	1,405	67	64
JPMorgan Chase & Co.	United States	Financials	5,264	776	745
Juniper Networks Inc.	United States	Information Technology	559	19	18
Kansas City Southern	United States	Industrials	154	21	22
Kellogg Co.	United States	Consumer Staples	416	36	35
KeyCorp	United States	Financials	1,635	44	41
Kimberly-Clark Corp.	United States	Consumer Staples	532	76	75
Kimco Realty Corp.	United States	Real Estate	631	12	12
Kinder Morgan Inc.	United States	Energy	2,946	62	57
KLA-Tencor Corp.	United States	Information Technology	235	36	33
The Kraft Heinz Co.	United States	Consumer Staples	917	78	74
The Kroger Co.	United States	Consumer Staples	1,334	43	41
L Brands Inc.	United States	Consumer Discretionary	354	19	17
L3 Technologies Inc.	United States	Industrials	111	30	30
Laboratory Corp. of America Holdings	United States	Health Care	154	34	32
Lam Research Corp.	United States	Information Technology	244	68	64
Las Vegas Sands Corp.	United States	Consumer Discretionary	604	58	56
Lear Corp.	United States	Consumer Discretionary	100	24	24
Leidos Holdings Inc.	United States	Information Technology	227	20	19
Lennar Corp. Class A	United States	Consumer Discretionary	300	23	23
Lennar Corp. Class B	United States	Consumer Discretionary	19	1	1
Liberty Broadband Corp.	United States	Consumer Discretionary	155	18	17
Lincoln National Corp.	United States	Financials	327	32	31
LKQ Corp.	United States	Consumer Discretionary	434	22	21



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Lockheed Martin Corp.	United States	Industrials	362	157	158
Loews Corp.	United States	Financials	447	29	29
Lowe's Companies Inc.	United States	Consumer Discretionary	1,207	138	136
LyondellBasell Industries NV Class A	United States	Materials	488	69	66
M&T Bank Corp.	United States	Financials	208	51	49
The Macerich Co.	United States	Real Estate	209	16	15
Marathon Oil Corp.	United States	Energy	1,290	26	27
Marathon Petroleum Corp.	United States	Energy	740	67	70
Markel Corp.	United States	Financials	19	28	29
Marriott International Inc. Class A	United States	Consumer Discretionary	416	76	73
Marsh & McLennan Companies Inc.	United States	Financials	775	84	82
Martin Marietta Materials Inc.	United States	Materials	92	25	25
Masco Corp.	United States	Industrials	471	25	25
MasterCard Inc. Class A	United States	Information Technology	1,412	325	319
Maxim Integrated Products Inc.	United States	Information Technology	424	34	33
McCormick & Co. Inc. non-voting	United States	Consumer Staples	174	24	24
McDonald's Corp.	United States	Consumer Discretionary	1,216	253	245
McKesson Corp.	United States	Health Care	316	61	57
Medtronic PLC	United States	Health Care	2,062	216	213
Merck & Co. Inc.	United States	Health Care	4,157	298	292
MetLife Inc.	United States	Financials	1,253	77	74
Mettler-Toledo International Inc.	United States	Health Care	37	29	27
MGM Resorts International	United States	Consumer Discretionary	771	35	35
Microchip Technology Inc.	United States	Information Technology	345	43	41
Micron Technology Inc.	United States	Information Technology	1,757	128	118
Microsoft Corp.	United States	Information Technology	11,603	1,391	1,363
Mid-America Apartment Communities Inc.	United States	Real Estate	172	20	20
Mohawk Industries Inc.	United States	Consumer Discretionary	91	29	27
Molson Coors Brewing Co. Class B	United States	Consumer Staples	272	28	26
Mondelez International Inc.	United States	Consumer Staples	2,206	122	119
Monsanto Co.	United States	Materials	651	100	98
Monster Beverage Corp.	United States	Consumer Staples	624	48	46
Moody's Corp.	United States	Financials	246	53	51
Morgan Stanley	United States	Financials	2,089	153	145
Motorola Solutions Inc.	United States	Information Technology	244	34	33
MSCI Inc. Class A	United States	Financials	134	26	26
Mylan NV	United States	Health Care	773	42	41
National Oilwell Varco Inc.	United States	Energy	577	27	27
NetApp Inc.	United States	Information Technology	406	33	32
Netflix Inc.	United States	Consumer Discretionary	640	252	244
Newell Brands Inc.	United States	Consumer Discretionary	739	27	24
Newmont Mining Corp.	United States	Materials	811	40	41
NextEra Energy Inc.	United States	Utilities	713	145	150
Nielsen Holdings PLC	United States	Industrials	534	23	22
Nike Inc. Class B	United States	Consumer Discretionary	1,946	167	167
Noble Energy Inc.	United States	Energy	731	28	29
Norfolk Southern Corp.	United States	Industrials	433	78	76
Northern Trust Corp.	United States	Financials	321	44	43



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Northrop Grumman Corp.	United States	Industrials	262	116	118
Norwegian Cruise Line Holdings Ltd.	United States	Consumer Discretionary	282	20	19
Nucor Corp.	United States	Materials	479	41	38
NVIDIA Corp.	United States	Information Technology	836	265	249
NVR Inc.	United States	Consumer Discretionary	2	9	7
Occidental Petroleum Corp.	United States	Energy	1,163	99	97
Omnicom Group Inc.	United States	Consumer Discretionary	344	33	32
ONEOK Inc.	United States	Energy	615	45	45
Oracle Corp.	United States	Information Technology	4,583	294	270
O'Reilly Automotive Inc.	United States	Consumer Discretionary	125	40	40
PACCAR Inc.	United States	Industrials	523	46	45
Packaging Corp. of America	United States	Materials	137	21	20
Palo Alto Networks Inc.	United States	Information Technology	129	30	30
Parker Hannifin Corp.	United States	Industrials	199	47	44
Paychex Inc.	United States	Information Technology	487	41	39
PayPal Holdings Inc.	United States	Information Technology	1,739	182	170
PepsiCo Inc.	United States	Consumer Staples	2,162	311	304
Perrigo Co. PLC	United States	Health Care	192	21	21
Pfizer Inc.	United States	Health Care	9,100	427	416
PG&E Corp.	United States	Utilities	777	44	44
Philip Morris International Inc.	United States	Consumer Staples	2,366	316	303
Phillips 66	United States	Energy	649	80	80
Pinnacle West Capital Corp.	United States	Utilities	165	17	17
Pioneer Natural Resources Co.	United States	Energy	254	56	56
PNC Financial Services Group Inc.	United States	Financials	721	147	140
PPG Industries Inc.	United States	Materials	381	56	55
PPL Corp.	United States	Utilities	1,046	38	38
Praxair Inc.	United States	Materials	433	86	80
Principal Financial Group Inc.	United States	Financials	426	35	33
The Procter & Gamble Co.	United States	Consumer Staples	3,845	396	393
The Progressive Corp.	United States	Financials	876	69	69
ProLogis Inc.	United States	Real Estate	795	64	65
Prudential Financial Inc.	United States	Financials	641	91	86
Public Service Enterprise Group Inc.	United States	Utilities	767	48	50
Public Storage	United States	Real Estate	226	57	58
PVH Corp.	United States	Consumer Discretionary	111	21	22
Qorvo Inc.	United States	Information Technology	190	19	17
Qualcomm Inc.	United States	Information Technology	2,258	176	161
Quest Diagnostics Inc.	United States	Health Care	201	27	26
Raymond James Financial Inc.	United States	Financials	192	24	22
Raytheon Co.	United States	Industrials	440	119	122
Realty Income Corp.	United States	Real Estate	425	28	28
Red Hat Inc.	United States	Information Technology	269	52	52
Regency Centers Corp.	United States	Real Estate	226	17	17
Regeneron Pharmaceuticals Inc.	United States	Health Care	118	51	52
Regions Financial Corp.	United States	Financials	1,758	44	42
Reinsurance Group of America Inc.	United States	Financials	93	19	18
Republic Services Inc.	United States	Industrials	343	30	29



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
ResMed Inc.	United States	Health Care	209	26	27
Rockwell Automation Inc.	United States	Industrials	191	45	43
Rockwell Collins Inc.	United States	Industrials	245	43	43
Roper Technologies Inc.	United States	Industrials	147	54	53
Ross Stores Inc.	United States	Consumer Discretionary	568	57	57
Royal Caribbean Cruises Ltd.	United States	Consumer Discretionary	255	41	39
S&P Global Inc.	United States	Financials	388	96	96
Salesforce.com Inc.	United States	Information Technology	1,045	165	157
SBA Communications Corp. Class A	United States	Real Estate	173	38	38
Schlumberger Ltd.	United States	Energy	2,114	182	176
Seagate Technology	United States	Information Technology	434	33	33
Sealed Air Corp.	United States	Materials	271	15	15
SEI Investments Co.	United States	Financials	217	21	21
Sempra Energy	United States	Utilities	416	59	60
ServiceNow Inc.	United States	Information Technology	255	55	54
The Sherwin-Williams Co.	United States	Materials	120	63	61
Simon Property Group Inc.	United States	Real Estate	469	95	93
Skyworks Solutions Inc.	United States	Information Technology	273	38	35
SL Green Realty Corp.	United States	Real Estate	146	18	18
Snap-On Inc.	United States	Industrials	83	17	16
Southern Co.	United States	Utilities	1,531	87	88
Southwest Airlines Co.	United States	Industrials	829	64	61
Spirit Aerosystems Holdings Inc. Class A	United States	Industrials	172	19	19
Stanley Black & Decker Inc.	United States	Industrials	227	47	45
Starbucks Corp.	United States	Consumer Discretionary	2,114	160	158
State Street Corp.	United States	Financials	524	71	67
Stryker Corp.	United States	Health Care	461	98	96
SunTrust Banks Inc.	United States	Financials	721	66	63
SVB Financial Group	United States	Financials	75	25	23
Symantec Corp.	United States	Information Technology	937	33	31
Synchrony Financial	United States	Financials	1,155	53	50
Synopsys Inc.	United States	Information Technology	222	25	24
Sysco Corp.	United States	Consumer Staples	722	56	56
T. Rowe Price Group Inc.	United States	Financials	354	52	49
Take-Two Interactive Software Inc.	United States	Information Technology	165	23	21
Tapestry Inc.	United States	Consumer Discretionary	426	28	29
Targa Resources Corp.	United States	Energy	317	19	18
Target Corp.	United States	Consumer Discretionary	822	76	74
TD Ameritrade Holding Corp.	United States	Financials	447	34	34
TE Connectivity Ltd.	United States	Information Technology	533	71	69
Teleflex Inc.	United States	Health Care	65	22	21
Tesla Inc.	United States	Consumer Discretionary	200	84	69
Texas Instruments Inc.	United States	Information Technology	1,496	211	200
Textron Inc.	United States	Industrials	363	28	28
Thermo Fisher Scientific Inc.	United States	Health Care	611	168	163
Tiffany & Co.	United States	Consumer Discretionary	174	23	22
Time Warner Inc.	United States	Consumer Discretionary	1,117	138	136
The TJX Companies Inc.	United States	Consumer Discretionary	892	93	94



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
T-Mobile USA Inc.	United States	Telecommunication Services	443	36	35
Total System Services Inc.	United States	Information Technology	253	29	28
TransDigm Group Inc.	United States	Industrials	66	25	26
The Travelers Companies Inc.	United States	Financials	408	74	73
Trimble Inc.	United States	Information Technology	380	19	18
Twenty-First Century Fox Inc.	United States	Consumer Discretionary	1,603	77	76
Twitter Inc.	United States	Information Technology	984	41	37
Tyson Foods Inc. Class A	United States	Consumer Staples	443	43	42
U.S. Bancorp	United States	Financials	2,396	165	156
UDR Inc.	United States	Real Estate	402	18	18
Ulta Beauty Inc.	United States	Consumer Discretionary	83	23	22
Union Pacific Corp.	United States	Industrials	1,198	211	207
United Continental Holdings Inc.	United States	Industrials	388	35	35
United Parcel Service Inc. (UPS) Class B	United States	Industrials	1,046	149	141
United Rentals Inc.	United States	Industrials	127	30	28
United Technologies Corp.	United States	Industrials	1,133	189	184
UnitedHealth Group Inc.	United States	Health Care	1,457	429	402
Universal Health Services Inc. Class B	United States	Health Care	127	20	19
Unum Group	United States	Financials	336	22	21
Valero Energy Corp.	United States	Energy	660	80	79
Varian Medical Systems Inc.	United States	Health Care	136	22	21
Ventas Inc.	United States	Real Estate	541	35	35
VEREIT Inc.	United States	Real Estate	1,478	13	13
VeriSign Inc.	United States	Information Technology	127	20	19
Verisk Analytics Inc.	United States	Industrials	228	31	31
Verizon Communications Inc.	United States	Telecommunication Services	6,229	389	384
Vertex Pharmaceuticals Inc.	United States	Health Care	380	83	80
VF Corp.	United States	Consumer Discretionary	488	47	47
Viacom Inc. Class B	United States	Consumer Discretionary	533	22	21
Visa Inc. Class A	United States	Information Technology	2,746	436	422
Vornado Realty Trust	United States	Real Estate	262	23	23
Vulcan Materials Co.	United States	Materials	199	30	29
W.W. Grainger Inc.	United States	Industrials	75	27	27
Walgreens Boots Alliance Inc.	United States	Consumer Staples	1,288	114	109
Wal-Mart Stores Inc.	United States	Consumer Staples	2,189	254	251
The Walt Disney Co.	United States	Consumer Discretionary	2,198	295	284
Waste Management Inc.	United States	Industrials	658	73	71
Waters Corp.	United States	Health Care	111	30	28
WEC Energy Group Inc.	United States	Utilities	478	38	39
Wells Fargo & Co.	United States	Financials	6,797	497	458
Welltower Inc.	United States	Real Estate	560	39	39
Western Digital Corp.	United States	Information Technology	435	55	52
The Western Union Co.	United States	Information Technology	695	18	17
Westrock Co.	United States	Materials	380	32	31
Weyerhaeuser Co.	United States	Real Estate	1,145	52	52
Whirlpool Corp.	United States	Consumer Discretionary	102	21	20
The Williams Companies Inc.	United States	Energy	1,261	45	40
Willis Towers Watson PLC	United States	Financials	192	39	38
Workday Inc. Class A	United States	Information Technology	201	34	33



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX 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 (cont'd)					
Worldpay Inc.	United States	Information Technology	452	49	48
Wyndham Worldwide Corp.	United States	Consumer Discretionary	146	22	22
Wynn Resorts Ltd.	United States	Consumer Discretionary	119	28	28
Xcel Energy Inc.	United States	Utilities	768	44	45
Xilinx Inc.	United States	Information Technology	379	37	35
Xylem Inc.	United States	Industrials	271	27	27
Yum! Brands Inc.	United States	Consumer Discretionary	510	54	56
Zimmer Biomet Holdings Inc.	United States	Health Care	307	46	43
Zions Bancorporation	United States	Financials	291	21	20
Zoetis Inc.	United States	Health Care	740	79	80
Total equities				45,165	43,583
EXCHANGE-TRADED FUNDS/NOTES					
iShares Core S&P 500 ETF	United States	Exchange-traded funds/notes	802	281	274
Total exchange-traded funds/notes				281	274
Transaction costs				—	—
Total investments				45,446	43,857
Cash and cash equivalents					19
Other assets less liabilities					10
Total net assets					43,886



MACKENZIE
Investments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2018

Portfolio Allocation	% of NAV
Equities	99.3
Exchange-traded funds/notes	0.6
Cash and short-term investments	0.1

Regional Allocation	% of NAV
United States	99.9
Cash and short-term investments	0.1

Sector Allocation	% of NAV
Information technology	25.0
Financials	14.4
Health care	13.8
Consumer discretionary	12.3
Industrials	9.9
Consumer staples	7.7
Energy	5.8
Materials	2.8
Utilities	2.8
Real estate	2.8
Telecommunication services	2.0
Exchange-traded funds/notes	0.6
Cash and short-term investments	0.1



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.

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.



NOTES TO FINANCIAL STATEMENTS

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

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.

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.

NOTES TO FINANCIAL STATEMENTS

9. Financial Instruments Risk (cont'd)

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 US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

(a) ETF Formation and Series Information

Date of Formation January 9, 2018

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

Series E units were listed on the TSX under the symbol QUU on January 24, 2018. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2018 was \$97.64.

The management fee rate for Series E units is 0.08%.

As at March 31, 2018, the ETF's NAV per unit was \$97.64 and its Net Assets per unit calculated in accordance with IFRS was \$97.53.

(b) Investments by Mackenzie and Affiliates

As at March 31, 2018, other funds managed by Mackenzie had an investment of \$40,744 in the ETF.

(c) Loss Carryforwards

As the ETF was launched January 9, 2018, it has not had a taxation year end and does not have any capital and non-capital losses available to carry forward for tax purposes.

(d) Securities Lending

As at March 31, 2018, the ETF did not have any open securities lending, repurchase or reverse repurchase transactions.

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

	March 31, 2018
	(\$)
Value of securities loaned	45
Value of collateral received	46

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

(e) Offsetting of Financial Assets and Liabilities

As at March 31, 2018, there were no amounts subject to offsetting.

(f) Risks Associated with Financial Instruments

i. Risk exposure and management

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive US Large Cap CAD Index, or any successor thereto. It invests primarily in U.S. equity securities.

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* (\$)
U.S. dollar	43,857	17	–	43,874
Total	43,857	17	–	43,874
% of Net Assets	99.9	–	–	99.9

* Includes both monetary and non-monetary financial instruments

MACKENZIE US LARGE CAP EQUITY INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

TRADITIONAL EQUITY INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk (cont'd)

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 decreased or increased by approximately \$2,194 or 5.0% of total net assets. In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at March 31, 2018, the ETF did not have a significant exposure to interest rate risk.

iv. Other price risk

The ETF's most significant exposure to price risk arises from its investment in equity securities and mutual funds. As at March 31, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$4,386 or 10.0% of total net assets. In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

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

(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			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	43,583	–	–	43,583
Exchange-traded funds/notes	274	–	–	274
Total	43,857	–	–	43,857

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.