

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Developed Markets Real Estate 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 IFRS Accounting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

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

KPMG 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 unitholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,  
Manager of the ETF



Luke Gould  
President and Chief Executive Officer



Terry Rountes  
Chief Financial Officer, Funds

June 4, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Mackenzie Developed Markets Real Estate Index ETF (the "ETF")

### Opinion

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

- the statements of financial position as at March 31, 2024 and March 31, 2023
- the statements of comprehensive income for the periods then ended as indicated in note 1
- the statements of changes in financial position for the periods then ended as indicated in note 1
- the statements of cash flows for the periods then ended as indicated in note 1 and
- notes to the financial statements, including a summary of material accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2024 and March 31, 2023, and its financial performance and cash flows for the periods then ended as indicated in note 1 in accordance with IFRS Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the ETF in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



**MACKENZIE**  
Investments

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## INDEPENDENT AUDITOR'S REPORT (cont'd)

### Other Information

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

– the information included in the Annual Management Report of Fund Performance filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting 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.

In preparing the financial statements, management is responsible for assessing the ETF's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ETF or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Chartered Professional Accountants, Licensed Public Accountants  
The engagement partner on the audit resulting in this auditor's report is Jacob Smolack.  
Toronto, Canada  
June 4, 2024

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF FINANCIAL POSITION

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

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	10,597	10,085
Cash and cash equivalents	32	66
Dividends receivable	38	39
Accounts receivable for investments sold	–	–
Accounts receivable for units issued	–	–
<b>Total assets</b>	<b>10,667</b>	<b>10,190</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	–	–
Accounts payable for units redeemed	–	–
Due to manager	6	12
<b>Total liabilities</b>	<b>6</b>	<b>12</b>
<b>Net assets attributable to unitholders</b>	<b>10,661</b>	<b>10,178</b>

	Net assets attributable to unitholders (note 3)			
	per unit		per series	
	2024	2023	2024	2023
CAD Units	106.61	101.78	10,661	10,178

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2024	2023
	\$	\$
<b>Income</b>		
Dividends	426	519
Interest income for distribution purposes	2	1
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(276)	(139)
Net unrealized gain (loss)	776	(2,420)
Securities lending income	1	1
Other	–	3
<b>Total income (loss)</b>	<b>929</b>	<b>(2,035)</b>
<b>Expenses (note 6)</b>		
Management fees	44	57
Management fee rebates	(32)	(42)
Commissions and other portfolio transaction costs	21	20
Independent Review Committee fees	–	–
<b>Expenses before amounts absorbed by Manager</b>	<b>33</b>	<b>35</b>
Expenses absorbed by Manager	19	1
<b>Net expenses</b>	<b>14</b>	<b>34</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b>	<b>915</b>	<b>(2,069)</b>
Foreign withholding tax expense (recovery)	58	54
Foreign income tax expense (recovery)	–	–
<b>Increase (decrease) in net assets attributable to unitholders from operations</b>	<b>857</b>	<b>(2,123)</b>

	Increase (decrease) in net assets attributable to unitholders from operations (note 3)			
	per unit		per series	
	2024	2023	2024	2023
CAD Units	8.57	(17.89)	857	(2,123)

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	CAD Units	
	2024	2023
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		
<b>Beginning of period</b>	<b>10,178</b>	<b>18,496</b>
Increase (decrease) in net assets from operations	857	(2,123)
Distributions paid to unitholders:		
Investment income	(342)	(368)
Capital gains	–	(19)
Management fee rebates	(32)	(42)
<b>Total distributions paid to unitholders</b>	<b>(374)</b>	<b>(429)</b>
Unit transactions:		
Proceeds from units issued	–	–
Reinvested distributions	–	19
Payments on redemption of units	–	(5,785)
<b>Total unit transactions</b>	<b>–</b>	<b>(5,766)</b>
<b>Increase (decrease) in net assets attributable to unitholders</b>	<b>483</b>	<b>(8,318)</b>
<b>End of period</b>	<b>10,661</b>	<b>10,178</b>
<b>Increase (decrease) in units (in thousands) (note 7):</b>	<b>Units</b>	
<b>Units outstanding – beginning of period</b>	<b>100</b>	<b>150</b>
Issued	–	–
Reinvested distributions	–	–
Redeemed	–	(50)
<b>Units outstanding – end of period</b>	<b>100</b>	<b>100</b>

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## STATEMENTS OF CASH FLOWS

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

	2024	2023
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to unitholders from operations	857	(2,123)
Adjustments for:		
Net realized loss (gain) on investments	274	140
Change in net unrealized loss (gain) on investments	(776)	2,420
Purchase of investments	(1,573)	(1,501)
Proceeds from sale and maturity of investments	1,563	7,172
(Increase) decrease in accounts receivable and other assets	1	19
Increase (decrease) in accounts payable and other liabilities	(6)	(1)
<b>Net cash provided by (used in) operating activities</b>	<b>340</b>	<b>6,126</b>
<b>Cash flows from financing activities</b>		
Proceeds from units issued	–	–
Payments on redemption of units	–	(5,785)
Distributions paid net of reinvestments	(374)	(410)
<b>Net cash provided by (used in) financing activities</b>	<b>(374)</b>	<b>(6,195)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(34)</b>	<b>(69)</b>
Cash and cash equivalents at beginning of period	66	132
Effect of exchange rate fluctuations on cash and cash equivalents	–	3
<b>Cash and cash equivalents at end of period</b>	<b>32</b>	<b>66</b>
Cash	32	66
Cash equivalents	–	–
<b>Cash and cash equivalents at end of period</b>	<b>32</b>	<b>66</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	427	532
Foreign taxes paid	58	54
Interest received	2	1
Interest paid	–	–

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS

as at March 31, 2024

	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES</b>					
Acadia Realty Trust	United States	Real Estate	373	9	9
Aedifica SA	Belgium	Real Estate	187	25	16
AEON Mall Co. Ltd.	Japan	Real Estate	356	7	6
AGNC Investment Corp.	United States	Financials	2,634	44	35
Agree Realty Corp.	United States	Real Estate	391	33	30
Airport City Ltd.	Israel	Real Estate	228	6	5
Alexander & Baldwin Inc.	United States	Real Estate	282	7	6
Alexandria Real Estate Equities Inc.	United States	Real Estate	613	137	107
Allied Properties Real Estate Investment Trust	Canada	Real Estate	499	19	9
Allreal Holding AG	Switzerland	Real Estate	59	16	14
Alony Hetz Properties & Investments Ltd.	Israel	Real Estate	602	12	6
American Assets Trust Inc.	United States	Real Estate	192	8	6
American Homes 4 Rent Class A	United States	Real Estate	1,311	60	65
American Tower Corp. Class A	United States	Real Estate	1,835	553	490
Americold Realty Trust	United States	Real Estate	1,115	44	38
Amot Investments Ltd.	Israel	Real Estate	851	8	5
Annaly Capital Management Inc.	United States	Financials	1,932	66	51
Apartment Income Real Estate Investment Trust Corp.	United States	Real Estate	586	33	26
Apartment Investment & Management Co.	United States	Real Estate	530	5	6
Apollo Commercial Real Estate Finance Inc.	United States	Financials	550	8	8
Apple Hospitality REIT Inc.	United States	Real Estate	840	16	19
Arbor Realty Trust Inc.	United States	Financials	705	14	13
Aroundtown SA	Germany	Real Estate	2,788	21	8
Ascendas India Trust	Singapore	Real Estate	4,124	5	4
Ascendas Real Estate Investment Trust	Singapore	Real Estate	13,996	40	39
Ascott Trust	Singapore	Real Estate	10,759	11	10
Assura PLC	United Kingdom	Real Estate	11,676	13	8
Atrium Ljungberg AB	Sweden	Real Estate	174	4	5
AvalonBay Communities Inc.	United States	Real Estate	558	149	140
Azrieli Group Ltd.	Israel	Real Estate	144	14	14
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	412	27	34
Big Yellow Group PLC	United Kingdom	Real Estate	732	16	13
Blackstone Mortgage Trust Inc.	United States	Financials	650	24	18
Boardwalk Real Estate Investment Trust	Canada	Real Estate	160	8	12
Boston Properties Inc.	United States	Real Estate	567	74	50
The British Land Co. PLC	United Kingdom	Real Estate	3,365	27	23
Brixmor Property Group Inc.	United States	Real Estate	1,177	32	37
Broadstone Net Lease Inc.	United States	Real Estate	734	20	16
BWP Trust	Australia	Real Estate	1,892	7	6
CA Immobilien Anlagen AG	Austria	Real Estate	134	6	6
Camden Property Trust	United States	Real Estate	416	74	55
Canadian Apartment Properties Real Estate Investment Trust	Canada	Real Estate	658	34	31
Capitaland Investment Ltd.	Singapore	Real Estate	9,463	33	25
CapitaLand Mall Integrated Commercial Trust	Singapore	Real Estate	17,912	35	36
CapitaLand Retail China Trust	Singapore	Real Estate	4,638	5	3
CareTrust REIT Inc.	United States	Real Estate	468	12	15
Castellum AB	Sweden	Real Estate	1,602	33	29
Catena AB	Sweden	Real Estate	128	8	8
CBRE Group Inc. Class A	United States	Real Estate	1,220	130	161
Centuria Industrial REIT	Australia	Real Estate	2,099	7	7
Charter Hall Group	Australia	Real Estate	1,833	25	22
Charter Hall Long WALE REIT	Australia	Real Estate	2,561	12	9
Charter Hall Retail REIT	Australia	Real Estate	2,031	7	7
Chartwell Retirement Residences	Canada	Health Care	940	10	12
Chimera Investment Corp.	United States	Financials	873	13	5
Choice Properties Real Estate Investment Trust	Canada	Real Estate	1,089	15	15
City Developments Ltd.	Singapore	Real Estate	1,739	12	10
CK Asset Holdings Ltd.	Hong Kong	Real Estate	7,479	59	42
Claros Mortgage Trust Inc.	United States	Financials	506	10	7
Cofinimmo	Belgium	Real Estate	145	24	13
Colliers International Group Inc.	Canada	Real Estate	160	26	26
COPT Defense Properties	United States	Real Estate	442	14	14
Cousins Properties Inc.	United States	Real Estate	595	27	19

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (cont'd)</b>					
Covivio	France	Real Estate	191	19	13
Crown Castle International Corp.	United States	Real Estate	1,702	353	244
CT Real Estate Investment Trust	Canada	Real Estate	292	4	4
CTP NV	Netherlands	Real Estate	435	9	11
CubeSmart	United States	Real Estate	881	50	54
Cushman & Wakefield PLC	United States	Real Estate	649	14	9
Daito Trust Construction Co. Ltd.	Japan	Real Estate	236	32	36
Daiwa House REIT Investment Corp.	Japan	Real Estate	9	30	21
Derwent London PLC	United Kingdom	Real Estate	386	20	14
Dexus Property Group	Australia	Real Estate	4,184	38	29
DiamondRock Hospitality Co.	United States	Real Estate	814	10	11
Digital Realty Trust Inc.	United States	Real Estate	1,192	207	232
DigitalBridge Group Inc.	United States	Financials	632	19	16
Dios Fastigheter AB	Sweden	Real Estate	356	4	4
Domain Holdings Australia Ltd.	Australia	Communication Services	982	3	3
Douglas Emmett Inc.	United States	Real Estate	628	23	12
Dream Industrial Real Estate Investment Trust	Canada	Real Estate	1,037	14	14
Easterly Government Properties Inc.	United States	Real Estate	367	6	6
EastGroup Properties Inc.	United States	Real Estate	180	40	44
Empire State Realty Trust Inc.	United States	Real Estate	513	6	7
Entra ASA	Norway	Real Estate	282	6	4
EPR Properties	United States	Real Estate	294	15	17
Equinix Inc.	United States	Real Estate	368	396	410
Equity Commonwealth	United States	Real Estate	399	14	10
Equity Lifestyle Properties Inc.	United States	Real Estate	699	65	61
Equity Residential	United States	Real Estate	1,347	128	115
ESR-LOGOS REIT	Singapore	Real Estate	22,724	9	7
Essential Properties Realty Trust Inc.	United States	Real Estate	609	18	22
Essex Property Trust Inc.	United States	Real Estate	251	90	83
eXp World Holdings Inc.	United States	Real Estate	304	6	4
Extra Space Storage Inc.	United States	Real Estate	823	169	164
Fabege AB	Sweden	Real Estate	875	17	11
Fastighets AB Balder	Sweden	Real Estate	2,590	30	26
Federal Realty Investment Trust	United States	Real Estate	290	39	40
First Capital Real Estate Investment Trust	Canada	Real Estate	834	14	13
First Industrial Realty Trust Inc.	United States	Real Estate	517	35	37
FirstService Corp.	Canada	Real Estate	153	28	34
Forestar Group Inc.	United States	Real Estate	72	2	4
Fortune Real Estate Investment Trust	Hong Kong	Real Estate	5,636	7	4
Four Corners Property Trust Inc.	United States	Real Estate	353	12	12
Franklin BSP Realty Trust Inc.	United States	Financials	322	5	6
Frasers Centrepoint Trust	Singapore	Real Estate	3,935	9	9
Frasers Logistics & Industrial Trust	Singapore	Real Estate	11,011	15	12
Gaming and Leisure Properties Inc.	United States	Real Estate	991	56	62
Gecina SA	France	Real Estate	175	29	24
The Geo Group Inc.	United States	Industrials	471	7	9
Getty Realty Corp.	United States	Real Estate	190	7	7
Global Net Lease Inc.	United States	Real Estate	768	12	8
GLP J-REIT	Japan	Real Estate	19	36	22
Goodman Group	Australia	Real Estate	7,244	145	216
Goodman Property Trust	New Zealand	Real Estate	4,275	8	8
GPT Group Stapled Securities	Australia	Real Estate	7,545	32	30
Grainger PLC	United Kingdom	Real Estate	2,653	13	12
Grand City Properties SA	Germany	Real Estate	273	7	4
Granite Real Estate Investment Trust	Canada	Real Estate	251	22	19
Great Portland Estates PLC	United Kingdom	Real Estate	862	10	6
Growthpoint Properties Australia Ltd.	Australia	Real Estate	1,036	2	2
H&R Real Estate Investment Trust	Canada	Real Estate	1,013	12	9
Hammerson PLC	United Kingdom	Real Estate	14,912	6	8
Hang Lung Properties Ltd.	Hong Kong	Real Estate	6,858	20	10
Hannon Armstrong Sustainable Infrastructure Capital Inc.	United States	Financials	430	21	17
Healthcare Realty Trust Inc.	United States	Real Estate	1,494	52	29
Healthpeak Properties Inc.	United States	Real Estate	2,778	96	70

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (cont'd)</b>					
Hemmet Group AB	Sweden	Communication Services	296	7	12
Henderson Land Development Co. Ltd.	Hong Kong	Real Estate	5,189	28	20
Highwoods Properties Inc.	United States	Real Estate	410	21	15
Hilton Grand Vacations Inc.	United States	Consumer Discretionary	303	17	19
Home Consortium Ltd.	Australia	Real Estate	219	1	1
HomeCo Daily Needs Real Estate Investment Trust	Australia	Real Estate	6,581	8	7
Hongkong Land Holdings Ltd.	Hong Kong	Real Estate	4,072	26	17
Hopson Development Holdings Ltd.	China	Real Estate	3,903	6	2
Host Hotels & Resorts Inc.	United States	Real Estate	2,771	59	78
Howard Hughes Holdings Inc.	United States	Real Estate	196	21	19
Hudson Pacific Properties Inc.	United States	Real Estate	498	5	4
Hufvudstaden AB A	Sweden	Real Estate	409	8	7
Hulic Co. Ltd.	Japan	Real Estate	2,001	24	28
Hysan Development Co. Ltd.	Hong Kong	Real Estate	2,336	9	5
ICADE	France	Real Estate	122	9	4
Ichigo Inc.	Japan	Real Estate	875	3	3
Immofinanz AG	Austria	Real Estate	126	4	4
Independence Realty Trust Inc.	United States	Real Estate	881	25	19
Industrial & Infrastructure Fund Investment Corp.	Japan	Real Estate	8	16	10
Industrial Buildings Corp. Ltd.	Israel	Real Estate	2,310	10	8
Ingenia Communities Group	Australia	Real Estate	1,494	6	7
Inmobiliaria Colonial SOCIMI SA	Spain	Real Estate	982	11	8
Innovative Industrial Properties Inc.	United States	Real Estate	109	22	15
InterRent Real Estate Investment Trust	Canada	Real Estate	545	8	7
InvenTrust Properties Corp.	United States	Real Estate	265	10	9
Invincible Investment Corp.	Japan	Real Estate	27	12	16
Invitation Homes Inc.	United States	Real Estate	2,254	105	109
Iron Mountain Inc.	United States	Real Estate	1,140	58	124
Japan Hotel REIT Investment Corp.	Japan	Real Estate	18	12	13
Japan Metropolitan Fund Investment Corp.	Japan	Real Estate	28	30	24
Japan Rental Housing Investments Inc.	Japan	Real Estate	8	9	8
JBG Smith Properties	United States	Real Estate	337	12	7
Jones Lang LaSalle Inc.	United States	Real Estate	187	47	49
Kennedy-Wilson Holdings Inc.	United States	Real Estate	296	8	3
Keppel DC REIT	Singapore	Real Estate	5,304	12	9
Keppel REIT	Singapore	Real Estate	8,853	9	8
Kerry Properties Ltd.	Hong Kong	Real Estate	2,248	7	6
Killam Apartment Real Estate Investment Trust	Canada	Real Estate	458	9	9
Kilroy Realty Corp.	United States	Real Estate	459	37	23
Kimco Realty Corp.	United States	Real Estate	2,584	69	69
Kite Realty Group Trust	United States	Real Estate	857	23	25
Klepierre	France	Real Estate	873	26	31
Kojamo OYJ	Finland	Real Estate	561	15	9
Ladder Capital Corp.	United States	Financials	441	6	7
Lamar Advertising Co. Class A	United States	Real Estate	342	43	55
Land Securities Group PLC	United Kingdom	Real Estate	2,692	32	30
LaSalle Logiport REIT	Japan	Real Estate	7	14	10
LEG Immobilien GmbH	Germany	Real Estate	292	49	34
Lexington Realty Trust	United States	Real Estate	1,140	19	14
The Link Real Estate Investment Trust	Hong Kong	Real Estate	10,049	103	58
Londonmetric Property PLC	United Kingdom	Real Estate	7,694	29	27
LTC Properties Inc.	United States	Real Estate	160	7	7
The Macerich Co.	United States	Real Estate	844	16	20
Mack-Cali Realty Corp.	United States	Real Estate	307	7	6
Mapletree Commercial Trust	Singapore	Real Estate	9,049	15	12
Mapletree Industrial Trust	Singapore	Real Estate	8,101	21	19
Mapletree Logistics Trust	Singapore	Real Estate	13,107	23	19
Marcus & Millichap Inc.	United States	Real Estate	94	5	4
Medical Properties Trust Inc.	United States	Real Estate	2,334	57	15
Melison Ltd.	Israel	Real Estate	99	9	10
Merlin Properties Socimi SA	Spain	Real Estate	1,304	18	19
MFA Financial Inc.	United States	Financials	399	6	6
Mid-America Apartment Communities Inc.	United States	Real Estate	457	103	81

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (cont'd)</b>					
Mirvac Group Stapled Securities	Australia	Real Estate	15,510	34	32
Mitsubishi Estate Co. Ltd.	Japan	Real Estate	4,468	88	110
Mitsui Fudosan Co. Ltd.	Japan	Real Estate	10,746	98	156
Mobimo Holding AG	Switzerland	Real Estate	29	12	11
Montea SCA	Belgium	Real Estate	64	9	8
MORI TRUST Sogo Reit Inc.	Japan	Financials	10	7	7
National Health Investors Inc.	United States	Real Estate	163	12	14
National Retail Properties Inc.	United States	Real Estate	718	38	42
National Storage Affiliates Trust	United States	Real Estate	289	19	15
National Storage REIT	Australia	Real Estate	4,926	10	10
NetSTREIT Corp.	United States	Real Estate	263	6	7
New World Development Co. Ltd.	Hong Kong	Real Estate	5,398	30	8
Newmark Group Inc.	United States	Real Estate	557	7	8
Nippon Building Fund Inc.	Japan	Real Estate	6	44	32
Nippon Prologis REIT Inc.	Japan	Real Estate	9	35	22
Nomura Real Estate Holdings Inc.	Japan	Real Estate	407	12	16
Nomura Real Estate Master Fund Inc.	Japan	Real Estate	16	27	21
Nyfosa AB	Sweden	Real Estate	560	7	7
Omega Healthcare Investors Inc.	United States	Real Estate	963	37	41
Opendoor Technologies Inc.	United States	Real Estate	2,220	6	9
ORIX JREIT Inc.	Japan	Real Estate	11	21	16
Outfront Media Inc.	United States	Real Estate	523	14	12
Pan Pacific International Holdings Corp.	Japan	Consumer Discretionary	1,506	40	54
Pandox AB	Sweden	Real Estate	340	6	8
Park Hotels & Resorts Inc.	United States	Real Estate	817	17	19
Parkway Life Real Estate Investment Trust	Singapore	Real Estate	1,533	6	5
Pebblebrook Hotel Trust	United States	Real Estate	466	12	10
PennyMac Mortgage Investment Trust	United States	Financials	341	6	7
PEXA Group Ltd.	Australia	Real Estate	488	5	6
Phillips Edison & Co. Inc.	United States	Real Estate	461	20	22
PotlatchDeltic Corp.	United States	Real Estate	307	20	20
Primary Health Properties PLC	United Kingdom	Real Estate	5,168	12	8
ProLogis Inc.	United States	Real Estate	3,632	586	639
PSP Swiss Property AG Reg.	Switzerland	Real Estate	180	28	32
Public Storage	United States	Real Estate	623	247	245
Rayonier Inc.	United States	Real Estate	579	26	26
Rea Group Ltd.	Australia	Communication Services	198	25	32
Ready Capital Corp.	United States	Real Estate	624	11	8
Realty Income Corp.	United States	Real Estate	3,215	264	235
Regency Centers Corp.	United States	Real Estate	655	49	54
Region RE Ltd	Australia	Real Estate	4,573	11	10
Relo Holdings Inc.	Japan	Real Estate	414	10	5
Retail Opportunity Investments Corp.	United States	Real Estate	485	10	8
Rexford Industrial Realty Inc.	United States	Real Estate	831	66	57
Rightmove PLC	United Kingdom	Communication Services	3,207	25	30
RioCan Real Estate Investment Trust	Canada	Real Estate	1,179	25	22
Rithm Capital Corp.	United States	Financials	1,895	24	29
RLJ Lodging Trust	United States	Real Estate	605	10	10
Ryman Hospitality Properties Inc.	United States	Real Estate	231	23	36
Sabra Health Care REIT Inc.	United States	Real Estate	903	16	18
Safehold Inc.	United States	Real Estate	178	9	5
Safestore Holdings PLC	United Kingdom	Real Estate	842	16	11
Sagax AB Class B	Sweden	Real Estate	840	28	30
Savills PLC	United Kingdom	Real Estate	530	11	10
SBA Communications Corp. Class A	United States	Real Estate	422	165	124
Scentre Group	Australia	Real Estate	20,444	53	61
Segro PLC	United Kingdom	Real Estate	4,479	89	69
Sekisui House Ltd.	Japan	Consumer Discretionary	2,354	61	72
Sekisui House REIT Inc.	Japan	Real Estate	16	14	12
Service Properties Trust	United States	Real Estate	636	7	6
Shaftebury Capital PLC	United Kingdom	Real Estate	5,888	12	15
Shurgard Self Storage Europe SARL	Belgium	Real Estate	249	16	15
Simon Property Group Inc.	United States	Real Estate	1,276	193	269

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2024

	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES (cont'd)</b>					
Sino Land Co. Ltd.	Hong Kong	Real Estate	13,278	22	19
Sirius Real Estate Ltd.	Germany	Real Estate	5,237	7	9
SITE CENTERS Corp.	United States	Real Estate	743	13	15
SL Green Realty Corp.	United States	Real Estate	253	22	19
Smart Real Estate Investment Trust	Canada	Real Estate	510	14	12
The St. Joe Co.	United States	Real Estate	217	12	17
STAG Industrial Inc.	United States	Real Estate	707	33	37
Starts Corp. Inc.	Japan	Real Estate	114	3	3
Starwood Property Trust Inc.	United States	Financials	1,169	32	32
Stockland Stapled Securities	Australia	Real Estate	9,404	34	40
Sumitomo Realty & Development Co. Ltd.	Japan	Real Estate	1,677	63	84
Sun Communities Inc.	United States	Real Estate	486	107	85
Sun Hung Kai Properties Ltd.	Hong Kong	Real Estate	5,740	95	75
Sunstone Hotel Investors Inc.	United States	Real Estate	808	11	12
Suntec Real Estate Investment Trust	Singapore	Real Estate	7,277	11	8
Supermarket Income Real Estate Investment Trust PLC	United Kingdom	Real Estate	4,890	10	6
Swire Properties Ltd.	Hong Kong	Real Estate	4,148	14	12
Swiss Prime Site AG	Switzerland	Real Estate	302	37	39
TAG Immobilien AG	Germany	Real Estate	659	20	12
Tanger Factory Outlet Centers Inc.	United States	Real Estate	399	9	16
Terreno Realty Corp.	United States	Real Estate	325	27	29
Tokyo Tatemono Co. Ltd.	Japan	Real Estate	775	14	18
Tokyu Fudosan Holdings Corp.	Japan	Real Estate	2,343	16	26
Tricon Residential Inc.	Canada	Real Estate	1,018	17	15
Tritax Big Box REIT PLC	United Kingdom	Real Estate	7,462	26	20
Two Harbors Investment Corp.	United States	Financials	378	10	7
UDR Inc.	United States	Real Estate	1,199	73	61
Unibail-Rodamco SE & WFD Unibail-Rodamco NV (Paris Stock Exchange)	Netherlands	Real Estate	467	38	51
The Unite Group PLC	United Kingdom	Real Estate	1,341	22	22
United Urban Investment Corp.	Japan	Real Estate	12	18	17
Uniti Group Inc.	United States	Real Estate	930	7	7
UOL Group Ltd.	Singapore	Real Estate	2,071	14	12
Urban Edge Properties	United States	Real Estate	449	9	10
Ventas Inc.	United States	Real Estate	1,581	99	93
VGP NV	Belgium	Real Estate	53	13	8
VICI Properties Inc.	United States	Real Estate	4,070	151	164
Vicinity Centres	Australia	Real Estate	15,132	24	28
Vonovia SE	Germany	Real Estate	2,743	196	110
Vornado Realty Trust	United States	Real Estate	618	32	24
W. P. Carey Inc.	United States	Real Estate	857	82	65
Wallenstam AB	Sweden	Real Estate	1,382	13	9
Warehouses De Pauw SCA	Belgium	Real Estate	687	33	27
Washington Real Estate Investment Trust	United States	Real Estate	343	10	6
Welltower Inc.	United States	Real Estate	2,180	214	275
Weyerhaeuser Co.	United States	Real Estate	2,881	136	140
The Wharf Holdings Ltd.	Hong Kong	Real Estate	3,769	15	17
Wharf Real Estate Investment Co. Ltd.	Hong Kong	Real Estate	6,101	37	27
Wihlborgs Fastigheter AB	Sweden	Real Estate	1,052	14	13
Workspace Group PLC	United Kingdom	Real Estate	544	5	5
Xenia Hotels & Resorts Inc.	United States	Real Estate	418	10	8
Xior Student Housing NV	Belgium	Real Estate	114	4	5
<b>Total equities</b>				<b>11,117</b>	<b>10,597</b>
Transaction costs				(6)	—
<b>Total investments</b>				<b>11,111</b>	<b>10,597</b>
Cash and cash equivalents					32
Other assets less liabilities					32
<b>Net assets attributable to unitholders</b>					<b>10,661</b>

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2024

PORTFOLIO ALLOCATION	% OF NAV
Equities	99.4
Other assets (liabilities)	0.3
Cash and cash equivalents	0.3

REGIONAL ALLOCATION	% OF NAV
United States	67.4
Japan	8.1
Australia	5.3
United Kingdom	3.5
Hong Kong	3.0
Canada	2.5
Singapore	2.3
Sweden	1.6
Germany	1.5
France	1.2
Switzerland	0.9
Belgium	0.7
Other	0.6
Israel	0.5
Other assets (liabilities)	0.3
Luxembourg	0.3
Cash and cash equivalents	0.3

SECTOR ALLOCATION	% OF NAV
Specialized real estate investment trusts	25.0
Real estate management and development	16.1
Industrial real estate investment trusts	13.9
Retail real estate investment trusts	12.8
Residential real estate investment trusts	9.6
Health care real estate investment trusts	5.9
Office real estate investment trusts	4.5
Diversified real estate investment trusts	4.1
Mortgage real estate investment trusts	2.4
Hotel and resort real estate investment trusts	2.3
Household durables	1.0
Interactive media and services	0.7
Broadline retail	0.5
Other assets (liabilities)	0.3
Cash and cash equivalents	0.3
Diversified telecommunication services	0.2
Hotels, restaurants and leisure	0.2
Health care providers and services	0.1
Commercial services and supplies	0.1

MARCH 31, 2023

PORTFOLIO ALLOCATION	% OF NAV
Equities	99.1
Cash and short-term investments	0.6
Other assets (liabilities)	0.3

REGIONAL ALLOCATION	% OF NAV
United States	67.7
Japan	6.7
Hong Kong	5.0
Australia	4.1
United Kingdom	3.3
Singapore	3.0
Canada	2.8
Sweden	1.2
France	1.1
Germany	1.1
Switzerland	0.8
Belgium	0.8
Other	0.7
Cash and short-term investments	0.6
Israel	0.5
Other assets (liabilities)	0.3
Spain	0.3

SECTOR ALLOCATION	% OF NAV
Industrial real estate investment trusts	13.3
Retail real estate investment trusts	13.3
Telecom tower real estate investment trusts	9.7
Multi-family residential real estate investment trusts	7.1
Other	6.8
Real estate operating companies	6.3
Health care real estate investment trusts	5.6
Self-storage real estate investment trusts	5.3
Data center real estate investment trusts	5.2
Office real estate investment trusts	5.1
Diversified real estate activities	5.0
Diversified real estate investment trusts	4.6
Other specialized real estate investment trusts	4.1
Single-family residential real estate investment trusts	3.0
Real estate services	2.5
Mortgage real estate investment trusts	2.2
Cash and short-term investments	0.6
Other assets (liabilities)	0.3

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## 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, 2024 and 2023, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 11 for the formation date of the ETF.

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

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

### 2. Basis of Preparation and Presentation

These audited annual financial statements (“financial statements”) have been prepared in accordance with IFRS Accounting Standards (“IFRS”). A summary of the ETF’s material accounting policies under IFRS is presented in Note 3.

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

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on June 4, 2024.

### 3. Material Accounting Policies

The ETF adopted Disclosure of Accounting Policies Amendments to IAS 1 and IFRS Practice Statements 2 from April 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies. The Manager reviewed the accounting policies and made updates to the information disclosed in certain instances in line with the amendments.

#### (a) Financial instruments

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

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

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

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

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

The ETF accounts for its holdings in unlisted open-ended investment funds, private funds (“Underlying Funds”) and Exchange-Traded Funds (“ETFs”), if any, at FVTPL. For private funds, the Manager will rely on the valuations provided by the managers of the private funds, which represents the ETF’s proportionate share of the net assets of these private funds. The ETF’s investment in Underlying Funds and ETFs, if any, is presented in the Schedule of Investments at fair value which represents the ETF’s maximum exposure on these investments.

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

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

#### (b) Fair value measurement

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS

### 3. Material Accounting Policies (cont'd)

#### (b) Fair value measurement (cont'd)

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 closing 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.

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 for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, as applicable.

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

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

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

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

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2024.

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

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

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

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

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

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

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

#### (c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the ETF which is accounted for on an accrual basis. The ETF does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis. Dividends are accrued as of the ex-dividend date. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on a weighted average cost basis. Distributions received from an underlying fund are included in interest income, dividend income or realized gains (losses) on sale of investments, as appropriate, on the ex-dividend or distribution date.

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS

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

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

#### (e) Securities lending, repurchase and reverse repurchase transactions

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

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

#### (f) Offsetting

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

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

#### (g) Currency

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

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

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

#### (h) Net assets attributable to unitholders per unit

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

#### (i) Net asset value per unit

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

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

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

#### (k) Future accounting changes

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

### 4. Critical Accounting Estimates and Judgments

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

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2024

## NOTES TO FINANCIAL STATEMENTS

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

#### 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*

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

##### *Functional currency*

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

##### *Interest in unconsolidated structured entities*

In determining whether an Underlying Fund or an ETF in which the ETF invests, but that it does not consolidate, meets the definition of a structured entity, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

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

As a result, such investments are accounted for at FVTPL. Note 11 summarizes the details of the ETF's interest in these Underlying Funds, if applicable.

### 5. Income Taxes

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

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

### 6. Management Fees and Operating Expenses

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

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

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## NOTES TO FINANCIAL STATEMENTS

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

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

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

### 8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at March 31, 2024 and 2023 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 11.

### 9. Financial Instruments Risk

#### i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The ETF's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2024, grouped by asset type, with geographic and sector information.

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

#### ii. Liquidity risk

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

#### iii. Currency risk

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

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

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

#### iv. Interest rate risk

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

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

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

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## NOTES TO FINANCIAL STATEMENTS

### 9. Financial Instruments Risk (cont'd)

#### v. Other price risk

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

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

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

#### vi. Credit risk

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

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

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

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

#### vii. Underlying ETFs

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

### 10. Other Information

#### Abbreviations

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

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

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## NOTES TO FINANCIAL STATEMENTS

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

#### (a) ETF Formation and Series Information

Date of Formation: August 25, 2020

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

CAD Units were listed on the TSX under the symbol QRET on August 25, 2020. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2024 was \$106.58 (2023 – \$101.55).

The management fee rate for CAD Units is 0.40%.

As at March 31, 2024, the ETF's NAV per unit was \$106.62 (2023 – \$101.78) and its Net Assets per unit calculated in accordance with IFRS was \$106.61 (2023 – \$101.78).

#### (b) Tax Loss Carryforwards

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses													
		2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
298	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

#### (c) Securities Lending

	March 31, 2024		March 31, 2023	
	(\$)	(%)	(\$)	(%)
Value of securities loaned	171		190	
Value of collateral received	180		201	
	March 31, 2024		March 31, 2023	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	1	100.0	1	100.0
Tax withheld	-	-	-	-
	1	100.0	1	100.0
Payments to securities lending agent	-	-	-	-
Securities lending income	1	100.0	1	100.0

#### (d) Commissions

For the periods ended March 31, 2024, and 2023, commissions paid by the ETF did not generate any third-party services that were provided or paid for by brokers.

#### (e) Risks Associated with Financial Instruments

##### i. Risk exposure and management

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive GBS Developed Markets Real Estate CAD Index, or any successor thereto. It invests primarily in equity securities of real estate development companies in developed markets.

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## NOTES TO FINANCIAL STATEMENTS

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

#### (e) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk

The tables below summarize the ETF's exposure to currency risk.

Currency	March 31, 2024				Impact on net assets			
	Investments	Cash and Short-Term Investments	Derivative Instruments	Net Exposure*	Strengthened by 5%		Weakened by 5%	
	(\$)	(\$)	(\$)	(\$)	(\$)	%	(\$)	%
USD	7,204	19	–	7,223				
JPY	868	1	–	869				
AUD	565	–	–	565				
EUR	440	–	–	440				
GBP	380	–	–	380				
HKD	305	–	–	305				
SGD	247	6	–	253				
SEK	169	–	–	169				
CHF	96	1	–	97				
ILS	48	–	–	48				
NZD	8	–	–	8				
NOK	4	–	–	4				
Total	10,334	27	–	10,361				
% of Net Assets	96.9	0.3	–	97.2				
Total currency rate sensitivity					(518)	(4.9)	518	4.9

Currency	March 31, 2023				Impact on net assets			
	Investments	Cash and Short-Term Investments	Derivative Instruments	Net Exposure*	Strengthened by 5%		Weakened by 5%	
	(\$)	(\$)	(\$)	(\$)	(\$)	%	(\$)	%
USD	6,906	59	–	6,965				
JPY	680	–	–	680				
HKD	486	(13)	–	473				
AUD	419	–	–	419				
EUR	384	–	–	384				
GBP	345	–	–	345				
SGD	309	2	–	311				
SEK	123	–	–	123				
CHF	82	1	–	83				
ILS	49	–	–	49				
NZD	15	–	–	15				
NOK	4	–	–	4				
Total	9,802	49	–	9,851				
% of Net Assets	96.3	0.5	–	96.8				
Total currency rate sensitivity					(493)	(4.8)	493	4.8

\* Includes both monetary and non-monetary financial instruments

##### iii. Interest rate risk

As at March 31, 2024 and 2023, the ETF did not have a significant exposure to interest rate risk.

# MACKENZIE DEVELOPED MARKETS REAL ESTATE INDEX ETF

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## NOTES TO FINANCIAL STATEMENTS

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

#### (e) Risks Associated with Financial Instruments (cont'd)

##### iv. Other price risk

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

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
March 31, 2024	1,060	9.9	(1,060)	(9.9)
March 31, 2023	1,009	9.9	(1,009)	(9.9)

##### v. Credit risk

As at March 31, 2024 and 2023, the ETF did not have a significant exposure to credit risk.

#### (f) Fair Value Classification

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

	March 31, 2024				March 31, 2023			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	10,597	–	–	10,597	10,074	11	–	10,085
Total	10,597	–	–	10,597	10,074	11	–	10,085

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

During the period ended March 31, 2024, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at March 31, 2024, these securities were classified as Level 1 (2023 – Level 2).

During the period ended March 31, 2024, equities with a fair value of \$Nil (2023 – \$11) were transferred from Level 1 to Level 2 and a fair value of \$3 (2023 – \$Nil) were transferred from Level 2 to Level 1 as a result of changes in the inputs used for valuation.

#### (g) Investments by the Manager and Affiliates

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

	March 31, 2024	March 31, 2023
	(\$)	(\$)
The Manager	–	–
Other funds managed by the Manager	–	–
Funds managed by affiliates of the Manager	7,774	7,796

#### (h) Offsetting of Financial Assets and Liabilities

As at March 31, 2024 and 2023, there were no amounts subject to offsetting.

#### (i) Interest in Unconsolidated Structured Entities

As at March 31, 2024 and 2023, the ETF had no investments in Underlying Funds.