

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2022

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the Mackenzie Diversified Alternatives Fund (“Fund”), appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.



MACKENZIE
Investments

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2022 \$	Mar. 31 2022 (Audited) \$
ASSETS		
Current assets		
Investments at fair value	265,640	365,673
Cash and cash equivalents	59,496	21,498
Accrued interest receivable	476	403
Dividends receivable	583	423
Accounts receivable for investments sold	17,833	697
Accounts receivable for securities issued	309	545
Due from manager	10	15
Margin on derivatives	1,081	23
Derivative assets	104	1,817
Total assets	345,532	391,094
LIABILITIES		
Current liabilities		
Investments sold short at fair value	5,432	4,705
Accounts payable for investments purchased	6,564	337
Accounts payable for securities redeemed	471	888
Due to manager	10	12
Dividends payable on securities sold short	1	–
Derivative liabilities	6,717	48
Total liabilities	19,195	5,990
Net assets attributable to securityholders	326,337	385,104

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended September 30 (in \$ 000 except per security amounts)

	2022 \$	2021 \$
Income (note 10(i))		
Dividends	5,132	7,177
Interest income	1,069	1,083
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(11,543)	9,643
Net unrealized gain (loss)	(33,796)	(2,073)
Fee rebate income	67	139
Total income (loss)	(39,071)	15,969
Expenses (note 6)		
Management fees	1,790	2,149
Management fee rebates	(2)	(2)
Administration fees	291	347
Interest charges	1	–
Borrowing fees	–	44
Commissions and other portfolio transaction costs	127	124
Independent Review Committee fees	1	–
Expenses before amounts absorbed by Manager	2,208	2,662
Expenses absorbed by Manager	–	–
Net expenses	2,208	2,662
Increase (decrease) in net assets attributable to securityholders from operations before tax	(41,279)	13,307
Foreign withholding tax expense (recovery)	441	394
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	(41,720)	12,913

Net assets attributable to securityholders (note 3)

	per security		per series	
	Sep. 30 2022	Mar. 31 2022 (Audited)	Sep. 30 2022	Mar. 31 2022 (Audited)
	Series A	9.79	11.19	40,626
Series AR	9.93	11.35	997	1,077
Series D	9.87	11.27	224	125
Series F	9.94	11.36	136,787	161,634
Series F5	12.29	14.19	1,545	3,025
Series F8	11.55	13.56	38	70
Series FB	9.72	11.11	93	112
Series FB5	12.08	13.96	1	1
Series O	9.44	10.79	24,693	27,302
Series PW	9.94	11.36	38,946	44,993
Series PWFB	9.20	10.52	677	654
Series PWFB5	11.92	13.74	1	1
Series PWR	9.15	10.45	586	647
Series PWT5	11.55	13.41	399	515
Series PWT8	11.04	13.04	25	39
Series PWX	9.49	10.85	299	205
Series PWX5	12.44	14.29	1	1
Series PWX8	11.39	13.30	64	75
Series S	8.85	10.12	2,278	2,635
Series T5	11.36	13.21	2,120	2,443
Series T8	10.93	12.93	83	97
Series UM	9.12	10.43	75,854	90,266
			326,337	385,104

Increase (decrease) in net assets attributable to securityholders from operations (note 3)

	per security		per series	
	2022	2021	2022	2021
	Series A	(1.29)	0.30	(5,504)
Series AR	(1.29)	0.27	(127)	26
Series D	(1.31)	0.33	(28)	6
Series F	(1.23)	0.36	(17,264)	5,432
Series F5	(1.60)	0.88	(288)	100
Series F8	(1.60)	0.46	(6)	1
Series FB	(1.25)	0.30	(12)	4
Series FB5	(1.53)	0.42	–	–
Series O	(1.12)	0.40	(2,897)	949
Series PW	(1.30)	0.30	(5,197)	1,412
Series PWFB	(1.15)	0.33	(80)	23
Series PWFB5	(1.48)	0.45	–	–
Series PWR	(1.18)	0.24	(68)	11
Series PWT5	(1.55)	0.45	(54)	19
Series PWT8	(1.47)	0.59	(4)	2
Series PWX	(1.27)	0.42	(28)	9
Series PWX5	(1.49)	0.52	–	–
Series PWX8	(1.38)	0.61	(7)	4
Series S	(1.04)	0.37	(274)	95
Series T5	(1.52)	0.34	(284)	67
Series T8	(1.47)	0.47	(11)	6
Series UM	(1.14)	0.30	(9,587)	3,157
			(41,720)	12,913

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended September 30 (in \$ 000 except per security amounts)

	Total		Series A		Series AR		Series D		Series F	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	385,104	419,582	49,187	61,375	1,077	1,065	125	197	161,634	172,777
Increase (decrease) in net assets from operations	(41,720)	12,913	(5,504)	1,590	(127)	26	(28)	6	(17,264)	5,432
Distributions paid to securityholders:										
Investment income	(5,911)	(4,408)	(472)	(333)	(11)	(6)	(3)	(2)	(2,646)	(1,886)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(90)	(88)	–	–	–	–	–	–	–	–
Management fee rebates	(2)	(2)	–	–	–	–	–	–	(1)	(2)
Total distributions paid to securityholders	(6,003)	(4,498)	(472)	(333)	(11)	(6)	(3)	(2)	(2,647)	(1,888)
Security transactions:										
Proceeds from securities issued	30,744	44,632	3,622	3,387	130	114	133	8	12,605	15,281
Reinvested distributions	3,918	2,716	440	313	11	6	3	2	2,123	1,481
Payments on redemption of securities	(45,706)	(64,196)	(6,647)	(12,840)	(83)	(154)	(6)	(35)	(19,664)	(32,216)
Total security transactions	(11,044)	(16,848)	(2,585)	(9,140)	58	(34)	130	(25)	(4,936)	(15,454)
Increase (decrease) in net assets attributable to securityholders	(58,767)	(8,433)	(8,561)	(7,883)	(80)	(14)	99	(21)	(24,847)	(11,910)
End of period	326,337	411,149	40,626	53,492	997	1,051	224	176	136,787	160,867
Increase (decrease) in fund securities (in thousands) (note 7):										
Securities outstanding – beginning of period			4,397	5,833	95	100	11	19	14,222	16,202
Issued			342	313	12	10	13	–	1,176	1,389
Reinvested distributions			41	29	1	1	–	–	198	135
Redeemed			(629)	(1,187)	(8)	(14)	(1)	(3)	(1,835)	(2,944)
Securities outstanding – end of period			4,151	4,988	100	97	23	16	13,761	14,782

	Series F5		Series F8		Series FB		Series FB5		Series O	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	3,025	4,116	70	38	112	87	1	1	27,302	25,650
Increase (decrease) in net assets from operations	(288)	100	(6)	1	(12)	4	–	–	(2,897)	949
Distributions paid to securityholders:										
Investment income	(33)	(20)	(1)	–	(2)	(1)	–	–	(587)	(407)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(32)	(20)	(1)	(1)	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(65)	(40)	(2)	(1)	(2)	(1)	–	–	(587)	(407)
Security transactions:										
Proceeds from securities issued	202	–	5	–	7	16	–	–	313	5
Reinvested distributions	50	7	2	–	2	1	–	–	587	407
Payments on redemption of securities	(1,379)	(3,099)	(31)	(3)	(14)	(4)	–	–	(25)	(714)
Total security transactions	(1,127)	(3,092)	(24)	(3)	(5)	13	–	–	875	(302)
Increase (decrease) in net assets attributable to securityholders	(1,480)	(3,032)	(32)	(3)	(19)	16	–	–	(2,609)	240
End of period	1,545	1,084	38	35	93	103	1	1	24,693	25,890
Increase (decrease) in fund securities (in thousands) (note 7):										
Securities outstanding – beginning of period	213	302	5	3	10	8	–	–	2,530	2,418
Issued	15	–	–	–	1	2	–	–	31	–
Reinvested distributions	4	1	–	–	–	–	–	–	58	37
Redeemed	(106)	(224)	(2)	–	(1)	–	–	–	(2)	(65)
Securities outstanding – end of period	126	79	3	3	10	10	–	–	2,617	2,390

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

for the periods ended September 30 (in \$ 000 except per security amounts)

	Series PW		Series PWFB		Series PWFB5		Series PWR		Series PWT5	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	44,993	53,191	654	744	1	1	647	353	515	635
Increase (decrease) in net assets from operations	(5,197)	1,412	(80)	23	–	–	(68)	11	(54)	19
Distributions paid to securityholders:										
Investment income	(497)	(350)	(12)	(8)	–	–	(6)	(3)	(4)	(4)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	(8)	(10)
Management fee rebates	(1)	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(498)	(350)	(12)	(8)	–	–	(6)	(3)	(12)	(14)
Security transactions:										
Proceeds from securities issued	4,093	3,626	138	8	–	–	93	70	–	–
Reinvested distributions	485	342	11	8	–	–	6	3	6	3
Payments on redemption of securities	(4,930)	(8,781)	(34)	(105)	–	–	(86)	(8)	(56)	(192)
Total security transactions	(352)	(4,813)	115	(89)	–	–	13	65	(50)	(189)
Increase (decrease) in net assets attributable to securityholders	(6,047)	(3,751)	23	(74)	–	–	(61)	73	(116)	(184)
End of period	38,946	49,440	677	670	1	1	586	426	399	451
Increase (decrease) in fund securities (in thousands) (note 7):										
	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	3,959	4,978	62	75	–	–	62	36	38	49
Issued	376	330	15	1	–	–	9	8	–	–
Reinvested distributions	45	31	1	1	–	–	1	–	1	–
Redeemed	(464)	(801)	(4)	(10)	–	–	(8)	(1)	(4)	(14)
Securities outstanding – end of period	3,916	4,538	74	67	–	–	64	43	35	35

	Series PWT8		Series PWX		Series PWX5		Series PWX8		Series S	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	39	79	205	263	1	1	75	99	2,635	2,510
Increase (decrease) in net assets from operations	(4)	2	(28)	9	–	–	(7)	4	(274)	95
Distributions paid to securityholders:										
Investment income	–	–	(5)	(4)	–	–	(1)	(2)	(56)	(40)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(1)	(2)	–	–	–	–	(2)	(2)	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(1)	(2)	(5)	(4)	–	–	(3)	(4)	(56)	(40)
Security transactions:										
Proceeds from securities issued	–	–	124	–	–	–	–	–	208	96
Reinvested distributions	1	1	5	4	–	–	1	2	56	40
Payments on redemption of securities	(10)	(42)	(2)	(34)	–	–	(2)	(27)	(291)	(173)
Total security transactions	(9)	(41)	127	(30)	–	–	(1)	(25)	(27)	(37)
Increase (decrease) in net assets attributable to securityholders	(14)	(41)	94	(25)	–	–	(11)	(25)	(357)	18
End of period	25	38	299	238	1	1	64	74	2,278	2,528
Increase (decrease) in fund securities (in thousands) (note 7):										
	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	3	6	19	25	–	–	6	7	260	253
Issued	–	–	12	–	–	–	–	–	22	9
Reinvested distributions	–	–	–	–	–	–	–	–	6	4
Redeemed	(1)	(3)	–	(3)	–	–	–	(2)	(31)	(17)
Securities outstanding – end of period	2	3	31	22	–	–	6	5	257	249

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

for the periods ended September 30 (in \$ 000 except per security amounts)

	Series T5		Series T8		Series UM	
	2022	2021	2022	2021	2022	2021
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS						
Beginning of period	2,443	2,644	97	143	90,266	93,613
Increase (decrease) in net assets from operations	(284)	67	(11)	6	(9,587)	3,157
Distributions paid to securityholders:						
Investment income	(19)	(15)	(1)	(1)	(1,555)	(1,326)
Capital gains	–	–	–	–	–	–
Return of capital	(43)	(49)	(3)	(4)	–	–
Management fee rebates	–	–	–	–	–	–
Total distributions paid to securityholders	(62)	(64)	(4)	(5)	(1,555)	(1,326)
Security transactions:						
Proceeds from securities issued	37	7	–	2	9,034	22,012
Reinvested distributions	16	21	4	4	109	71
Payments on redemption of securities	(30)	(190)	(3)	(55)	(12,413)	(5,524)
Total security transactions	23	(162)	1	(49)	(3,270)	16,559
Increase (decrease) in net assets attributable to securityholders	(323)	(159)	(14)	(48)	(14,412)	18,390
End of period	2,120	2,485	83	95	75,854	112,003
Increase (decrease) in fund securities (in thousands) (note 7):						
	Securities		Securities		Securities	
Securities outstanding – beginning of period	185	205	7	11	8,654	9,500
Issued	3	1	1	–	922	2,173
Reinvested distributions	1	2	–	–	11	7
Redeemed	(2)	(15)	–	(4)	(1,273)	(544)
Securities outstanding – end of period	187	193	8	7	8,314	11,136

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

STATEMENTS OF CASH FLOWS

for the periods ended September 30 (in \$ 000)

	2022	2021
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	(41,720)	12,913
Adjustments for:		
Net realized loss (gain) on investments	10,133	(9,220)
Change in net unrealized loss (gain) on investments	33,796	2,073
Distributions received in-kind from underlying funds	–	–
Purchase of investments	(60,947)	(112,165)
Proceeds from sale and maturity of investments	113,772	119,402
(Increase) decrease in accounts receivable and other assets	(1,286)	(216)
Increase (decrease) in accounts payable and other liabilities	(1)	(1)
Net cash provided by (used in) operating activities	53,747	12,786
Cash flows from financing activities		
Proceeds from securities issued	28,426	41,010
Payments on redemption of securities	(43,569)	(61,235)
Distributions paid net of reinvestments	(2,085)	(1,782)
Net cash provided by (used in) financing activities	(17,228)	(22,007)
Net increase (decrease) in cash and cash equivalents	36,519	(9,221)
Cash and cash equivalents at beginning of period	21,498	37,944
Effect of exchange rate fluctuations on cash and cash equivalents	1,479	(201)
Cash and cash equivalents at end of period	59,496	28,522
Cash	59,496	28,522
Cash equivalents	–	–
Cash and cash equivalents at end of period	59,496	28,522
Supplementary disclosures on cash flow from operating activities:		
Dividends received	4,982	6,961
Dividends paid	9	4
Foreign taxes paid	441	394
Interest received	996	1,075
Interest paid	1	–

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

SCHEDULE OF INVESTMENTS

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
LONG POSITIONS					
BONDS					
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Term Loans	USD 69,375	86	89
Agile Group Holdings Ltd. 5.75% 01-02-2025	China	Corporate - Non Convertible	USD 200,000	233	86
AIT Worldwide Logistics Holdings Inc. Term Loan 1st Lien F/R 04-01-2028	United States	Term Loans	USD 123,750	154	157
Albertsons Cos Inc. 3.25% 03-15-2026 144A	United States	Corporate - Non Convertible	USD 71,000	81	87
Albion Acquisitions Ltd. Term Loan 1st Lien F/R 07-31-2026	United Kingdom	Term Loans	USD 27,790	34	37
Albion Financing Ltd. 2 SARL 8.75% 04-15-2027 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	248	232
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 57,487	73	76
Algonquin Power & Utilities Corp. F/R 01-18-2082	Canada	Corporate - Non Convertible	105,000	98	87
Alpha Holdings SA 9.00% 02-10-2025	Mexico	Corporate - Non Convertible	USD 28,000	20	19
Altice Financing SA 5.75% 08-15-2029 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	251	212
ANI Technologies Private Ltd. Term Loan 1st Lien F/R 12-03-2026	India	Term Loans	USD 14,799	19	20
AP Core Holdings II LLC Term Loan B2 1st Lien F/R 07-21-2027	United States	Term Loans	USD 28,000	35	36
Apple Inc. 2.65% 02-08-2051	United States	Corporate - Non Convertible	USD 71,000	68	65
Arc Falcon I Inc. Term Loan 2nd Lien F/R 09-22-2029	United States	Term Loans	USD 21,000	27	28
Ascend Wellness Holdings Inc. Term Loan 1st Lien F/R 08-27-2025	United States	Term Loans	USD 16,000	20	20
The Bank of Nova Scotia F/R 07-27-2081	Canada	Corporate - Non Convertible	60,000	51	48
The Bank of Nova Scotia F/R 07-27-2082	Canada	Corporate - Non Convertible	46,000	46	46
Bausch Health Cos. Inc. 9.00% 12-15-2025 Callable 2022 144A	United States	Corporate - Non Convertible	USD 475,000	455	413
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 230,000	307	146
Braskem Idesa SAPI 6.99% 02-20-2032	Mexico	Corporate - Non Convertible	USD 200,000	247	184
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 188,000	241	229
California Resources Corp. 7.13% 02-01-2026 144A	United States	Corporate - Non Convertible	USD 360,000	457	470
Canadian Imperial Bank of Commerce F/R 07-28-2082	Canada	Corporate - Non Convertible	346,000	345	344
Canpack SA / Canpack US LLC 3.88% 11-15-2029 144A	Poland	Corporate - Non Convertible	USD 200,000	214	217
Capital Power Corp. F/R 09-09-2082	Canada	Corporate - Non Convertible	164,000	164	163
Carnival Corp. 9.88% 08-01-2027 144A	United States	Corporate - Non Convertible	USD 65,000	95	89
Carriage Purchaser Inc. Term Loan B 1st Lien F/R 09-23-2028	United States	Term Loans	USD 13,860	17	18
Carriage Purchaser Inc. 7.88% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 225,000	259	237
CCO Holdings LLC 6.38% 09-01-2029 144A	United States	Corporate - Non Convertible	USD 130,000	167	165
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 57,900	74	74
Clearway Energy Group LLC 3.75% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 105,000	124	116
Clydesdale Acquisition Holdings Inc. 8.75% 04-15-2030 144A	United States	Corporate - Non Convertible	USD 49,000	58	56
Cogent Communications Group Inc. 7.00% 06-15-2027 144A	United States	Corporate - Non Convertible	USD 43,000	54	56
CommScope Inc. 4.75% 09-01-2029 144A	United States	Corporate - Non Convertible	USD 140,000	175	158
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 105,000	139	120
Condor Merger Sub Inc. 7.38% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 75,000	95	84
CONSOL Energy Inc. Term Loan B 1st Lien F/R 09-28-2024	United States	Term Loans	USD 1,726	2	2
CONSOL Energy Inc. 11.00% 11-15-2025 144A	United States	Corporate - Non Convertible	USD 100,000	128	142
Cook & Boardman Group LLC Term Loan 1st Lien F/R 10-12-2025	United States	Term Loans	USD 86,832	112	113
Covert Mergeco Inc. 4.88% 12-01-2029 144A	United States	Corporate - Non Convertible	USD 14,000	17	16
Covis Finco Sarl Term Loan B 1st Lien F/R 02-14-2027	Luxembourg	Term Loans	USD 18,763	21	21
Crew Energy Inc. 6.50% 03-14-2024 Callable	Canada	Corporate - Non Convertible	52,000	52	52
CrownRock LP / CrownRock Finance Inc. 5.63% 10-15-2025 Callable 144A	United States	Corporate - Non Convertible	USD 165,000	219	219
CTC Holdings LP Term Loan B 1st Lien F/R 02-15-2029	United States	Term Loans	USD 20,895	26	28
Curaleaf Holdings Inc. 8.00% 12-15-2026	United States	Corporate - Non Convertible	USD 80,000	103	99
DCert Buyer Inc. Term Loan 2nd Lien F/R 02-16-2029	United States	Term Loans	USD 75,000	95	97
Diamond Sports Group LLC 5.38% 08-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 710,000	724	194
Diamond Sports Group LLC 6.63% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 575,000	402	58
Digi International Inc. Term Loan B 1st Lien F/R 11-01-2028	United States	Term Loans	USD 14,536	18	20
Dispatch Terra Acquisition LLC Term Loan B 1st Lien F/R 03-25-2028	United States	Term Loans	USD 16,958	21	19
Domtar Corp. 6.75% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 66,000	83	70
DS Parent Inc. Term Loan B 1st Lien F/R 12-10-2028	United States	Term Loans	USD 8,888	11	12
East West Manufacturing LLC Delayed Draw Term Loan 1st Lien F/R 01-05-2029	United States	Term Loans	USD 1,905	2	3
East West Manufacturing LLC Term Loan B 1st Lien F/R 01-05-2029	United States	Term Loans	USD 13,030	16	17
Easy Tactic Ltd. 6.50% 07-11-2027	China	Corporate - Non Convertible	USD 210,379	59	44
EG Finco Ltd. Term Loan 2nd Lien F/R 04-11-2027	United Kingdom	Term Loans	EUR 75,000	111	88
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 20,000	25	23

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LONG POSITIONS (cont'd)					
BONDS (cont'd)					
Electronic Arts Inc. 2.95% 02-15-2051	United States	Corporate - Non Convertible	USD 69,000	64	63
Embecta Corp. 5.00% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 22,000	26	26
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate - Non Convertible	90,000	90	79
Empire Today LLC Term Loan 1st Lien F/R 03-24-2028	United States	Term Loans	USD 70,046	88	78
Employbridge LLC Term Loan B 1st Lien F/R 07-16-2028	United States	Term Loans	USD 23,760	30	29
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	250,000	235	229
Ensign Drilling Inc. 9.25% 04-15-2024 144A	Canada	Corporate - Non Convertible	USD 144,000	168	176
Evergreen Acqco 1LP Term Loan 1st Lien F/R 03-26-2028	United States	Term Loans	USD 9,900	13	13
Fertitta Entertainment Inc. 6.75% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 150,000	180	158
Flynn America LP Term Loan B 1st Lien F/R 07-23-2028	United States	Term Loans	USD 22,569	28	28
Ford Motor Co. 3.25% 02-12-2032	United States	Corporate - Non Convertible	USD 43,000	45	43
Foundation Building Materials 6.00% 03-01-2029	United States	Corporate - Non Convertible	USD 100,000	128	102
Foxrot Escrow Issuer LLC 12.25% 11-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 80,000	103	88
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2022 144A	United States	Corporate - Non Convertible	USD 234,000	295	256
Garda World Security Corp 6.00% 06-01-2029 144A	Canada	Corporate - Non Convertible	USD 20,000	23	20
Go Daddy Operating Co. LLC 3.50% 03-01-2029 144A	United States	Corporate - Non Convertible	USD 10,000	12	11
Gol Linhas Aereas Inteligentes SA 8.00% 06-30-2026	Brazil	Corporate - Non Convertible	USD 200,000	243	170
Gray Television Inc. 5.38% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 81,000	100	88
Greystone Select Financial Term Loan 1st Lien F/R 05-10-2028	United States	Term Loans	USD 14,174	17	18
Gulfport Energy Corp. 8.00% 05-17-2026 144A	United States	Corporate - Non Convertible	USD 125,000	164	172
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 181,000	231	231
The Hertz Corp. 4.63% 12-01-2026 144A	United States	Corporate - Non Convertible	USD 80,000	102	90
IDB Development Corp. 4.95% 12-18-2025 Inflation Indexed	Israel	Corporate - Non Convertible	ILS 1,156	-	-
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	585,000	589	554
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	120,000	120	111
Invesque Inc. 5.00% 01-31-2025 Conv.	Canada	Corporate - Convertible	USD 887,000	1,092	993
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	Ireland	Term Loans	EUR 19,750	29	25
Iris Escrow Issuer Corp. 10.00% 12-15-2028 144A	Canada	Corporate - Non Convertible	USD 54,000	57	62
Iris Holdings Inc. 8.75% 02-15-2026	United States	Corporate - Non Convertible	USD 100,000	128	123
Iris Merger Sub 2019 Inc. 9.38% 02-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 50,000	66	67
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Term Loans	USD 106,873	140	137
Kaisa Group Holdings Ltd. 11.70% 11-11-2025	China	Corporate - Non Convertible	USD 200,000	243	30
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	630,000	631	605
Keyera Corp. F/R 03-10-2081	Canada	Corporate - Non Convertible	150,000	150	131
Kleopatra Holdings 2 SCA 6.50% 09-01-2026	Luxembourg	Corporate - Non Convertible	EUR 100,000	154	87
Knight Health Holdings LLC Term Loan B 1st Lien F/R 12-17-2028	United States	Term Loans	USD 22,885	27	23
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 49,000	66	58
LABL Inc. 8.25% 11-01-2029 144A	United States	Corporate - Non Convertible	USD 30,000	36	30
Lamb Weston Holdings Inc. 4.38% 01-31-2032 144A	United States	Corporate - Non Convertible	USD 71,000	82	82
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 100,000	114	109
Logan Group Co. Ltd. 4.70% 07-06-2026	China	Corporate - Non Convertible	USD 200,000	234	46
LogMeln Inc. Term Loan B 1st Lien F/R 08-14-2027	United States	Term Loans	USD 19,650	25	19
Magenta Buyer LLC Term Loan 2nd Lien F/R 05-03-2029	United States	Term Loans	USD 8,000	10	10
Manchester Acquisition Sub LLC Term Loan B 1st Lien F/R 11-16-2026	United States	Term Loans	USD 18,858	22	23
Manulife Financial Corp. F/R 06-19-2082	Canada	Corporate - Non Convertible	46,000	46	46
Mav Acquisition Corp. Term Loan B 1st Lien F/R 07-21-2028	United States	Term Loans	USD 8,910	11	11
Mav Acquisition Corp. 5.75% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 100,000	126	116
Mclaren Finance PLC 7.50% 08-01-2026 144A	United Kingdom	Corporate - Non Convertible	USD 100,000	126	112
MEDNAX Inc. 5.38% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 22,000	25	25
MEG Energy Corp. 7.13% 02-01-2027 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 190,000	249	268
MEG Energy Corp. 5.88% 02-01-2029 144A	Canada	Corporate - Non Convertible	USD 200,000	255	249
MicroStrategy Inc. 6.13% 06-15-2028 144A	United States	Corporate - Non Convertible	USD 140,000	177	160
Minerva Merger Sub Inc. 6.50% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 240,000	306	263
Nabors Industries Inc. 7.38% 05-15-2027 144A	United States	Corporate - Non Convertible	USD 200,000	252	256
Nabors Industries Ltd. 7.25% 01-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 75,000	84	91
New Look Vision Group Delayed Draw Term Loan F/R 05-15-2028	United States	Term Loans	USD 21,027	27	29
New Look Vision Group Inc. Term Loan 1st Lien Delayed Draw 1 F/R 05-15-2028	Canada	Term Loans	9,398	9	9
New Look Vision Group Inc. Term Loan 1st Lien Delayed Draw F/R 05-15-2028	Canada	Term Loans	19,008	19	19
New Look Vision Group Inc. Term Loan 1st Lien F/R 05-15-2028	Canada	Term Loans	70,828	70	70
New Look Vision Group Term Loan 1st Lien F/R 05-26-2028	United States	Term Loans	USD 44,973	57	62

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LONG POSITIONS (cont'd)					
BONDS (cont'd)					
New Trojan Parent Inc. Term Loan 1st Lien F/R 01-22-2029	United States	Term Loans	USD 100,000	126	125
Nine Energy Service Inc. 8.75% 11-01-2023 Callable 2022 144A	United States	Corporate - Non Convertible	USD 351,000	324	376
NuVista Energy Ltd. 7.88% 07-23-2026	Canada	Corporate - Non Convertible	350,000	346	350
Owens & Minor Inc. 6.63% 04-01-2030	United States	Corporate - Non Convertible	USD 200,000	251	243
Patrimonio Autonomo Union Del Sur 6.66% 02-28-2041					
Inflation Indexed	Colombia	Corporate - Non Convertible	COP 1,717,701	160	138
Permian Resources Corp. 5.38% 01-15-2026 144A	United States	Corporate - Non Convertible	USD 33,000	41	42
Perrigo Co. PLC 3.15% 06-15-2030	United States	Corporate - Non Convertible	USD 22,000	25	25
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 170,000	55	5
Petroleos Mexicanos 6.70% 02-16-2032	Mexico	Corporate - Non Convertible	USD 81,000	104	79
PharmaCann LLC 12.00% 06-30-2025	United States	Corporate - Non Convertible	USD 111,000	133	152
Plaze Inc. Term Loan 1st Lien F/R 08-03-2026	United States	Term Loans	USD 19,651	25	25
Quasar Intermediate Holdings Ltd. Term Loan B 1st Lien F/R 01-20-2029	United States	Term Loans	USD 16,000	20	16
Rackspace Technology Global Inc. 5.38% 12-01-2028 144A	United States	Corporate - Non Convertible	USD 100,000	87	65
Radiology Partners Inc. 9.25% 02-01-2028	United States	Corporate - Non Convertible	USD 250,000	329	219
Real Hero Merger Sub 2 Inc. 6.25% 02-01-2029 144A	United States	Corporate - Non Convertible	USD 30,000	38	30
Rogers Communications Inc. F/R 03-15-2082 144A	Canada	Corporate - Non Convertible	USD 190,000	241	230
Royal Bank of Canada F/R 11-24-2081	Canada	Corporate - Non Convertible	264,000	224	210
Royal Caribbean Cruises Ltd. 11.63% 08-15-2027 144A	United States	Corporate - Non Convertible	USD 100,000	129	126
Secure Acquisition Inc. Delayed Draw Term Loan 1st Lien F/R 12-15-2028	United States	Term Loans	USD 1,940	2	3
Secure Acquisition Inc. Term Loan 1st Lien F/R 12-15-2028	United States	Term Loans	USD 12,995	17	17
Secure Acquisition Inc. Term Loan 2nd Lien F/R 12-15-2029	United States	Term Loans	USD 7,000	9	9
Secure Energy Services Inc. 7.25% 12-30-2026	Canada	Corporate - Non Convertible	230,000	231	219
Sinclair Television Group Inc. 5.13% 02-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 40,000	50	46
Source energy Services 10.50% 03-15-2025	Canada	Corporate - Non Convertible	561,394	586	334
Spanish Broadcasting System Inc. 9.75% 03-01-2026	United States	Corporate - Non Convertible	USD 50,000	64	45
Specialty Pharma III Inc. Term Loan B 1st Lien F/R 02-24-2028	United States	Term Loans	USD 74,250	92	96
Sunset Debt Merger Sub Inc. Term Loan B 1st Lien F/R 09-17-2028	United States	Term Loans	USD 24,938	31	27
Tacora Resources Inc. 8.25% 05-15-2026 144A	Canada	Corporate - Non Convertible	USD 53,000	65	63
Tamarack Valley Energy Ltd. 7.25% 05-10-2027	Canada	Corporate - Non Convertible	675,000	675	634
Tamarack Valley Energy Ltd. 7.25% 05-10-2027 (SEP)	Canada	Corporate - Non Convertible	82,000	77	77
Telesat Canada 6.50% 10-15-2027	Canada	Corporate - Non Convertible	USD 520,000	592	268
Terrier Media Buyer Inc. 8.88% 12-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 150,000	198	159
Tervita Corp. 11.00% 12-01-2025 144A	Canada	Corporate - Non Convertible	USD 90,000	116	135
Tianqi Finco Co. Ltd. 3.75% 11-28-2022	China	Corporate - Non Convertible	USD 200,000	230	274
TIBCO Software Inc. Term Loan B 1st Lien F/R 03-2029	United States	Term Loans	USD 25,000	30	31
Timber Servicios Empresariales SA Term Loan B 1st Lien F/R 02-17-2029	Spain	Term Loans	EUR 11,000	16	12
The Toronto-Dominion Bank F/R 10-31-2170	Canada	Corporate - Non Convertible	200,000	200	181
Torrid LLC Term Loan B 1st Lien F/R 05-21-2028	United States	Term Loans	USD 72,188	86	91
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	250,000	230	225
TRC Cos. Inc. Term Loan 2nd Lien F/R 11-19-2029	United States	Term Loans	USD 10,000	13	13
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 185,000	242	245
Trulieve Cannabis Corp. 8.00% 10-06-2026	United States	Corporate - Non Convertible	USD 333,000	419	422
US Radiology Specialists Inc. Term Loan B 1st Lien F/R 12-15-2027	United States	Term Loans	USD 25,656	32	31
US Renal Care Inc. Term Loan B 1st Lien F/R 06-14-2026	United States	Term Loans	USD 13,000	12	13
US Silica Holdings Inc. Term Loan B 1ST Lien F/R 05-01-2025	United States	Term Loans	USD 311,158	394	415
Vector WP Holdco Inc. Term Loan B 1st Lien F/R 10-08-2028	United States	Term Loans	USD 18,905	23	25
Veregy Term Loan 1st Lien F/R 11-03-2027	United States	Term Loans	USD 19,650	25	26
Vermilion Energy Inc. 6.88% 05-01-2030 144A	Canada	Corporate - Non Convertible	USD 166,000	209	212
Vesta Energy Corp. 10% 10-15-2025 144A	Canada	Corporate - Non Convertible	420,000	420	408
VistaJet Malta Finance PLC 7.88% 05-01-2027 144A	Switzerland	Corporate - Non Convertible	USD 100,000	124	121
VistaJet Malta Finance PLC 6.38% 02-01-2030 144A	Switzerland	Corporate - Non Convertible	USD 210,000	263	235
WDB Holding PA Inc. Term Loan 1st Lien F/R 12-18-2024	United States	Term Loans	USD 175,000	219	230
Weatherford International Ltd. 8.63% 04-30-2030 144A	United States	Corporate - Non Convertible	USD 312,000	386	377
WeWork Inc. 5.00% 07-10-2025 144A	United States	Corporate - Non Convertible	USD 48,000	52	40
Whole Earth Brands Inc. Term Loan 1st Lien F/R 02-02-2026	United States	Term Loans	USD 14,701	19	19
Wildbrain Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	190,000	152	180
Women's Care Holdings Inc. Term Loan B 1st Lien F/R 01-15-2028	United States	Term Loans	USD 19,750	25	26
Total bonds				25,001	21,740

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LONG POSITIONS (cont'd)					
EQUITIES					
Abertis Infraestructuras SA	Spain	Industrials	2,993	68	25
ACADIA Pharmaceuticals Inc.	United States	Health Care	8,500	187	192
Agnico-Eagle Mines Ltd.	Canada	Materials	3,404	239	199
Agnico-Eagle Mines Ltd. (US Shares)	Canada	Materials	14,211	1,089	830
Alamos Gold Inc.	Canada	Materials	10,230	105	105
Amicus Therapeutics Inc.	United States	Health Care	16,735	249	242
Amkor Technology Inc.	United States	Information Technology	34,279	466	808
ANGI Homeservices Inc.	United States	Communication Services	27,900	195	114
Apollo Investment Corp.	United States	Financials	43,132	767	609
Arcos Dorados Holdings Inc.	Brazil	Consumer Discretionary	27,580	187	278
Ares Capital Corp.	United States	Financials	27,262	667	636
AS Merko Ehitus	Estonia	Industrials	3,000	70	50
AS Tallinna Vesi	Estonia	Utilities	600	13	10
B2Gold Corp.	Canada	Materials	24,085	178	107
Bain Capital Specialty Finance Inc.	United States	Financials	36,934	713	613
Barings BDC Inc.	United States	Financials	54,815	704	627
Barrick Gold Corp.	Canada	Materials	104,717	2,648	2,242
Barrick Gold Corp. (US Shares)	Canada	Materials	35,256	1,164	755
BCE Inc. 4.54% Cum. Red. First Pfd. Series R Callable	Canada	Communication Services	466	8	7
BCE Inc. Pfd. Series AA	Canada	Communication Services	382	6	6
BCE Inc. Pfd. Series AI	Canada	Communication Services	26	-	-
BioCryst Pharmaceuticals Inc.	United States	Health Care	14,820	273	258
BlackRock Kelso Capital Corp.	United States	Financials	148,612	690	696
BlackRock TCP Capital Corp.	United States	Financials	40,677	741	615
Calfrac Well Services Ltd.	Canada	Energy	62,351	1,065	329
Catalyst Pharmaceuticals Inc.	United States	Health Care	25,150	175	446
Cenovus Energy Inc. 4.45% 12-31-2049 Pfd. Series 1	Canada	Energy	30,339	394	429
Cenovus Energy Inc. Pfd. Series 3	Canada	Energy	9,760	189	199
Cenovus Energy Inc. Pfd. Series 7	Canada	Energy	500	10	10
Centamin PLC	United Kingdom	Materials	151,665	333	209
Centennial Resource Development Inc.	United States	Energy	25,275	205	238
Centerra Gold Inc.	Canada	Materials	6,707	76	41
Cerus Corp.	United States	Health Care	33,959	238	169
Cognyte Software Ltd.	United States	Information Technology	40,000	1,274	223
Coherus BioSciences Inc.	United States	Health Care	19,900	371	264
CommScope Holding Co. Inc.	United States	Information Technology	17,030	280	217
Compania de Minas Buenaventura SA ADR	Peru	Materials	4,688	67	44
Coop Pank AS	Estonia	Financials	20,000	67	61
Credicorp Ltd.	Peru	Financials	2,500	446	424
Crescent Capital BDC Inc.	United States	Financials	34,755	787	722
Dynatrace Inc.	United States	Information Technology	2,000	87	96
Eldorado Gold Corp. (US Shares)	Canada	Materials	5,086	72	42
Emera Inc. Pfd. Series L	Canada	Utilities	6,370	159	112
Endeavour Mining Corp.	Monaco	Materials	2,207	66	56
Extreme Networks Inc.	United States	Information Technology	19,400	270	351
Fairfax Financial Holdings Ltd. Pfd. Series E	Canada	Financials	1,580	23	23
Fairfax Financial Holdings Ltd. Pfd. Series F	Canada	Financials	1,200	18	20
Fannie Mae Pfd. Series S	United States	Financials	5,920	57	30
FibroGen Inc.	United States	Health Care	14,350	268	258
Fidus Investment Corp.	United States	Financials	28,473	574	676
First Eagle Alternative Capital BDC Inc.	United States	Financials	167,159	875	661
Franco-Nevada Corp.	Canada	Materials	11,506	2,118	1,900
FS KKR Capital Corp.	United States	Financials	25,593	666	600
Gladstone Capital Corp.	United States	Financials	47,051	625	552
Gladstone Investment Corp.	United States	Financials	40,504	665	677
Goldman Sachs BDC Inc.	United States	Financials	28,387	705	567
Golub Capital BDC Inc.	United States	Financials	37,267	708	638
GoPro Inc. Class A	United States	Consumer Discretionary	25,320	255	173
Hercules Capital Inc.	United States	Financials	31,455	662	504
Horizon Technology Finance Corp.	United States	Financials	40,589	772	562
IAMGOLD Corp. (US Shares)	Canada	Materials	13,339	62	20
IDT Corp.	United States	Communication Services	40,667	2,392	1,396
ImmunoGen Inc.	United States	Health Care	37,910	374	250

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LONG POSITIONS (cont'd)					
EQUITIES (cont'd)					
Infinera Corp.	United States	Information Technology	26,540	190	178
Intelsat Jackson Holdings SA	Luxembourg	Communication Services	2,898	124	134
Intelsat Jackson Holdings SA A Purchase Warrants Exp. 12-05-2025	Luxembourg	Communication Services	303	2	2
Intelsat Jackson Holdings SA B Purchase Warrants Exp. 12-05-2025	Luxembourg	Communication Services	303	1	1
iQor US Inc.	United States	Information Technology	625	10	11
Kinross Gold Corp.	Canada	Materials	29,894	291	155
Labrador Iron Ore Royalty Corp.	Canada	Materials	17,364	642	502
Loblaw Companies Ltd. 5.30% Cum. Red. 2nd Pfd. Series B	Canada	Consumer Staples	400	10	9
Main Street Capital Corp.	United States	Financials	4,659	235	217
Marriott International Inc. Class A	United States	Consumer Discretionary	5,000	677	969
Monroe Capital Corp.	United States	Financials	61,914	794	620
Newcrest Mining Ltd.	Australia	Materials	52,531	1,252	790
Newmont Goldcorp Corp.	United States	Materials	49,435	3,662	2,872
Newtek Business Services Corp.	United States	Financials	21,020	767	474
Oaktree Specialty Lending Corp.	United States	Financials	76,401	625	634
OneMarket Ltd.	Australia	Information Technology	770	-	-
Opendoor Technologies Inc.	United States	Real Estate	33,650	246	145
Owl Rock Capital Corp.	United States	Financials	37,867	676	543
Patterson-UTI Energy Inc.	United States	Energy	12,095	84	195
PennantPark Floating Rate Capital Ltd.	United States	Financials	42,299	665	561
PennantPark Investment Corp.	United States	Financials	72,852	564	550
Perion Network Ltd.	Israel	Communication Services	9,901	228	264
Plains GP Holdings LP	United States	Energy	18,260	285	275
Portman Ridge Finance Corp.	United States	Financials	23,813	678	691
Prospect Capital Corp.	United States	Financials	68,354	677	586
RPC Inc.	United States	Energy	27,620	271	265
Sabre Corp.	United States	Information Technology	18,260	320	130
Sangamo Therapeutics Inc.	United States	Health Care	39,060	291	265
Saratoga Investment Corp.	United States	Financials	24,718	773	710
Sixth Street Specialty Lending Inc.	United States	Financials	8,582	241	194
SM Prime Holdings Inc.	Philippines	Real Estate	300,000	255	213
Solar Capital Ltd.	United States	Financials	67,157	1,552	1,144
Source Energy Services Ltd.	Canada	Energy	29,297	73	35
SSR Mining Inc.	Canada	Materials	3,314	76	67
SuRo Capital Corp.	United States	Financials	60,666	924	325
Tallinna Kaubamaja Grupp AS	Estonia	Consumer Staples	3,000	42	39
TCG BDC Inc.	United States	Financials	38,725	653	612
Technics Oil & Gas Ltd.	Singapore	Energy	7,762	5	-
Teck Resources Ltd. Class B	Canada	Materials	86,824	4,166	3,647
Transalta Corp. 4.60% Perpetual Pfd. Callable 2022 Series C	Canada	Utilities	1,880	35	37
TransAlta Corp. Pfd. Series A	Canada	Utilities	14,354	196	194
Veru Inc.	United States	Consumer Staples	15,980	279	254
Western Digital Corp.	United States	Information Technology	9,444	580	425
Wheaton Precious Metals Corp.	Canada	Materials	26,993	1,537	1,207
WhiteHorse Finance Inc.	United States	Financials	38,450	760	590
Yamana Gold Inc.	Canada	Materials	24,226	158	151
Total equities				56,449	46,095
EXCHANGE-TRADED FUNDS/NOTES					
CI Gold Bullion Fund	Canada	Exchange-Traded Funds/Notes	200,000	4,840	4,210
Energy Select Sector SPDR Fund	United States	Exchange-Traded Funds/Notes	260,003	24,515	25,886
iShares Global Infrastructure ETF	United States	Exchange-Traded Funds/Notes	211,097	12,839	12,206
¹ Mackenzie Floating Rate Income ETF	Canada	Exchange-Traded Funds/Notes	1,569,723	29,617	27,503
Utilities Select Sector SPDR Fund	United States	Exchange-Traded Funds/Notes	518,000	45,212	46,910
Vanguard Real Estate ETF	United States	Exchange-Traded Funds/Notes	100,000	11,500	11,082
Total exchange-traded funds/notes				128,523	127,797

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
LONG POSITIONS (cont'd)					
MUTUAL FUNDS					
	Canada	Mutual Funds	2,151,202	21,551	21,551
	Canada	Mutual Funds	2,016,515	23,233	23,712
²	Canada	Mutual Funds	1,151,712	11,554	9,857
²	Canada	Mutual Funds	69,063	691	665
²	Canada	Mutual Funds	781,392	14,022	14,223
				71,051	70,008
Total mutual funds					
Total long positions				281,024	265,640
SHORT POSITIONS					
EQUITIES					
	United States	Materials	(1,620)	(287)	(306)
	United States	Information Technology	(1,450)	(196)	(265)
	United States	Information Technology	(3,260)	(293)	(248)
	United States	Consumer Discretionary	(3,400)	(287)	(275)
	United States	Energy	(3,740)	(246)	(297)
	Israel	Consumer Discretionary	(3,430)	(353)	(145)
	United States	Information Technology	(690)	(267)	(258)
	United States	Health Care	(960)	(269)	(235)
	United States	Materials	(4,750)	(271)	(260)
	United States	Consumer Discretionary	(3,480)	(243)	(354)
	United States	Energy	(2,740)	(305)	(238)
	United States	Communication Services	(2,880)	(252)	(176)
	United States	Energy	(1,360)	(279)	(191)
	United States	Materials	(3,180)	(263)	(235)
	United States	Consumer Discretionary	(400)	(208)	(136)
	United States	Consumer Discretionary	(3,280)	(313)	(204)
	United States	Health Care	(940)	(218)	(361)
	Canada	Information Technology	(3,200)	(170)	(119)
	United States	Financials	(1,590)	(226)	(166)
	United States	Information Technology	(2,190)	(278)	(238)
	United States	Information Technology	(1,180)	(187)	(277)
	United States	Health Care	(1,136)	(316)	(40)
	United States	Consumer Discretionary	(870)	(235)	(319)
	United States	Information Technology	(930)	(298)	(89)
				(6,260)	(5,432)
Total short positions				(6,260)	(5,432)
Transaction costs				(124)	–
Total investments				274,640	260,208
Derivative instruments (see schedule of derivative instruments)					(6,613)
Cash and cash equivalents					59,496
Other assets less liabilities					13,246
Net assets attributable to securityholders					326,337

¹ This exchange-traded fund is managed by Mackenzie.

² This fund is managed by Mackenzie.

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

SUMMARY OF INVESTMENT PORTFOLIO

SEPTEMBER 30, 2022

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Equities	51.6
Bonds	21.4
Cash and short-term investments	17.4
Commodities	5.6
Other assets (liabilities)	3.9
Exchange-traded funds/notes	0.1

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
United States	55.2
Cash and short-term investments	17.4
Canada	16.6
Other assets (liabilities)	3.9
Other	3.2
Australia	0.7
China	0.4
Luxembourg	0.4
Spain	0.4
United Kingdom	0.4
France	0.3
Hong Kong	0.3
Italy	0.3
Mexico	0.3
Belgium	0.1
Germany	0.1

EFFECTIVE SECTOR ALLOCATION	% OF NAV
Cash and short-term investments	17.4
Utilities	16.4
Corporate bonds	12.1
Real estate	10.9
Energy	9.1
Term loans	8.8
Financials	7.1
Commodities	5.6
Materials	4.7
Other assets (liabilities)	3.9
Industrials	1.5
Other	1.0
Communication services	0.6
Health care	0.5
Federal bonds	0.4

MARCH 31, 2022

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Equities	63.6
Bonds	18.9
Commodities	9.7
Cash and short-term investments	4.9
Other assets (liabilities)	2.9

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
United States	59.6
Canada	16.4
Other	8.7
Cash and short-term investments	4.9
Other assets (liabilities)	2.9
Japan	1.6
Australia	1.4
Hong Kong	1.1
United Kingdom	0.9
Singapore	0.6
Germany	0.5
Luxembourg	0.4
China	0.3
Sweden	0.3
Belgium	0.2
Brazil	0.2

EFFECTIVE SECTOR ALLOCATION	% OF NAV
Real estate	20.8
Financials	14.1
Utilities	13.5
Corporate bonds	10.9
Commodities	9.7
Materials	8.6
Term loans	7.8
Cash and short-term investments	4.9
Energy	4.6
Other assets (liabilities)	2.9
Communication services	0.6
Information technology	0.5
Consumer discretionary	0.5
Other	0.2
Federal bonds	0.2
Health care	0.2

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

SCHEDULE OF DERIVATIVE INSTRUMENTS

as at September 30, 2022

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	63,631 CAD	(48,718) USD	Oct. 13, 2022	(63,631)	(67,308)	–	(3,677)
A	62 CAD	(47) EUR	Oct. 21, 2022	(62)	(63)	–	(1)
A	7 CAD	(5) EUR	Oct. 21, 2022	(7)	(7)	–	–
AA	409 CAD	(315) USD	Oct. 21, 2022	(409)	(435)	–	(26)
AA	210 USD	(273) CAD	Oct. 21, 2022	273	290	17	–
A	97 CAD	(75) USD	Oct. 21, 2022	(97)	(104)	–	(7)
A	7,246 CAD	(5,625) USD	Oct. 21, 2022	(7,246)	(7,769)	–	(523)
A	198 CAD	(155) USD	Oct. 21, 2022	(198)	(214)	–	(16)
A	230 USD	(298) CAD	Oct. 21, 2022	298	318	20	–
A	665 USD	(876) CAD	Oct. 21, 2022	876	919	43	–
A	200 USD	(275) CAD	Oct. 21, 2022	275	276	1	–
AA	271 CAD	(210) USD	Oct. 28, 2022	(271)	(290)	–	(19)
AA	150 USD	(198) CAD	Oct. 28, 2022	198	207	9	–
A	13 CAD	(10) EUR	Nov. 4, 2022	(13)	(13)	–	–
A	26 CAD	(20) EUR	Nov. 4, 2022	(26)	(27)	–	(1)
AA	1,857 CAD	(1,435) USD	Nov. 4, 2022	(1,857)	(1,982)	–	(125)
AA	162 USD	(210) CAD	Nov. 4, 2022	210	224	14	–
A	28,736 CAD	(22,300) USD	Nov. 8, 2022	(28,736)	(30,788)	–	(2,052)
AA	113 CAD	(85) EUR	Nov. 18, 2022	(113)	(116)	–	(3)
AA	10 EUR	(13) CAD	Nov. 18, 2022	13	13	–	–
A	975 CAD	(759) USD	Nov. 18, 2022	(975)	(1,048)	–	(73)
A	23 CAD	(18) USD	Nov. 18, 2022	(23)	(25)	–	(2)
AA	3,827 CAD	(2,914) USD	Jan. 13, 2023	(3,827)	(4,019)	–	(192)
Total forward currency contracts						104	(6,717)
Total Derivative assets							104
Total Derivative liabilities							(6,717)

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2022 and 2021, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2022, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Where a series of a Fund was terminated during either period, the information for the series is provided up to close of business on the termination date. Refer to Note 10 for the formation date of the Fund and the inception date of each series.

The Fund 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 Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund 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 Fund are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2022. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund'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 November 11, 2022.

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 Fund 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 Fund 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 Fund 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 – 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 Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment funds and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

The Fund's redeemable securities entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities 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 DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

NOTES TO FINANCIAL STATEMENTS

3. Significant 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 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.

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 Fund 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 Fund 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 Fund 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 Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable.

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

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

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund 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 Fund 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 September 30, 2022.

The Fund 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 10 for the fair value classifications of the Fund.

(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. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate, on the ex-dividend or distribution date.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

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, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund 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 Fund. 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 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.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 10 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 Fund 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, 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 Fund.

(g) Currency

The functional and presentation currency of the Fund 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 securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

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 securityholders (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 10.

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

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

(k) Mergers

In a fund merger, the Fund acquires all of the assets and assumes all of the liabilities of the terminating fund at fair value in exchange for securities of the Fund on the effective date of the merger.

(l) Future accounting changes

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

MACKENZIE DIVERSIFIED ALTERNATIVES FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

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.

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

Use of Estimates

Fair value of securities not quoted in an active market

The Fund 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 Fund.

Use of Judgments

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

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund'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 Fund's financial instruments.

Functional currency

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

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund 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 Fund does not have contracts or financing arrangements with these underlying funds and the Fund 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 Fund 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 securityholders as at the end of the taxation year. The Fund maintains a December year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund 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 Fund'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, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 10 for the management fee and Administration Fee rates charged to each series of securities.

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7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2022 and 2021 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 10.

8. Financial Instruments Risk

i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2022, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund'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 Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they become due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold).

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 Fund'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 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the Fund'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 Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from underlying funds and Exchange Traded Funds ("ETFs") in which the Fund 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 Fund to significant currency risk.

iv. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund 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 10 summarizes the Fund's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the Fund'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 Fund'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 Fund's sensitivity to interest rate risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund 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.

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 Fund 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 Fund. This risk is mitigated by ensuring that the Fund 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.

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8. Financial Instruments Risk (cont'd)

v. Other price risk (cont'd)

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 10 illustrates the potential increase or decrease in the Fund'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 Fund's sensitivity to other price risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund 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 Fund. Note 10 summarizes the Fund'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 funds and 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 Fund 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 funds

The Fund may invest in underlying funds 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 funds. Note 10 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

9. 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	HKD	Hong Kong dollars	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	HUF	Hungarian forint	PLN	Polish zloty
BRL	Brazilian real	IDR	Indonesian rupiah	QAR	Qatar Rial
CAD	Canadian dollars	ILS	Israeli shekel	RON	Romanian leu
CHF	Swiss franc	INR	Indian rupee	RUB	Russian ruble
CKZ	Czech koruna	JPY	Japanese yen	SAR	Saudi riyal
CLP	Chilean peso	KOR	South Korean won	SEK	Swedish krona
CNY	Chinese yuan	MXN	Mexican peso	SGD	Singapore dollars
COP	Colombian peso	MYR	Malaysian ringgit	THB	Thailand baht
CZK	Czech koruna	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		

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a))

(a) Fund Formation and Series Information

Date of Formation: September 29, 2015

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series Offered by Mackenzie Financial Corporation (180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)

Series A, Series T5 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T5 and Series T8). Investors in Series T5 and Series T8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F, Series F5 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F5 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F5 and Series F8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series FB and Series FB5 securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB5 securities also want to receive a monthly cash flow of 5% per year.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; investors in a qualified group plan, and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW, Series PWT5 and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PWT5 and Series PWT8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series PWFB and Series PWFB5 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB5 securities also want to receive a monthly cash flow of 5% per year.

Series PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

Series PWX, Series PWX5 and Series PWX8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX5 and Series PWX8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series S securities are offered to The Canada Life Assurance Company and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series UM securities are offered only to certain institutional investors.

Effective June 1, 2022, an investor may purchase the Fund only under a sales charge purchase option. The sales charge under the sales charge purchase option is negotiated by the investor with their dealer. Securities purchased before June 1, 2022, under the redemption charge purchase option, low-load 3 purchase option and low-load 2 purchase option (collectively the "deferred sales charge purchase options") may continue to be held in investor accounts. Investors may switch from securities of a Mackenzie fund previously purchased under these deferred sales charge purchase options to securities of other Mackenzie funds, under the same purchase option, until such time as the redemption schedule has expired. For further details, please refer to the Fund's Simplified Prospectus and Fund Facts.

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fee	Administration Fee
Series A	October 26, 2015	1.85%	0.21%
Series AR	October 26, 2015	1.85%	0.24%
Series D	October 26, 2015	0.85% ⁽³⁾	0.16%
Series F	October 26, 2015	0.70%	0.15%
Series F5	October 26, 2015	0.70%	0.15%
Series F8	October 24, 2018	0.70%	0.15%
Series FB	October 26, 2015	0.85%	0.21%
Series FB5	October 26, 2015	0.85%	0.21%
Series O	October 26, 2015	— ⁽¹⁾	n/a
Series PW	October 26, 2015	1.70%	0.15%
Series PWFB	April 3, 2017	0.70%	0.15%
Series PWFB5	April 3, 2017	0.70%	0.15%
Series PWR	April 1, 2019	1.70%	0.15%
Series PWT5	October 26, 2015	1.70%	0.15%
Series PWT8	October 24, 2018	1.70%	0.15%
Series PWX	October 26, 2015	— ⁽²⁾	— ⁽²⁾
Series PWX5	October 26, 2015	— ⁽²⁾	— ⁽²⁾
Series PWX8	October 24, 2018	— ⁽²⁾	— ⁽²⁾
Series S	October 2, 2017	— ⁽¹⁾	0.025%
Series T5	October 26, 2015	1.85%	0.21%
Series T8	October 24, 2018	1.85%	0.21%
Series UM	October 16, 2017	0.50%	0.15%

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) Prior to April 4, 2022, the management fee for Series D was charged to the Fund at a rate of 1.10%.

(b) Tax Loss Carryforwards

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses													
		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
21,663	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(c) Securities Lending

As at September 30, 2022 and March 31, 2022, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(d) Commissions

	(\$)
September 30, 2022	61
September 30, 2021	56

(e) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks long-term capital appreciation and the potential for income by investing directly or indirectly, including through the use of derivatives, in a diversified portfolio of alternative asset classes, including real estate, infrastructure, currencies, non-traditional equities and fixed income, and/or other asset classes of issuers located anywhere in the world.

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NOTES TO FINANCIAL STATEMENTS

10. Fund 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 Fund's exposure to currency risk.

September 30, 2022					Impact on net assets			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	143,303	40,097	(111,748)	71,652				
AUD	790	22	–	812				
GBP	209	175	–	384				
PHP	213	–	–	213				
EUR	397	(2)	(213)	182				
COP	138	–	–	138				
JPY	–	56	–	56				
Total	145,050	40,348	(111,961)	73,437				
% of Net Assets	44.4	12.4	(34.3)	22.5				
Total currency rate sensitivity					(5,091)	(1.6)	5,091	1.6

March 31, 2022					Impact on net assets			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	229,039	(6,759)	(103,543)	118,737				
AUD	2,124	8	–	2,132				
GBP	268	186	–	454				
PHP	273	–	–	273				
EUR	471	–	(231)	240				
COP	166	–	–	166				
JPY	–	60	–	60				
RUB	10	–	–	10				
ILS	1	–	–	1				
Total	232,352	(6,505)	(103,774)	122,073				
% of Net Assets	60.3	(1.7)	(26.9)	31.7				
Total currency rate sensitivity					(7,703)	(2.0)	7,703	2.0

* Includes both monetary and non-monetary financial instruments

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

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

iii. Interest rate risk

The tables below summarize the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
September 30, 2022			(\$)	(%)	(\$)	(%)
Less than 1 year	274	–				
1-5 years	11,464	–				
5-10 years	6,526	–				
Greater than 10 years	3,476	–				
Total	21,740	–				
Total sensitivity to interest rate changes			(939)	(0.3)	939	0.3

	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
March 31, 2022			(\$)	(%)	(\$)	(%)
Less than 1 year	238	–				
1-5 years	10,151	–				
5-10 years	9,095	–				
Greater than 10 years	2,311	–				
Total	21,795	–				
Total sensitivity to interest rate changes			(968)	(0.3)	968	0.3

iv. Other price risk

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

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
September 30, 2022	17,579	5.4	(17,579)	(5.4)
March 31, 2022	27,194	7.1	(27,194)	(7.1)

v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2022, was 0.3% of the net assets of the Fund (March 31, 2022 – 0.2%).

As at September 30, 2022 and March 31, 2022, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2022	March 31, 2022
	% of Net Assets	% of Net Assets
BBB	0.5	0.1
Less than BBB	4.9	4.6
Unrated	1.3	1.0
Total	6.7	5.7

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

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(f) Fair Value Classification

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

	September 30, 2022				March 31, 2022			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	21,740	–	21,740	1,074	20,711	10	21,795
Equities – Long	44,550	1,375	170	46,095	87,256	2,863	157	90,276
Equities – Short	(5,432)	–	–	(5,432)	(4,705)	–	–	(4,705)
Exchange-traded funds/notes	127,797	–	–	127,797	174,814	–	–	174,814
Mutual funds	24,745	45,263	–	70,008	27,693	51,095	–	78,788
Derivative assets	–	104	–	104	–	1,817	–	1,817
Derivative liabilities	–	(6,717)	–	(6,717)	–	(48)	–	(48)
Short-term investments	–	–	–	–	–	6,953	–	6,953
Total	191,660	61,765	170	253,595	286,132	83,391	167	369,690

The Fund'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 September 30, 2022, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at September 30, 2022, these securities were classified as Level 2 (March 31, 2022 – Level 2).

The table below presents a reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) for the periods ended September 30, 2022 and March 31, 2022:

	September 30, 2022			March 31, 2022		
	Equities (\$)	Bonds (\$)	Total (\$)	Equities (\$)	Bonds (\$)	Total (\$)
Balance – beginning of period	157	10	167	27	–	27
Purchases	–	–	–	134	143	277
Sales	–	(161)	(161)	–	–	–
Net transfers in (out)	–	–	–	–	7	7
Gains (losses) during the period:						
Realized	–	(351)	(351)	–	–	–
Unrealized	13	502	515	(4)	(140)	(144)
Balance – end of period	170	–	170	157	10	167
Unrealized gains (losses) during the period attributable to securities held at end of period	13	–	13	(4)	(502)	(506)

Changing one or more of the inputs to reasonably possible alternative assumptions for valuing Level 3 financial instruments would not significantly affect the fair value of those instruments.

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INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(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, investing in series CL, IG or S of the Fund, as applicable (as described in *Fund Formation and Series Information* in note 10), were as follows:

	September 30, 2022	March 31, 2022
	(\$)	(\$)
The Manager	17	19
Other funds managed by the Manager	–	–
Funds managed by affiliates of the Manager	2,278	2,635

(h) Offsetting of Financial Assets and Liabilities

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

	September 30, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	31	(31)	–	–
Unrealized losses on derivative contracts	(3,926)	31	–	(3,895)
Liability for options written	–	–	–	–
Total	(3,895)	–	–	(3,895)

	March 31, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	1,186	(10)	–	1,176
Unrealized losses on derivative contracts	(10)	10	–	–
Liability for options written	–	–	–	–
Total	1,176	–	–	1,176

(i) Dividend income

Included in dividend income for the period ended September 30, 2022 are dividends paid on securities sold short of \$10 (September 31, 2021 – \$4).