

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2019*

*These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance ("MRFP") of the ETF. You may obtain a copy of the Interim MRFP, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or by visiting the SEDAR website at [www.sedar.com](http://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.*

*Unitholders may also contact us using one of these methods to request a copy of the ETF'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 ETF, appoints independent auditors to audit the ETF'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 ETF'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 GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## STATEMENTS OF FINANCIAL POSITION

In thousands (except per unit figures)  
As at

	Sep. 30 2019	Mar. 31 2019 (Audited)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	175,663	162,450
Cash and cash equivalents	21,899	11,801
Accrued interest receivable	2,654	2,438
Dividends receivable	–	16
Accounts receivable for investments sold	832	1,689
Accounts receivable for units issued	–	–
Unrealized gains on derivative contracts	394	83
<b>Total assets</b>	<b>201,442</b>	<b>178,477</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	3,880	4,276
Accounts payable for units redeemed	–	–
Due to manager	124	115
Unrealized losses on derivative contracts	1,158	1,743
<b>Total liabilities</b>	<b>5,162</b>	<b>6,134</b>
<b>Net assets attributable to unitholders</b>	<b>196,280</b>	<b>172,343</b>
<b>Net assets attributable to unitholders per series (note 3)</b>		
Series E	196,280	172,343
<b>Net assets attributable to unitholders per unit (note 3)</b>		
Series E	19.34	19.26

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)  
In thousands (except per unit figures)

	2019 \$	2018 \$
<b>Income</b>		
Dividends	93	94
Interest income	5,214	5,550
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	1,147	(6,155)
Net unrealized gain (loss)	(941)	4,544
Securities lending income	10	13
Other	47	8
<b>Total income (loss)</b>	<b>5,570</b>	<b>4,054</b>
<b>Expenses (note 6)</b>		
Management fees	605	693
Management fee rebates	(574)	(677)
Interest charges	3	–
Commissions and other portfolio transaction costs	21	19
Independent Review Committee fees	–	–
Other	1	–
<b>Expenses before amounts absorbed by Manager</b>	<b>56</b>	<b>35</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>56</b>	<b>35</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b>		
	<b>5,514</b>	<b>4,019</b>
Foreign withholding taxes	–	–
Foreign income taxes paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to unitholders from operations</b>	<b>5,514</b>	<b>4,019</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations per series</b>		
Series E	5,514	4,019
<b>Increase (decrease) in net assets attributable to unitholders from operations per unit</b>		
Series E	0.59	0.41

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



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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)  
In thousands

	2019	2018
	<b>Series E</b>	
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>\$</b>	
<b>Beginning of period</b>	<b>172,343</b>	<b>190,170</b>
Increase (decrease) in net assets from operations	5,514	4,019
Distributions paid to unitholders:		
Investment income	(4,433)	(4,656)
Capital gains	–	–
Management fee rebates	(574)	(677)
Total distributions paid to unitholders	(5,007)	(5,333)
Unit transactions:		
Proceeds from units issued	23,430	3,912
Reinvested distributions	–	–
Payments on redemption of units	–	–
Total unit transactions	23,430	3,912
<b>Total increase (decrease) in net assets</b>	<b>23,937</b>	<b>2,598</b>
<b>End of period</b>	<b>196,280</b>	<b>192,768</b>
	<b>Units</b>	
<b>Increase (decrease) in units (note 7):</b>		
<b>Units outstanding – beginning of period</b>	<b>8,950</b>	<b>9,700</b>
Issued	1,200	200
Reinvested distributions	–	–
Redeemed	–	–
<b>Units outstanding – end of period</b>	<b>10,150</b>	<b>9,900</b>

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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)  
In thousands

	2019	2018
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to unitholders from operations	5,514	4,019
Adjustments for:		
Net realized loss (gain) on investments	(1,055)	2,177
Change in net unrealized loss (gain) on investments	941	(4,544)
Purchase of investments	(73,855)	(70,823)
Proceeds from sale and maturity of investments	60,522	72,584
Change in accrued interest receivable	(216)	(214)
Change in dividends receivable	16	(1)
Change in due to manager	9	(7)
<b>Net cash from operating activities</b>	<b>(8,124)</b>	<b>3,191</b>
<b>Cash flows from financing activities</b>		
Proceeds from units issued	23,430	3,912
Payments on redemption of units	–	–
Distributions paid net of reinvestments	(5,007)	(4,552)
<b>Net cash from financing activities</b>	<b>18,423</b>	<b>(640)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>10,299</b>	<b>2,551</b>
Cash and cash equivalents at beginning of period	11,801	14,153
Effect of exchange rate fluctuations on cash and cash equivalents	(201)	(348)
<b>Cash and cash equivalents at end of period</b>	<b>21,899</b>	<b>16,356</b>
Cash	21,899	16,356
Cash equivalents	–	–
<b>Cash and cash equivalents at end of period</b>	<b>21,899</b>	<b>16,356</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	109	93
Foreign taxes paid	–	–
Interest received	4,998	5,336
Interest paid	3	–

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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SCHEDULE OF INVESTMENTS

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS</b>					
AAC holdings Inc. Term Loan 1st Lien F/R 06-30-2023	United States	Term Loans	USD 64,764	81	73
Acproducts Inc. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 108,625	136	139
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 04-09-2025	United States	Term Loans	USD 69,001	87	92
Advanced Micro Devices Inc. 7.50% 08-15-2022	United States	Corporate - Non Convertible	USD 660,000	999	991
AerCap Ireland Capital Designated Activity Co. 4.88% 01-16-2024 Callable 2023	Ireland	Corporate - Non Convertible	USD 830,000	1,125	1,188
AG Merger Sub II Inc. Term Loan B 1st Lien F/R 08-01-2026	United States	Term Loans	USD 80,000	105	104
AI Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 65,256	81	80
AL Midcoast Holdings LLC Term Loan B 1st Lien F/R 06-28-2025	United States	Term Loans	USD 39,600	52	52
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 79,200	103	99
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 68,688	87	90
Alcoa Nederland Holding BV 6.13% 05-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 700,000	896	990
Altice France 5.50% 01-15-2028 Callable 2022 144A	France	Corporate - Non Convertible	USD 230,000	306	309
AMC Entertainment Holdings Inc. 5.88% 11-15-2026 Callable	United States	Corporate - Non Convertible	USD 200,000	241	242
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	240,000	240	241
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Term Loans	USD 59,850	78	79
Arcos Dorados Holdings Inc. 6.63% 09-27-2023	Uruguay	Corporate - Non Convertible	USD 100,000	147	143
Arcos Dorados Holdings Inc. 5.88% 04-04-2027 Callable 2022	Uruguay	Corporate - Non Convertible	USD 950,000	1,310	1,312
Ardonagh Midco 3 PLC 8.63% 07-15-2023 Callable 2020	United Kingdom	Corporate - Non Convertible	USD 600,000	707	763
Aristocrat International Pty Ltd. Term Loan B 1st Lien F/R 10-19-2024	Australia	Term Loans	USD 226,918	298	302
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	50,000	50	52
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-16-2026	United States	Term Loans	USD 90,000	117	120
Ashtead Capital Inc. 4.13% 08-15-2025 Callable 2020 144A	United Kingdom	Corporate - Non Convertible	USD 1,070,000	1,311	1,449
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 59,250	77	74
Bank of Montreal 2.28% 07-29-2024	Canada	Corporate - Non Convertible	40,000	40	40
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	20,000	20	20
The Bank of Nova Scotia 2.49% 09-23-2024	Canada	Corporate - Non Convertible	50,000	50	50
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-24-2025	United States	Term Loans	USD 43,065	55	57
Bausch Health Cos Inc. 8.50% 01-31-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 220,000	299	328
Bausch Health Cos Inc. 5.75% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 220,000	289	316
Bausch Health Cos Inc. 7.00% 01-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 260,000	352	372
Bausch Health Cos. Inc. 5.88% 05-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 950,000	1,258	1,279
Baytex Energy Corp. 5.63% 06-01-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 790,000	935	968
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 980,000	1,310	1,256
Bell Canada Inc. 2.90% 09-10-2029 Callable 2029	Canada	Corporate - Non Convertible	50,000	50	50
Berry Global Escrow Corp. 4.88% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 280,000	377	384
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 26,578	34	34
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	90,000	90	95
Bright Bidco BV Term Loan B 1st Lien F/R 06-30-2024	Netherlands	Term Loans	USD 345,581	456	220
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	20,000	20	20
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	30,000	30	31



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ACTIVE FIXED INCOME ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 450,000	592	601
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 2,667	3	4
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 66,828	86	88
BWAY Corp. Term Loan B 1st Lien F/R 04-03-2024	United States	Term Loans	USD 249,362	323	324
BWAY Holding Co. 7.25% 04-15-2025 144A	United States	Corporate - Non Convertible	USD 780,000	1,032	981
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 59,500	70	75
Calfrac Holdings LP 8.50% 06-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 240,000	281	143
California Resources Corp. 8.00% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,750,000	1,695	1,159
Camelot Finance LP Term Loan 1st Lien F/R 10-03-2023	United States	Term Loans	USD 26,969	37	36
Camelot Finance SA 7.88% 10-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 985,000	1,447	1,364
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 203,985	261	263
Canadian Imperial Bank of Commerce 2.35% 08-28-2024	Canada	Corporate - Non Convertible	40,000	40	40
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 153,758	198	204
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 118,077	152	152
CCO Holdings LLC 4.00% 03-01-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 190,000	239	256
CCO Holdings LLC 5.88% 04-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 250,000	335	346
CCO Holdings LLC 4.75% 03-01-2030 Callable 2024 144A	United States	Corporate - Non Convertible	USD 750,000	993	1,011
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 49,625	64	65
Celestica Inc. Term Loan B 1st Lien F/R 06-27-2025	Canada	Term Loans	USD 29,775	39	39
Centennial Resource Production LLC 5.38% 01-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 410,000	523	519
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 80,000	102	94
Citadel LLC Term Loan B 1st Lien F/R 02-22-2026	United States	Term Loans	USD 288,475	378	384
Civitas Solutions Inc. Term Loan 1st Lien F/R 02-05-2026	United States	Term Loans	USD 29,858	39	39
Clarity Telecom LLC Term Loan 1st Lien F/R 06-27-2026	United States	Term Loans	USD 50,000	65	66
Coca-Cola Femsa SAB de CV 3.88% 11-26-2023	Mexico	Corporate - Non Convertible	USD 1,200,000	1,706	1,683
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 1,150,000	1,605	1,592
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 110,000	163	165
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 600,000	800	777
CommScope Technologies LLC 5.00% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 920,000	1,042	1,012
Concrete Pumping Merger Sub Inc. Term Loan 1st Lien F/R 11-14-2025	United States	Term Loans	USD 67,873	87	89
Connect Finco SARL Term Loan B 1st Lien F/R 09-23-2026	United Kingdom	Term Loans	USD 80,000	104	105
Connect Finco SARL 6.75% 10-01-2026	United Kingdom	Corporate - Non Convertible	USD 650,000	862	878
Constellium NV 6.63% 03-01-2025 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 140,000	187	194
Constellium NV 4.25% 02-15-2026 Callable 2020	Netherlands	Corporate - Non Convertible	EUR 280,000	418	418
Constellium NV 5.88% 02-15-2026 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 1,350,000	1,734	1,869
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate - Non Convertible	120,000	120	119
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 107,250	138	143
CSC Holdings LLC 6.50% 02-01-2029 Callable 2024 144A	United States	Corporate - Non Convertible	USD 490,000	709	723
CVR Partners LP 9.25% 06-15-2023 Callable 2019 144A	United States	Corporate - Non Convertible	USD 330,000	466	457



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INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
DaVita Healthcare Partners Inc. 5.00% 05-01-2025 Callable 2020	United States	Corporate - Non Convertible	USD 870,000	1,065	1,152
DHX Media Ltd. 5.88% 09-30-2024 Conv.	Canada	Corporate - Convertible	50,000	47	37
Diamond Sports Group LLC Term Loan B 1st Lien F/R 07-18-2026	United States	Term Loans	USD 80,000	104	107
Diamond Sports Group LLC 5.38% 08-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,000,000	1,343	1,378
Diamond Sports Group LLC 6.63% 08-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 310,000	404	427
DISH DBS Corp. 5.88% 11-15-2024	United States	Corporate - Non Convertible	USD 240,000	304	316
DMT Solutions Global Corp. Term Loan 1st Lien F/R 06-25-2024	United States	Term Loans	USD 28,500	37	37
Dominican Republic 7.45% 04-30-2044	Dominican Republic	Foreign Governments	USD 280,000	389	441
Drax Group PLC 6.63% 11-01-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 1,100,000	1,423	1,523
Drive Chassis Holdco LLC. Term Loan 2nd Lien F/R 04-12-2026	United States	Term Loans	USD 30,000	38	38
DynCorp International Inc. Term Loan B 1st Lien F/R 08-15-2025	United States	Term Loans	USD 150,000	194	195
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 37,979	50	51
Edgewell Personal Care Co. Term Loan B 1st Lien F/R 09-20-2026	United States	Term Loans	USD 40,000	53	53
eG Global Finance PLC 6.75% 02-07-2025 Callable 2021 144A	United Kingdom	Corporate - Non Convertible	USD 1,700,000	2,284	2,207
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 88,875	117	106
Electrical Components International Inc. Term Loan 2nd Lien F/R 06-22-2026	United States	Term Loans	USD 20,000	25	24
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	3,030,000	3,006	3,028
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	360,000	360	390
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 69,475	90	75
Entertainment One Ltd. 4.63% 07-15-2026 Callable 2022	Canada	Corporate - Non Convertible	GBP 1,000,000	1,649	1,776
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 75,500	98	98
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 570,000	691	427
FAGE International SA/FAGE USA Dairy Industry Inc. 5.63% 08-15-2026 Callable 2021 144A	Luxembourg	Corporate - Non Convertible	USD 1,885,000	2,402	2,254
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	310,000	331	329
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	140,000	153	152
First Eagle Holdings Inc. Term Loan B 1st Lien F/R 12-01-2024	United States	Term Loans	USD 89,325	117	119
First Quantum Minerals Ltd. 7.25% 04-01-2023 Callable 2019 144A	Zambia	Corporate - Non Convertible	USD 900,000	1,187	1,180
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Term Loans	USD 69,475	90	88
Fortress Transportation and Infrastructure Investors LLC 6.75% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 545,000	719	756
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 380,000	488	519
Fresenius US Finance II Inc. 4.25% 02-01-2021 144A	Germany	Corporate - Non Convertible	USD 750,000	1,068	1,015
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 78,587	100	99
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 31,204	35	22
Fusion Connect Inc. Term Loan DIP 1st Lien F/R 10-03-2019	United States	Term Loans	USD 2,700	4	4
FXI Holdings Inc. 7.88% 11-01-2024 Callable 2020 144A	United States	Corporate - Non Convertible	USD 410,000	525	474
GEMS MENASA (Cayman) Ltd. Term Loan B 1st Lien F/R 07-30-2026	United Arab Emirates	Term Loans	USD 49,875	65	66
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Term Loans	USD 538,536	705	709
GFL Environmental Inc. 5.63% 05-01-2022 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 357,000	471	486



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## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>BONDS (cont'd)</b>					
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 643,000	806	867
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 880,000	1,118	1,230
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	2,213,000	2,212	2,347
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	30,000	30	30
GLOBALFOUNDRIES Inc. Term Loan B 1st Lien F/R 05/24/2026	United States	Term Loans	USD 160,000	213	207
Government of Argentina 5.88% 01-11-2028	Argentina	Foreign Governments	USD 715,000	853	387
Government of Argentina 6.88% 01-11-2048	Argentina	Foreign Governments	USD 210,000	260	118
Government of Bermuda 4.85% 02-06-2024	Bermuda	Foreign Governments	USD 40,000	58	58
Government of Brazil 10.00% 01-01-2029	Brazil	Foreign Governments	BRL 400,000	157	156
Government of Cayman Islands 5.95% 11-24-2019	Cayman Islands	Foreign Governments	USD 30,000	41	40
Government of El Salvador 7.38% 12-01-2019	El Salvador	Foreign Governments	USD 130,000	176	173
Government of Mexico 7.50% 06-03-2027	Mexico	Foreign Governments	MXN 17,360,000	1,178	1,211
Government of Mexico 8.50% 05-31-2029	Mexico	Foreign Governments	MXN 2,530,000	188	189
Government of South Africa 8.00% 01-31-2030	South Africa	Foreign Governments	ZAR 1,390,000	115	114
Gray Escrow Inc. 7.00% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 110,000	144	161
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	30,000	30	30
Greenhill & Co. Inc. Term Loan B 1st Lien F/R 04-05-2024	United States	Term Loans	USD 29,250	39	38
Grifols Worldwide Operations USA Inc. Term Loan B 1st Lien F/R 01-31-2025	Spain	Term Loans	USD 345,570	456	461
Guala Closures SpA F/R 04-15-2024 Callable 2019	Italy	Corporate - Non Convertible	EUR 1,240,000	1,895	1,818
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,010,000	1,275	1,303
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 39,502	51	52
HCA Holdings Inc. 5.25% 06-15-2026 Callable 2025	United States	Corporate - Non Convertible	USD 610,000	784	901
HCA Inc. 5.88% 02-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 440,000	584	655
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	1,050,000	1,076	1,088
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	130,000	130	136
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	50,000	50	53
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 90,000	114	117
Horizon Therapeutics PLC 5.50% 08-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 840,000	1,100	1,160
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 131,963	172	176
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	250,000	258	256
IEA Energy Services LLC Term Loan 1st Lien F/R 09-25-2024	United States	Term Loans	USD 91,819	117	118
II-VI Inc. Term Loan B 1st Lien F/R 05-08-2026	United States	Term Loans	USD 120,000	160	159
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 07-29-2026	United States	Term Loans	USD 100,000	130	133
Ineos US Finance LLC Term Loan B 1st Lien F/R 03-31-2024	Luxembourg	Term Loans	USD 770,090	1,004	1,011
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 89,550	112	109
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 79,600	105	104
Intelsat Jackson Holdings SA Term Loan B3 1st Lien F/R 11-27-2023	Luxembourg	Term Loans	USD 350,000	462	466
Intelsat Jackson Holdings SA 8.50% 10-15-2024 Callable 2020 144A	Luxembourg	Corporate - Non Convertible	USD 130,000	172	174
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	2,060,000	2,083	2,150
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 49,500	63	65
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 39,700	52	53



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<b>BONDS (cont'd)</b>					
International Finance Corp. 7.00% 07-20-2027	Supra - National	n/a	MXN 4,530,000	277	304
Iron Mountain Canada Operations ULC 5.38% 09-15-2023 Callable 2019	United States	Corporate - Non Convertible	1,080,000	1,134	1,119
Jane Street Group LLC. Term Loan B 1st Lien F/R 08-25-2022	United States	Term Loans	USD 79,573	106	105
JBS Investments II GmbH 5.75% 01-15-2028 Callable 2022 144A	United States	Corporate - Non Convertible	USD 600,000	789	830
JBS USA Lux SA 5.88% 07-15-2024 Callable 2019 144A	Brazil	Corporate - Non Convertible	USD 610,000	834	834
Jefferies Finance LLC Term Loan 1st Lien F/R 05-21-2026	United States	Term Loans	USD 29,925	40	40
JP Intermediate B LLC Term Loan 1st Lien F/R 10-19-2025	United States	Term Loans	USD 38,500	50	44
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 69,125	89	88
Kestra Advisor Services Holdings A Inc. Term Loan 1st Lien F/R 04-29-2026	United States	Term Loans	USD 40,000	53	52
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 49,624	65	61
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Term Loans	USD 130,000	171	174
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	1,870,000	1,874	1,919
Keystone Peer Review Organization Holdings Inc. Term Loan 1st Lien F/R 05-01-2024	United States	Term Loans	USD 121,947	163	159
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	930,000	930	908
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 88,875	114	114
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 610,000	816	845
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,189,000	1,589	1,595
Lamb Weston Holdings Inc. 4.63% 11-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 800,000	1,034	1,121
Lamb Weston Holdings Inc. 4.88% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 860,000	1,148	1,199
Lee Enterprises Inc. 9.50% 03-15-2022 Callable 2020 144A	United States	Corporate - Non Convertible	USD 890,000	1,278	1,185
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 203,888	263	261
LifeScan Global Corp. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 132,650	171	160
LifeScan Global Corp. Term Loan 2nd Lien F/R 06-19-2025	United States	Term Loans	USD 40,000	51	46
Lions Gate Capital Holdings LLC 6.38% 02-01-2024 Callable 2021 144A	United States	Corporate - Non Convertible	USD 160,000	214	225
Mallinckrodt International Finance SA 4.88% 04-15-2020 144A	United States	Corporate - Non Convertible	USD 520,000	628	437
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate - Non Convertible	535,000	541	562
Mattel Inc. 4.35% 10-01-2020	United States	Corporate - Non Convertible	USD 110,000	146	147
Mattel Inc. 2.35% 08-15-2021 Callable 2021	United States	Corporate - Non Convertible	USD 740,000	949	958
Mattel Inc. 3.15% 03-15-2023 Callable 2022	United States	Corporate - Non Convertible	USD 270,000	344	340
Mattel Inc. 5.45% 11-01-2041 Callable 2041	United States	Corporate - Non Convertible	USD 180,000	193	187
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,060,000	1,357	1,057
MEG Energy Corp. 6.38% 01-30-2023 Callable 144A	Canada	Corporate - Non Convertible	USD 440,000	528	565
MEG Energy Corp. 7.00% 03-31-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 565,000	633	726
Mercer International Inc. 7.38% 01-15-2025 Callable 2021	United States	Corporate - Non Convertible	USD 230,000	306	318
Meredith Corp. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 405,650	536	539
Meredith Corp. 6.88% 02-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 580,000	741	785
Metronet Systems Holding LLC Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 60,000	79	80
Millar Western Forest Products Ltd. 9.50% 06-20-2023 Callable 2020	Canada	Corporate - Non Convertible	480,000	480	488
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 89,525	115	115
Multi-Color Corp. Term Loan B 1st Lien F/R 06-17-2026	United States	Term Loans	USD 70,000	93	93



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<b>BONDS (cont'd)</b>					
MyNEXUS Inc. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 70,000	90	91
Natel Engineering Co. Inc. Term Loan B 1st Lien F/R 04-29-2026	United States	Term Loans	USD 49,875	67	65
Netflix Inc. 3.88% 11-15-2029	United States	Corporate - Non Convertible	EUR 330,000	497	507
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 1,220,000	1,529	1,675
New Red Finance Inc. 3.88% 01-15-2028 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 740,000	976	989
Nine Energy Service Inc. 8.75% 11-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 960,000	1,251	1,037
Nokia OYJ 3.38% 06-12-2022	Finland	Corporate - Non Convertible	USD 320,000	429	431
Norbord Inc. 5.75% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 1,190,000	1,585	1,620
NRG Yield Operating LLC 5.38% 08-15-2024 Callable	United States	Corporate - Non Convertible	USD 530,000	664	722
Nufarm Australia Ltd. 5.75% 04-30-2026 Callable 2021 144A	Australia	Corporate - Non Convertible	USD 1,440,000	1,821	1,893
Numericable-SFR 7.38% 05-01-2026 Callable 2021 144A	France	Corporate - Non Convertible	USD 750,000	966	1,068
NuVista Energy Ltd. 6.50% 03-02-2023 Callable 2020	Canada	Corporate - Non Convertible	660,000	661	642
NVA Holdings Inc. 6.88% 04-01-2026 Callable 2021	United States	Corporate - Non Convertible	USD 280,000	363	396
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 88,650	111	118
OCI NV 6.63% 04-15-2023 Callable 2020 144A	Netherlands	Corporate - Non Convertible	USD 1,300,000	1,632	1,808
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 32,555	40	44
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	30,000	30	30
Panther BF Aggregator 2 LP 6.25% 05-15-2026 144A	United States	Corporate - Non Convertible	USD 610,000	822	853
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,660,000	2,232	2,232
Park Aerospace Holdings Ltd. 5.25% 08-15-2022 144A	Ireland	Corporate - Non Convertible	USD 190,000	256	266
Parkland Fuel Corp. 6.00% 11-21-2022 Callable	Canada	Corporate - Non Convertible	1,090,000	1,137	1,117
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,315,000	1,719	1,847
Parkland Fuel Corp. 5.88% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 878,000	1,182	1,223
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 30,000	40	40
PayPal Holdings Inc. 2.65% 10-01-2026	United States	Corporate - Non Convertible	USD 30,000	40	40
Pembina Pipeline Corp. 3.31% 02-01-2030 Callable 2029	Canada	Corporate - Non Convertible	20,000	20	20
Penske Automotive Group Inc. 3.75% 08-15-2020	United States	Corporate - Non Convertible	USD 630,000	790	842
Performance Food Group Co. 5.50% 10-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 320,000	424	448
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 410,000	131	48
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 490,000	622	641
Pluto Acquisition I Inc. Term Loan 1st Lien F/R 06-18-2026	United States	Term Loans	USD 69,825	93	91
Polymer Process Holdings Inc. Term Loan 1st Lien F/R 04-29-2026	United States	Term Loans	USD 79,800	105	104
Premier Dental Services Inc. Term Loan B 1st Lien F/R 06-30-2023	United States	Term Loans	USD 55,065	72	73
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 69,325	89	92
Puma International Financing SA 5.00% 01-24-2026 Callable 2021	Singapore	Corporate - Non Convertible	USD 1,420,000	1,770	1,782
Quad/Graphics Inc. 7.00% 05-01-2022	United States	Corporate - Non Convertible	USD 650,000	895	883
Quebecor Media Inc. 6.63% 01-15-2023 144A	Canada	Corporate - Non Convertible	1,356,000	1,467	1,478
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 1,020,000	1,422	1,250
Range Resources Corp. 5.00% 08-15-2022	United States	Corporate - Non Convertible	USD 640,000	784	799
Rayonier AM Products Inc. 5.50% 06-01-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 860,000	927	827
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 930,000	1,247	1,272
Reynolds Group Issuer Inc./Reynolds Group Issuer LLC/ Reynolds Group Issue Lu 5.125% 07-15-2023	United States	Corporate - Non Convertible	USD 620,000	859	843



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<b>BONDS (cont'd)</b>					
Rite Aid Corp. 6.13% 04-01-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 490,000	566	517
Rite Aid Corp. 7.70% 02-15-2027	United States	Corporate - Non Convertible	USD 1,990,000	2,401	1,397
Royal Bank of Canada F/R 07-25-2029	Canada	Corporate - Non Convertible	40,000	40	40
Russel Metals Inc. 6.00% 03-16-2026 Callable 2021	Canada	Corporate - Non Convertible	690,000	690	714
Russian Federal Loan Bond - OFZ 7.05% 01-19-2028	Russia	Foreign Governments	RUB 112,800,000	2,049	2,337
Sable International Finance Ltd. 5.75% 09-07-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,500,000	2,075	2,056
Sabre Industries Inc. Term Loan B 1st Lien F/R 04-09-2026	United States	Term Loans	USD 19,950	26	27
Saffron Borrowco LLC Term Loan 1st Lien F/R 06-20-2025	United States	Term Loans	USD 20,000	24	24
Scientific Games International Inc. 6.63% 05-15-2021 Callable 2019	United States	Corporate - Non Convertible	USD 495,000	671	667
Scripps Escrow Inc. 5.88% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,180,000	1,552	1,593
Shields Health Solutions Holdings LLC Term Loan 1st Lien F/R 08-13-2026	United States	Term Loans	USD 70,000	92	93
Sinclair Television Group Inc. Term Loan B2 1st Lien F/R 07-18-2026	United States	Term Loans	USD 50,000	65	67
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 80,463	103	103
SoftBank Group Corp. 5.38% 07-30-2022 Callable 2022	Japan	Corporate - Non Convertible	USD 750,000	1,086	1,033
Sorenson Communications LLC Term Loan 1st Lien F/R 03-14-2024	United States	Term Loans	USD 39,000	50	52
Source Energy Services Canada LP 10.50% 12-15-2021 Callable 2019 144A	Canada	Corporate - Non Convertible	1,571,000	1,818	1,183
Sprint Corp. 7.88% 09-15-2023	United States	Corporate - Non Convertible	USD 300,000	411	438
Sprint Corp. 7.13% 06-15-2024	United States	Corporate - Non Convertible	USD 270,000	358	386
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 49,494	65	66
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate - Non Convertible	USD 610,000	795	813
Stonegate Pub Company Financing PLC 4.88% 03-15-2022 Callable 2019	United Kingdom	Corporate - Non Convertible	GBP 970,000	1,711	1,622
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	70,000	70	70
Superior Plus LP 5.25% 02-27-2024 Callable 2020	Canada	Corporate - Non Convertible	2,300,000	2,340	2,316
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 1,280,000	1,698	1,798
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026 144A	Australia	Corporate - Non Convertible	USD 650,000	882	901
Talen Energy Supply LLC 7.25% 05-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 1,240,000	1,629	1,678
Talen Energy Supply LLC 6.63% 01-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 290,000	379	379
TDC AS Term Loan B 1st Lien F/R 06-11-2025	Denmark	Term Loans	USD 350,000	464	461
Telenet Finance Luxembourg Notes Sarl 5.50% 03-01-2028 Callable 2022 144A	Belgium	Corporate - Non Convertible	USD 400,000	502	558
Telenet Financing USD LLC Term Loan AN 1st Lien F/R 08-15-2026	Belgium	Term Loans	USD 350,000	459	464
Teneo Holdings LLC Term Loan B 1st Lien F/R 07-12-2025	United States	Term Loans	USD 90,000	113	114
Tenet Healthcare Corp. 6.75% 06-15-2023	United States	Corporate - Non Convertible	USD 1,240,000	1,619	1,731
Tenet Healthcare Corp. 6.25% 02-01-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 540,000	721	746
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 1,150,000	1,476	1,592
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 1,329,000	1,535	1,426
Thor Industries Inc. Term Loan B 1st Lien F/R 11-01-2025	United States	Term Loans	USD 60,882	79	79
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Term Loans	USD 60,000	79	80
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	40,000	40	41



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<b>BONDS (cont'd)</b>					
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	940,000	901	908
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	80,000	80	89
Travelport Finance Luxembourg Sarl Term Loan 1st Lien F/R 03-18-2026	Luxembourg	Term Loans	USD 160,000	209	193
TriMark USA LLC Term Loan 1st Lien F/R 09-15-2024	United States	Term Loans	USD 39,797	48	44
Trivium Packaging Finance BV 3.75% 08-15-2026 Callable 2022 144A	Netherlands	Corporate - Non Convertible	EUR 610,000	894	934
Trivium Packaging Finance BV 5.50% 08-15-2026 Callable 2022 144A	Netherlands	Corporate - Non Convertible	USD 270,000	353	377
Trivium Packaging Finance BV 8.50% 08-15-2026 Callable 2022 144A	Netherlands	Corporate - Non Convertible	USD 230,000	300	330
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 1,000,000	1,233	1,299
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 321,265	437	423
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 1,620,000	2,169	2,178
Uber Technologies Inc. 7.50% 09-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 270,000	357	358
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 126,500	163	164
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 582,961	666	634
US Renal Care Inc. Term Loan B 1st Lien F/R 06-14-2026	United States	Term Loans	USD 100,000	131	126
US Silica Holdings Inc. Term Loan B 1ST Lien F/R 05-01-2025	United States	Term Loans	USD 79,899	102	101
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 59,550	77	76
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 29,426	38	39
Vesta Energy Corp. 8.13% 07-24-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	490,000	490	397
VFH Parent LLC Term Loan 1st Lien F/R 03-01-2026	United States	Term Loans	USD 40,000	53	53
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	380,000	380	385
Vidéotron Ltée 5.63% 06-15-2025 Callable 2025	Canada	Corporate - Non Convertible	270,000	289	291
Vidéotron Ltée 5.75% 01-15-2026 Callable 2020	Canada	Corporate - Non Convertible	540,000	574	570
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 29,377	37	39
VistaJet Malta Finance PLC 10.50% 06-01-2024 Callable 2022 144A	Switzerland	Corporate - Non Convertible	USD 400,000	527	515
VRX Escrow Corp. 6.13% 04-15-2025 Callable 2020 144A	United States	Corporate - Non Convertible	USD 520,000	646	716
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 149,250	195	198
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 49,375	60	60
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	60,000	60	60
Xplornet Communications Inc. 9.63% 06-01-2022 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 824,357	894	1,117
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 126,750	162	155
Ziggo Secured Finance Partnership Term Loan E 1st Lien F/R 04-27-2025	Netherlands	Term Loans	USD 550,000	722	727
<b>Total bonds</b>				<b>172,447</b>	<b>171,463</b>

## EQUITIES

AltaGas Ltd. Pfd. Series K	Canada	Utilities	13,853	362	305
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Financials	7,665	202	195
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Financials	4,304	108	106
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	22,928	570	543
Husky Energy Inc. Pfd. Series 3	Canada	Energy	7,210	133	120
Husky Energy Inc. 4.45% 12-31-2049 Pfd. Series 1	Canada	Energy	81,260	1,312	895



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Manulife Financial Corp. Pfd. Series 13	Canada	Financials	26,420	535	466
Shaw Communications Inc. Pfd Series A	Canada	Communication Services	47,100	738	612
Source Energy Services Ltd.	Canada	Energy	30,639	–	17
TC Energy Corp. Pfd. Series 15	Canada	Energy	10,791	286	273
TransAlta Corp. Pfd. Series A	Canada	Utilities	41,920	551	450
Trulieve Cannabis Corp. Warrants Exp.06-18-2022	United States	Health Care	21,000	68	60
<b>Total equities</b>				<b>4,865</b>	<b>4,042</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				355	158
<b>Total options</b>				<b>355</b>	<b>158</b>
Transaction costs				(14)	–
<b>Total investments</b>				<b>177,653</b>	<b>175,663</b>
Derivative instruments (see schedule of derivative instruments)					(764)
Cash and cash equivalents					21,899
Other assets less liabilities					(518)
<b>Total net assets</b>					<b>196,280</b>



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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019	
Portfolio Allocation	% of NAV
Bonds	87.5
<i>Bonds</i>	87.4
<i>Purchased options</i>	0.1
Cash and short-term investments	11.1
Equities	2.1
Other assets (liabilities)	(0.7)

Regional Allocation	% of NAV
United States	39.4
Canada	24.0
Cash and short-term investments	11.1
Other	5.8
United Kingdom	5.2
Netherlands	3.9
Luxembourg	2.1
Australia	1.6
Mexico	1.6
Russia	1.2
Italy	0.9
Singapore	0.9
Bahamas	0.9
Uruguay	0.7
Ireland	0.7
Israel	0.7
Other assets (liabilities)	(0.7)

Sector Allocation	% of NAV
Corporate bonds – Energy	12.2
Cash and short-term investments	11.1
Term loans	8.4
Corporate bonds – Basic industry	8.4
Corporate bonds – Healthcare	8.2
Corporate bonds – Media	7.1
Corporate bonds – Consumer goods	7.0
Corporate bonds – Retail	6.8
Other	6.3
Corporate bonds – Technology and electronics	4.1
Corporate bonds – Capital goods	3.9
Corporate bonds – Services	3.9
Foreign government bonds	3.6
Corporate bonds – Financial services	3.4
Corporate bonds – Telecommunications	3.3
Corporate bonds – Utility	3.0
Other assets (liabilities)	(0.7)

March 31, 2019	
Portfolio Allocation	% of NAV
Bonds	92.1
<i>Bonds</i>	92.0
<i>Purchased options</i>	0.1
Cash and short-term investments	6.8
Equities	2.2
Other assets (liabilities)	(1.1)

Regional Allocation	% of NAV
United States	39.1
Canada	24.3
Other	11.7
Cash and short-term investments	6.8
United Kingdom	5.1
Netherlands	3.3
Luxembourg	3.2
Ireland	2.3
France	1.7
Russia	1.2
Mexico	1.2
Australia	1.2
Other assets (liabilities)	(1.1)

Sector Allocation	% of NAV
Corporate bonds – Energy	13.8
Corporate bonds – Communication services	10.1
Corporate bonds – Basic industry	9.2
Term loans	9.0
Other	7.9
Cash and short-term investments	6.8
Corporate bonds – Consumer goods	6.7
Corporate bonds – Healthcare	6.6
Corporate bonds – Retail	4.7
Corporate bonds – Technology and electronics	4.7
Corporate bonds – Financial services	4.4
Foreign government bonds	4.2
Corporate bonds – Services	4.1
Corporate bonds – Utility	3.6
Corporate bonds – Capital goods	2.8
Corporate bonds – Leisure	2.5
Other assets (liabilities)	(1.1)



**MACKENZIE**  
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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2019

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
iShares iBoxx \$ High Yield Corporate Bond ETF	464	Put	Nov. 15, 2019	84 USD	111	14
iShares iBoxx \$ High Yield Corporate Bond ETF	232	Put	Nov. 15, 2019	85 USD	46	10
iShares iBoxx \$ High Yield Corporate Bond ETF	232	Put	Jan. 17, 2020	85 USD	66	29
iShares iBoxx \$ High Yield Corporate Bond ETF	538	Put	Mar. 20, 2020	85 USD	132	105
<b>Total options</b>					<b>355</b>	<b>158</b>



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# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

ACTIVE FIXED INCOME ETF

## SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2019

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
A	574	Canadian dollar	(382)	Euro	Oct. 4, 2019	(574)	(552)	22
A	927	Canadian dollar	(630)	Euro	Oct. 4, 2019	(927)	(910)	17
A	14,050	U.S. dollar	(18,578)	Canadian dollar	Oct. 11, 2019	18,578	18,611	33
AA	4,264	Canadian dollar	(2,879)	Euro	Oct. 25, 2019	(4,264)	(4,163)	100
AA	26,553	Canadian dollar	(19,950)	U.S. dollar	Oct. 25, 2019	(26,553)	(26,419)	134
A	5,179	Canadian dollar	(3,890)	U.S. dollar	Nov. 8, 2019	(5,179)	(5,150)	29
A	1,377	Canadian dollar	(20,280)	Mexican peso	Nov. 15, 2019	(1,377)	(1,349)	28
A	7,777	Canadian dollar	(5,865)	U.S. dollar	Nov. 15, 2019	(7,777)	(7,765)	12
A	662	Canadian dollar	(500)	U.S. dollar	Nov. 22, 2019	(662)	(662)	–
A	1,991	Canadian dollar	(1,500)	U.S. dollar	Dec. 13, 2019	(1,991)	(1,985)	6
AA	3,568	Canadian dollar	(2,690)	U.S. dollar	Dec. 13, 2019	(3,568)	(3,560)	8
AA	330	Canadian dollar	(4,930)	Mexican peso	Jan. 17, 2020	(330)	(325)	5
<b>Unrealized Gains</b>								<b>394</b>
AA	9,509	Canadian dollar	(7,305)	U.S. dollar	Oct. 4, 2019	(9,509)	(9,678)	(169)
AA	1,828	Canadian dollar	(1,400)	U.S. dollar	Oct. 4, 2019	(1,828)	(1,855)	(27)
A	1,015	Euro	(1,501)	Canadian dollar	Oct. 4, 2019	1,501	1,466	(35)
A	35,306	Canadian dollar	(26,920)	U.S. dollar	Oct. 11, 2019	(35,306)	(35,661)	(355)
A	16,483	Canadian dollar	(12,655)	U.S. dollar	Oct. 11, 2019	(16,483)	(16,763)	(280)
A	2,628	Canadian dollar	(2,000)	U.S. dollar	Oct. 11, 2019	(2,628)	(2,649)	(21)
AA	9,507	Canadian dollar	(7,305)	U.S. dollar	Oct. 25, 2019	(9,507)	(9,674)	(167)
AA	350	Euro	(522)	Canadian dollar	Oct. 25, 2019	522	506	(16)
A	12,466	Canadian dollar	(9,476)	U.S. dollar	Nov. 1, 2019	(12,466)	(12,548)	(82)
AA	3,293	Canadian dollar	(2,020)	British pound	Dec. 11, 2019	(3,293)	(3,296)	(3)
A	1,450	U.S. dollar	(1,921)	Canadian dollar	Jan. 10, 2020	1,921	1,918	(3)
<b>Unrealized (Losses)</b>								<b>(1,158)</b>
<b>Total forward currency contracts</b>								<b>(764)</b>
<b>Total derivative instruments at fair value</b>								<b>(764)</b>



**MACKENZIE**  
Investments



## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2019 and 2018, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2019, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 10 for the formation date of the ETF.

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

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These 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, 2019. A summary of the ETF’s significant accounting policies under IFRS is presented in Note 3.

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

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 12, 2019.

### 3. Significant Accounting Policies

#### (a) Financial instruments

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

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

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

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

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



## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Financial instruments (cont'd)

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

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

#### (b) Fair value measurement

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

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

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

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the ETF in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The ETF may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The ETF may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, as applicable.

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

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments 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 ETF are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the ETF closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2019.

## NOTES TO FINANCIAL STATEMENTS

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

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income or realized gains (losses) on sale of investments, as appropriate.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in the Statement of Comprehensive Income – expenses absorbed by Manager.

(e) Securities lending, repurchase and reverse repurchase transactions

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

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

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the ETF enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable.

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

(g) Foreign currency

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

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

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

(h) Net assets attributable to unitholders per unit

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

(i) Net asset value per unit

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to unitholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 10 for the ETF's NAV per unit.

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

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

## NOTES TO FINANCIAL STATEMENTS

### 4. Critical Accounting Estimates and Judgments

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

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The ETF may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the ETF.

#### Use of Judgments

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

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

##### *Functional currency*

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

##### *Structured entities and associates*

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

### 5. Income Taxes

The ETF qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its unitholders as at the end of the taxation year. It is the intention of the ETF to distribute all of its net income and sufficient net realized capital gains so that the ETF will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the ETF cannot be allocated to investors and are retained in the ETF for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 for the ETF's loss carryforwards.

### 6. Management Fees and Operating Expenses

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

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



## NOTES TO FINANCIAL STATEMENTS

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

Mackenzie may waive or absorb management fees and operating expenses at its discretion and stop waiving or absorbing such fees at any time without notice. Mackenzie may charge a reduced management fee rate with respect to investments in the ETF by large investors, including other funds managed by Mackenzie or affiliates of Mackenzie. An amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed in cash to those unitholders by the ETF as a management fee distribution. Refer to Note 10 for the management fee rates charged to units of the ETF.

### 7. Units and Unit Transactions

Mackenzie, on behalf of the ETF, has entered into a designated broker agreement with one or more designated brokers pursuant to which the designated broker has agreed to perform certain duties relating to the ETF including, without limitation: (i) to subscribe for a sufficient number of units to satisfy the Exchange's original listing requirements; (ii) to subscribe for units on an ongoing basis in connection with any rebalancing event, as applicable, and when cash redemptions of units occur; and (iii) to post a liquid two-way market for the trading of units on the Exchange. In accordance with the designated broker agreement, Mackenzie may from time to time require the designated broker to subscribe for units of the ETF for cash.

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

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

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

### 8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at September 30, 2019 and 2018 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 10.

### 9. Financial Instruments Risk

#### i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The ETF's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2019, grouped by asset type, with geographic and sector information.

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

#### ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they come due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

In accordance with securities regulations, the ETF must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold).

## NOTES TO FINANCIAL STATEMENTS

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

#### iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

#### iv. Interest rate risk

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

#### v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the ETF continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the ETF. This risk is mitigated by ensuring that the ETF holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 10 summarizes the ETF's exposure, if applicable and significant, to other price risk.

#### vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the ETF. Note 10 summarizes the ETF's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

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

#### vii. Underlying ETFs

The ETF may invest in underlying ETFs and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying ETFs. Note 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.



# MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

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

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

Date of Formation April 13, 2017

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

Series E units were listed on the Aequitas NEO Exchange under the symbol MHYB on April 26, 2017. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at September 30, 2019 was \$19.35 (March 31, 2019 – \$19.35).

The management fee rate for Series E units is 0.60%.

As at September 30, 2019, there were no differences between the ETF's NAV per unit (March 31, 2019 – \$19.25) and its Net Assets per unit calculated in accordance with IFRS (March 31, 2019 – \$19.26).

#### (b) Investments by Mackenzie and Affiliates

As at September 30, 2019, other funds managed by Mackenzie, I.G. Investment Management Ltd. and Counsel Portfolio Services Inc., both of which are affiliates of Mackenzie, had an investment of \$187,367, \$Nil and \$Nil (March 31, 2019 – \$161,720, \$Nil and \$1,509), respectively, in the ETF.

#### (c) Loss Carryforwards

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

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2019 and March 31, 2019, were as follows:

	September 30, 2019	March 31, 2019
	(\$)	(\$)
Value of securities loaned	4,194	3,154
Value of collateral received	4,573	3,335

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

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the ETF for the periods ended September 30, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	19	100.0	25	100.0
Tax withheld	(6)	(31.6)	(8)	(32.0)
	13	68.4	17	68.0
Payments to Securities Lending Agent	(3)	(15.8)	(4)	(16.0)
Securities lending income	10	52.6	13	52.0



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

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

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

	September 30, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	20	–	–	20
Unrealized losses on derivative contracts	(363)	–	–	(363)
Liability for options written	–	–	–	–
Total	(343)	–	–	(343)

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	5	–	–	5
Unrealized losses on derivative contracts	(155)	–	–	(155)
Liability for options written	–	–	–	–
Total	(150)	–	–	(150)

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

##### *i. Risk exposure and management*

The ETF seeks a steady flow of income with potential for long-term capital growth by investing primarily in higher-yielding fixed income securities and instruments of issuers of any size anywhere in the world.

##### *ii. Currency risk*

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

Currency	September 30, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	134,104	3,535	(113,840)	23,799
Russian ruble	2,337	–	–	2,337
Brazilian real	156	–	–	156
South African rand	114	–	–	114
British pound	3,398	–	(3,296)	102
Mexican peso	1,704	–	(1,674)	30
Euro	3,677	–	(3,653)	24
Total	145,490	3,535	(122,463)	26,562
% of Net Assets	74.1	1.8	(62.4)	13.5



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

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

##### ii. Currency risk (cont'd)

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	118,775	10,476	(121,930)	7,321
Russian ruble	2,144	–	–	2,144
British pound	3,479	–	(3,427)	52
Euro	5,179	(5)	(5,131)	43
Mexican peso	1,356	–	(1,319)	37
Indian rupee	727	–	(708)	19
Total	131,660	10,471	(132,515)	9,616
% of Net Assets	76.4	6.1	(76.9)	5.6

\* Includes both monetary and non-monetary financial instruments

As at September 30, 2019, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$1,328 or 0.7% of total net assets (March 31, 2019 – \$481 or 0.3%). In practice, the actual trading results may differ and the difference could be material.

##### iii. Interest rate risk

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

Bonds	September 30, 2019	March 31, 2019
	(\$)	(\$)
Less than 1 year	1,496	1,167
1-5 years	58,760	57,389
5-10 years	102,559	96,689
Greater than 10 years	8,648	3,379
Total	171,463	158,624

As at September 30, 2019, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$5,768 or 2.9% (March 31, 2019 – \$5,895 or 3.4%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$5,893 or 3.0% (March 31, 2019 – \$6,069 or 3.5%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

##### iv. Other price risk

As at September 30, 2019 and March 31, 2019, the ETF did not have a significant exposure to price risk.



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

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

##### *v. Credit risk*

The ETF's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2019, was 22.6% of the net assets of the ETF (March 31, 2019 – 6.1%).

As at September 30, 2019 and March 31, 2019, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2019	March 31, 2019
	% of Net Assets	% of Net Assets
AAA	0.2	1.0
AA	–	0.6
A	2.7	3.2
BBB	9.5	10.7
BB	31.5	31.1
B	32.3	34.8
Less than B	10.2	8.5
Unrated	1.0	2.1
Total	87.4	92.0

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

#### (g) Fair Value Classification

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

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

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

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

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

	September 30, 2019				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	723	170,740	–	171,463	–	158,624	–	158,624
Equities	4,042	–	–	4,042	3,655	–	–	3,655
Options	158	–	–	158	171	–	–	171
Derivative assets	–	394	–	394	–	83	–	83
Derivative liabilities	–	(1,158)	–	(1,158)	–	(1,743)	–	(1,743)
Total	4,923	169,976	–	174,899	3,826	156,964	–	160,790

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

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

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