

MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

Annual Management Report of Fund Performance

For the Year Ended March 31, 2025

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the exchange-traded fund ("ETF"). You may obtain a copy of the annual financial statements, 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 or by visiting the SEDAR+ website at www.sedarplus.ca.

Unitholders may also contact us using one of these methods to request a copy of the ETF's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the ETF's Prospectus and ETF Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the ETF's current net asset value per unit and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.



MACKENZIE
Investments

MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2025

Management Discussion of Fund Performance

June 4, 2025

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the ETF's performance and outlook in the year ended March 31, 2025 (the "period"). If the ETF was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer to Mackenzie Financial Corporation, the manager of the ETF. In addition, net asset value ("NAV") refers to the value of the ETF as calculated for subscription and redemption purposes, on which the discussion of ETF performance is based.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

Investment Objective and Strategies

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.

Risk

The risks of the ETF remain as discussed in the ETF's Prospectus.

The ETF is suitable for medium-term investors looking for a global fixed income fund to hold as part of their portfolio, who can handle the volatility of bond markets and who have a low to medium tolerance for risk.

Results of Operations

Investment Performance

During the period, the ETF returned 7.1% (after deducting fees and expenses). This compares with a return of 6.1% for a blended index composed of a 25% weighting in the ETF's broad-based index, the ICE BofA Global Broad Market (Hedged) Index (returned 2.9%), and a 75% weighting in the ICE BofA Global High Yield (Hedged) Index (returned 7.2%). All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

In response to cooling inflation and weaker labour markets, many central banks lowered interest rates during the period. The U.S. Federal Reserve reduced its federal funds rate three times to a target range of 4.25%–4.50%. The European Central Bank reduced its key interest rate to 2.65%, while the Bank of England cut its policy rate to 4.50%. Meanwhile, the Bank of Japan raised its policy rate to 0.50% from zero. High-yield spreads (the difference in yield between high-yield and investment grade bonds) widened in response to concerns about economic growth resulting from tariff threats, faltering consumer confidence and a weakening labour market.

The ETF outperformed the broad-based index, with security selection in corporate bonds and underweight exposure to government bonds contributing to performance. Given the ETF's mandate, the return of the blended index is a more meaningful comparison.

The ETF outperformed the blended index, with underweight exposure to foreign government bonds contributing to performance. The ETF's currency management also contributed to performance.

Conversely, the ETF's underweight exposure to corporate bonds in the real estate sector detracted from performance.

Over the period, the ETF's exposure to the United States increased, based on the portfolio management team's assessment of valuations and opportunities, and as a result of market movements.

Environmental, Social and Governance ("ESG") Integration

The ETF's position in a bond issued by Uber Technologies Inc. (8.00%, 11-01-2026) was eliminated in response to ongoing ESG concerns, particularly in the areas of human capital and business ethics. The company has faced repeated legal and regulatory challenges over driver classification, resulting in major settlements totalling over US\$240 million. Persistent labour disputes and regulatory scrutiny across multiple markets continue to expose Uber to significant operational and reputational risks. Past practices, such as operating without proper licences and using evasive technologies, also raise governance concerns. Sustainalytics classifies these issues as Category 3 (Significant), with no clear resolution in sight. Given this elevated and sustained controversy profile, the portfolio management team sold the investment.

Net Assets

The ETF's net assets increased by 8.6% during the period to \$285.3 million. This change was composed primarily of \$20.1 million in net income (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and an increase of \$2.5 million due to net unitholder activity (including sales, redemptions and cash distributions).

Recent Developments

The portfolio management team believes that the U.S. Federal Reserve's federal funds rate reductions over the period aligned with market expectations and demonstrated the central bank's willingness to make significant moves in its policy stance when necessary. The team expects the Federal Reserve to maintain a cautious approach as it gauges inflation trends amid uncertainty related to trade and tariffs. In anticipation of slow economic growth and low bond issuance, the ETF had overweight exposure to U.S. long-term government bonds at the end of the period.

As a result of unattractive valuations for high-yield assets and an uncertain market environment, the team favours sectors that are less sensitive to the economic cycle. The team has also reduced exposure to the sectors that are most likely to be affected by increasing tariffs. Because the team expects trade conflicts and weakening consumer confidence to contribute to risk-averse market sentiment, it continues to focus on higher-quality issuers of high-yield debt.

The following changes to the Mackenzie Funds' Independent Review Committee occurred:

- effective September 13, 2023, Saijal Patel was appointed;
- effective March 5, 2024, Atul Tiwari resigned; and
- effective April 30, 2024, the terms for Robert Hines and George Hucal expired, and Rebecca Cowdrey was appointed.

Related Party Transactions

Management Fees

The management expense ratio ("MER") for the ETF during the year ended March 31, 2025, was similar to the MER for the year ended March 31, 2024. Total expenses paid vary from period to period mainly as a result of changes in average assets in the ETF. The MERs are presented in the *Financial Highlights* section of this report. The ETF paid management fees to the Manager at the annual rate of 0.60%.

MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2025

The management fee for the ETF is calculated and accrued daily as a percentage of its NAV. The ETF's management fees were used by the Manager to pay for the costs of managing the investment portfolio of the ETF, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services, and to pay for all costs and expenses (other than certain specified fund costs as more fully described in the Prospectus) required to operate the ETF.

Other Related Party Transactions

Investment funds managed by Mackenzie and its affiliates may invest in the ETF in accordance with the investment objectives of those funds. At March 31, 2025, funds managed by Mackenzie owned 73.0% of the ETF's NAV, funds managed by Canada Life Investment Management Ltd. owned 16.0% of the ETF's NAV, and funds managed by I.G. Investment Management, Ltd. owned 4.2% of the ETF's NAV. All related party transactions are based on the current market price. As a result of these investments, the ETF may be subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effects on the ETF or on its investors, through such processes as settling transactions in kind, charging creation and/or redemption fees for transactions settling in cash, and establishing appropriate order cut-off times for transactions.

The ETF did not rely on an approval, positive recommendation or standing instruction from the Mackenzie Funds' Independent Review Committee with respect to any related party transactions in the period.

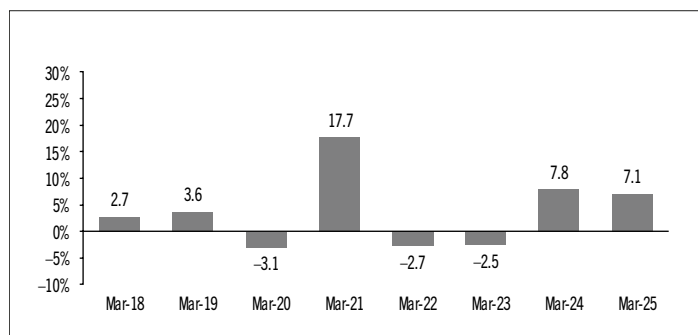
Past Performance

The ETF's performance information assumes all distributions made by the ETF in the periods presented are reinvested in additional units of the ETF. The performance information does not take into account brokerage commissions or income taxes payable by any investor that would have reduced returns or performance. The past performance of the ETF is not necessarily an indication of how it will perform in the future.

If you hold this ETF outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units of the ETF. The amount of reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later sell from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The following bar chart presents the performance of the ETF for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the ETF's inception date (April 26, 2017), as applicable, would have increased or decreased by the last day of the fiscal period presented.



Annual Compound Returns

The following table compares the historical annual compound total returns for the ETF with the relevant index or indices shown below for each of the periods ended March 31, 2025. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie Global High Yield Fixed Income ETF	7.1	4.0	5.2	n/a	3.7
Blended Index	6.1	3.4	4.6	n/a	3.1
ICE BofA Global Broad Market (Hedged) Index*	2.9	-0.1	-0.7	n/a	1.0
ICE BofA Global High Yield (Hedged) Index	7.2	4.5	6.4	n/a	3.7

* Broad-based index

The blended index is composed of 25% ICE BofA Global Broad Market (Hedged) Index and 75% ICE BofA Global High Yield (Hedged) Index.

The ICE BofA Global Broad Market (Hedged) Index tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities. Qualifying bonds must be rated "BBB" or higher and have a remaining term to maturity of at least one year. The foreign currency exposure is hedged to the Canadian dollar.

The ICE BofA Global High Yield (Hedged) Index tracks the performance of non-investment grade corporate debt publicly issued in the major domestic or eurobond markets and denominated in U.S. dollars, Canadian dollars, British pounds or euros. The foreign currency exposure is hedged to the Canadian dollar.

MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2025

Summary of Investment Portfolio at March 31, 2025

PORTFOLIO ALLOCATION	% OF NAV
Bonds	88.8
Cash and cash equivalents	9.2
Equities	1.4
Other assets (liabilities)	0.7
Purchased currency options*	–
Swaps**	(0.1)

REGIONAL ALLOCATION	% OF NAV
United States	47.1
Canada	28.3
Cash and cash equivalents	9.2
Netherlands	4.0
Luxembourg	2.7
United Kingdom	1.8
Chile	1.6
France	0.9
Ireland	0.8
Other assets (liabilities)	0.7
Hong Kong	0.7
Italy	0.6
Japan	0.6
Colombia	0.3
Poland	0.3
Other	0.2
Finland	0.2

SECTOR ALLOCATION	% OF NAV
Corporate bonds – Industrial	44.3
Corporate bonds – Energy	14.2
Corporate bonds – Communication	10.3
Cash and cash equivalents	9.2
Corporate bonds – Financial	8.7
Corporate bonds – Infrastructure	6.9
Term loans	2.6
Corporate bonds – Real estate	1.6
Other assets (liabilities)	0.7
Utilities	0.7
Energy	0.4
Financials	0.2
Mortgage backed	0.2
Communication services	0.1
Other	(0.1)

BONDS BY CREDIT RATING†	% OF NAV
AA	3.0
A	0.1
BBB	15.9
BB	39.5
B	16.1
Less than B	7.3
Unrated	6.9

* Notional values represent 0.2% of NAV for purchased currency options.

** Notional values represent 0.4% of NAV for swaps.

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

TOP 25 POSITIONS % OF NAV

Issuer	% OF NAV
Cash and cash equivalents	9.2
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	1.4
Enel SpA 2.25% 07-12-2031	1.1
Keyera Corp. F/R 06-13-2079 Callable 2029	0.9
Rogers Communications Inc. F/R 03-15-2082	0.9
TransCanada Trust F/R 05-18-2077 Callable 2027	0.8
Parkland Corp. of Canada 4.50% 10-01-2029	0.7
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	0.7
CCO Holdings LLC 6.38% 09-01-2029	0.7
Go Daddy Operating Co. LLC 3.50% 03-01-2029	0.7
Vidéotron Ltd. 3.63% 06-15-2028	0.7
Algonquin Power & Utilities Corp. F/R 01-18-2082	0.7
Coinbase Global Inc. 3.63% 10-01-2031	0.7
Lamb Weston Holdings Inc. 4.38% 01-31-2032	0.7
Minerva Merger Sub Inc. 6.50% 02-15-2030	0.7
AES Andes SA F/R 06-10-2055	0.7
Guala Closures SpA 3.25% 06-15-2028	0.6
Vidéotron Ltd. 3.13% 01-15-2031	0.6
Tenet Healthcare Corp. 4.38% 01-15-2030	0.6
Seaspan Corp. 5.50% 08-01-2029	0.6
Murphy Oil USA Inc. 3.75% 02-15-2031	0.6
Sealed Air Corp. 6.13% 02-01-2028	0.6
Bell Telephone Co. of Canada F/R 09-15-2055	0.6
Jabil Inc. 3.00% 01-15-2031	0.6
Frontier Communications Corp. 6.75% 05-01-2029	0.6

Top long positions as a percentage of total net asset value	26.7
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The ETF held no short positions at the end of the period.

The investments and percentages may have changed since March 31, 2025, due to the ongoing portfolio transactions of the ETF. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the ETF's fiscal year-end, when they are available within 90 days.

MACKENZIE GLOBAL HIGH YIELD FIXED INCOME ETF

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2025

Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. In the period when the ETF was established, "period" represents the period from inception to the end of that fiscal period. The inception date can be found under *Past Performance*.

THE ETF'S NET ASSETS PER SECURITY (\$)¹

CAD Units (Ticker: MHYB)	Mar. 31 2025	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021
Net assets, beginning of period	17.57	17.18	18.54	19.92	17.80
Increase (decrease) from operations:					
Total revenue	1.05	1.02	1.02	1.04	1.07
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	(0.61)	(0.34)	(2.02)	(0.05)	0.27
Unrealized gains (losses) for the period	0.88	0.75	(0.01)	(1.42)	1.82
Total increase (decrease) from operations²	1.31	1.42	(1.02)	(0.44)	3.15
Distributions:					
From net investment income (excluding Canadian dividends)	(0.89)	(0.90)	(0.77)	(0.86)	(0.94)
From Canadian dividends	—	(0.02)	(0.02)	(0.02)	(0.02)
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total annual distributions³	(0.89)	(0.92)	(0.79)	(0.88)	(0.96)
Net assets, end of period	17.89	17.57	17.18	18.54	19.92

- (1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per unit. This information is derived from the ETF's audited annual financial statements. The net assets per unit presented in the financial statements may differ from the net asset value per unit calculated for ETF pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.
- (2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the fiscal period.
- (3) Distributions were paid in cash/reinvested in additional units of the ETF, or both.

RATIOS AND SUPPLEMENTAL DATA

CAD Units (Ticker: MHYB)	Mar. 31 2025	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021
Total net asset value (\$000) ¹	285,310	262,562	244,856	247,503	226,061
Units outstanding (000) ¹	15,950	14,950	14,250	13,350	11,350
Management expense ratio (%) ²	0.66	0.67	0.66	0.67	0.66
Management expense ratio before waivers or absorptions (%) ²	0.66	0.67	0.66	0.67	0.66
Trading expense ratio (%) ³	—	—	—	—	—
Trading expense ratio before reimbursements (%) ³	—	—	—	—	—
Portfolio turnover rate (%) ⁴	38.67	22.00	20.86	50.69	47.44
Net asset value per security (\$)	17.89	17.56	17.18	18.54	19.92
Closing market price (\$) ⁵	17.91	17.49	17.22	18.46	19.93

- (1) This information is provided as at the end of the fiscal period shown.
- (2) Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. If the ETF was established in the period, the MER is annualized from the date of inception to the end of the period. Where the ETF directly invests in securities of another fund (including other ETFs), the MER presented for the ETF includes the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- (3) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period. Where the ETF invests in securities of another fund (including other ETFs), the TER presented for the ETF includes the portion of TERs of the other fund(s) attributable to this investment. The Manager may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). The Manager may make these reimbursements at its discretion and stop these reimbursements at any time without notice.
- (4) The ETF's portfolio turnover rate indicates how actively the ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher the ETF's portfolio turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF. The portfolio turnover rate is not provided when the ETF is less than one year old.
- (5) Closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, on the last trading day of the period as reported on Cboe Canada.