

Interim Management Report of Fund Performance

For the Six-Month Period Ended September 30, 2019

This Interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the exchange-traded fund ("ETF"). You may obtain a copy of the interim financial report or 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.sedar.com.

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. 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 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 CANADIAN SHORT TERM FIXED INCOME ETF

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2019

ACTIVE FIXED INCOME ETF

Management Discussion of Fund Performance

November 12, 2019

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended September 30, 2019, that have affected the ETF's performance and outlook. If the ETF was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the ETF's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers 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.

Results of Operations

Investment Performance

During the period, the ETF returned 1.4% (after deducting fees and expenses). This compares with a return of 3.7% for the ETF's broad-based index, the FTSE Canada Universe Bond Index, and a return of 1.2% for the ETF's narrow index, the FTSE Canada Short Term Bond Index. 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.

The Canadian bond market outperformed the broader global bond market in the period. The Canadian yield curve inverted as mid- and long-term yields fell significantly, while three-month and one-year yields rose. The Bank of Canada kept its policy rate unchanged at 1.75%. However, the central bank suggested it might cut its policy rate if the economic outlook, clouded by trade tensions between the United States and China and weaker global growth, did not improve.

The ETF underperformed the broad-based index, with its short duration positioning detracting from performance as short-term bond yields rose while longer-term yields declined significantly. The ETF's cash position also detracted as markets rose. Given the ETF's mandate, the return of the narrow index is a more meaningful comparison.

The ETF performed in line with the narrow index, with duration positioning within corporate bonds and term loans contributing to performance. Overweight exposure to corporate bonds also contributed. Conversely, yield curve positioning within corporate bonds detracted from performance relative to the narrow index.

The ETF hedged its foreign currency exposure, which contributed to absolute performance primarily as the U.S. dollar depreciated relative to the Canadian dollar.

Over the period, portfolio activity and market effect resulted in increased exposure to the United States and decreased exposure to Canada. At the sector level, exposure to federal and foreign government bonds increased, while exposure to provincial and corporate bonds decreased.

Net Assets

The ETF's NAV increased by 34.1% to \$16.1 million at September 30, 2019, from \$12.0 million at March 31, 2019. This change was composed primarily of \$0.2 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, \$4.0 million in net sales, and \$0.1 million in cash distributions.

See *Other Related Party Transactions* for the percentage of the ETF's NAV owned by related parties. As a result of these investments, the ETF is subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effect on the ETF or on its investors.

Recent Developments

The portfolio management team expects lower yields through early 2020. Accordingly, the team has been increasing the ETF's duration and shifting away from certain corporate bonds in the expectation that the economic cycle may be nearing its end. The team will continue to monitor progress in U.S.–China trade talks and expects that a partial deal, which markets have largely priced in, is the most likely outcome before the end of 2019. In the team's view, additional macroeconomic risks include the U.S. impeachment inquiry, the continued weakening of global economic data, oil price disruptions and the possibility that the United Kingdom will not reach a withdrawal agreement with the European Union.

The team has positioned the ETF more defensively by shifting the portfolio toward higher-quality issuers and reducing exposure to non-investment grade bonds.



MACKENZIE
Investments

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2019

ACTIVE FIXED INCOME ETF

Related Party Transactions

The following arrangements result in fees paid by the ETF to Mackenzie or to companies affiliated with the ETF.

Management Fees

The annualized management expense ratio (“MER”) for the ETF of 0.39% during the period ended September 30, 2019, was lower than the MER of 0.48% for the year ended March 31, 2019, due to a decrease in fund costs and a decrease in the management fee rate. On October 10, 2018, the management fee paid by the ETF to Mackenzie decreased to an annual rate of 0.35% from 0.49%.

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 Mackenzie 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.

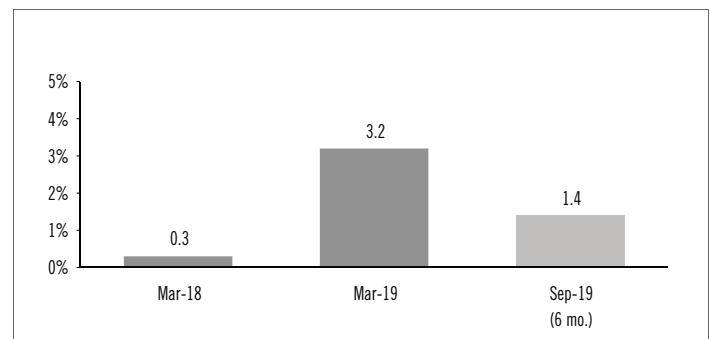
Other Related Party Transactions

Investment funds managed by Mackenzie invest in the ETF in accordance with the investment objectives of those funds. At September 30, 2019, funds managed by Mackenzie owned 13.8% of the ETF’s NAV. All related party transactions are based on the current market price.

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.

Past Performance

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 (November 22, 2017), as applicable, would have increased or decreased by the last day of the fiscal period presented.



MACKENZIE
Investments

MACKENZIE CANADIAN SHORT TERM FIXED INCOME ETF

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2019

ACTIVE FIXED INCOME ETF

Summary of Investment Portfolio at September 30, 2019

Portfolio Allocation	% of NAV
Bonds	95.4
<i>Bonds</i>	95.4
<i>Short futures*</i>	0.0
<i>Purchased options**</i>	0.0
Exchange-traded funds/notes	2.5
Cash and short-term investments	1.9
Other assets (liabilities)	0.2

Regional Allocation	% of NAV
Canada	80.5
United States	14.2
Cash and short-term investments	1.9
United Kingdom	1.7
Belgium	0.7
Australia	0.2
Other assets (liabilities)	0.2
Bermuda	0.2
United Arab Emirates	0.1
Luxembourg	0.1
Israel	0.1
Germany	0.1

Sector Allocation	% of NAV
Corporate bonds	58.3
Federal bonds	22.6
Provincial bonds	6.7
Foreign government bonds	4.3
Term loans	3.4
Exchange-traded funds/notes	2.5
Cash and short-term investments	1.9
Other assets (liabilities)	0.2
Mortgage backed	0.1

Net Currency Exposure	% of NAV
Canadian dollar	98.1
U.S. dollar	1.9

Bonds by Credit Rating[†]	% of NAV
AAA	26.4
AA	18.8
A	24.9
BBB	21.6
Less than BBB	3.4
Unrated	0.3

Top 25 Long Holdings

Issuer/Underlying Fund	% of NAV
Canada Housing Trust F/R 03-15-2024	9.9
Canada Housing Trust 2.90% 06-15-2024	6.0
Canada Housing Trust 2.35% 06-15-2023	4.3
Province of Ontario 2.30% 09-08-2024	4.3
Government of Canada 1.75% 05-01-2021	2.4
United States Treasury 1.75% 06-30-2024	2.2
Mackenzie Global High Yield Fixed Income ETF	2.1
Cash and short-term investments	1.9
United States Treasury 0.50% 04-15-2024 Inflation Indexed	1.9
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	1.8
Province of Quebec 2.25% 02-22-2024	1.7
JPMorgan Chase & Co. 3.19% 03-05-2021	1.7
The Bank of Nova Scotia 2.98% 04-17-2023	1.6
AltaLink LP 3.40% 06-06-2024 Callable 2024	1.4
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	1.4
Fédération des Caisses Desjardins du Québec 2.09% 01-17-2022	1.4
Cards II Trust 2.16% 10-15-2020	1.2
EPCOR Utilities Inc. 1.95% 07-08-2022	1.2
National Bank of Canada 1.96% 06-30-2022	1.2
HSBC Bank Canada 3.25% 09-15-2023	1.2
Dollarama Inc. F/R 03-16-2020	1.2
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	1.1
Bank of Montreal 2.70% 09-11-2024	1.1
Bruce Power LP 2.84% 06-23-2021	1.1
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	1.1

Top long positions as a percentage of total net asset value **56.4**

Top 25 Short Holdings

Issuer	% of NAV
Canadian 5-Year Bond Futures*	0.0
U.S. Treasury Note 10-Year Futures*	0.0

Top short positions as a percentage of total net asset value **0.0**

* Notional principal values represent -1.1% of NAV for U.S. Treasury Note 10-Year Futures and -3.1% of NAV for Canadian 5-Year Bond Futures.

** Notional principal values represent 2.9% of NAV for purchased options.

† Credit ratings and rating categories are based on ratings issued by a designated rating organization. This table includes only bonds held directly by the ETF.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit www.mackenzieinvestments.com or www.sedar.com.

The investments and percentages may have changed since September 30, 2019, 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 CANADIAN SHORT TERM FIXED INCOME ETF

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended September 30, 2019

ACTIVE FIXED INCOME ETF

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

Series E (Ticker: MCSB)	Sep. 30 2019	Mar. 31 2019	Mar. 31 2018
Net assets, beginning of period	20.00	19.96	20.00
Increase (decrease) from operations:			
Total revenue	0.30	0.61	0.20
Total expenses	(0.04)	(0.13)	(0.04)
Realized gains (losses) for the period	0.03	(0.06)	0.05
Unrealized gains (losses) for the period	(0.04)	0.31	(0.11)
Total increase (decrease) from operations²	0.25	0.73	0.10
Distributions:			
From net investment income (excluding dividends)	(0.17)	(0.53)	(0.11)
From dividends	—	(0.01)	—
From capital gains	—	—	(0.04)
Return of capital	(0.01)	(0.03)	—
Total annual distributions³	(0.18)	(0.57)	(0.15)
Net assets, end of period	20.12	20.00	19.96

(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 unaudited interim financial statements and 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 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

Series E (Ticker: MCSB)	Sep. 30 2019	Mar. 31 2019	Mar. 31 2018
Total net asset value (\$000)¹	16,093	12,003	6,985
Units outstanding (000)¹	800	600	350
Management expense ratio (%)²	0.39	0.48	0.55
Management expense ratio before waivers or absorptions (%)²	0.39	0.48	0.55
Trading expense ratio (%)³	0.03	0.11	0.04
Trading expense ratio before reimbursements (%)³	0.03	0.11	0.04
Portfolio turnover rate (%)⁴	96.24	136.15	n/a
Net asset value per unit (\$)	20.12	20.00	19.95
Closing market price (\$)⁵	20.11	19.99	19.91

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If the ETF was established in the period, the management expense ratio is annualized from the date of inception. Mackenzie 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 represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. Mackenzie may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). Mackenzie 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 an 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 an 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 the Toronto Stock Exchange.



MACKENZIE
Investments