

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Maximum Diversification US Index ETF (the "ETF"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

Deloitte LLP is the external auditor of the ETF. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Mackenzie Financial Corporation,
Manager of the ETF



Barry McInerney
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

June 3, 2019

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Maximum Diversification US Index ETF (the "ETF")

Opinion

We have audited the financial statements of the ETF, which comprise the statements of financial position as at March 31, 2019 and 2018, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2019 and 2018, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the ETF in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information which comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



MACKENZIE
Investments

INDEPENDENT AUDITOR'S REPORT (cont'd)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mervyn Ramos.



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 3, 2019



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

STATEMENTS OF FINANCIAL POSITION

*In thousands (except per unit figures)
As at March 31*

	2019	2018
	\$	\$
ASSETS		
Current assets		
Investments at fair value	146,412	53,484
Cash and cash equivalents	252	51
Dividends receivable	170	58
Accounts receivable for investments sold	222	–
Accounts receivable for units issued	–	–
Due from manager	60	19
Total assets	147,116	53,612
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	445	–
Accounts payable for units redeemed	–	–
Due to manager	103	45
Total liabilities	548	45
Net assets attributable to unitholders	146,568	53,567
Net assets attributable to unitholders per series (note 3)		
Series E	146,568	53,567
Net assets attributable to unitholders per unit (note 3)		
Series E	26.65	24.35

STATEMENTS OF COMPREHENSIVE INCOME

*For the periods ended March 31 (note 1)
In thousands (except per unit figures)*

	2019	2018
	\$	\$
Income		
Dividends	2,323	810
Interest income	2	–
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	1,651	1,885
Net unrealized gain (loss)	4,694	1,547
Securities lending income	8	1
Total income (loss)	8,678	4,243
Expenses (note 6)		
Management fees	633	285
Management fee rebates	(298)	(47)
Commissions and other portfolio transaction costs	82	48
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	417	286
Expenses absorbed by Manager	82	48
Net expenses	335	238
Increase (decrease) in net assets attributable to unitholders from operations before tax	8,343	4,005
Foreign withholding taxes	321	112
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	8,022	3,893
Increase (decrease) in net assets attributable to unitholders from operations per series		
Series E	8,022	3,893
Increase (decrease) in net assets attributable to unitholders from operations per unit		
Series E	1.88	2.13

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



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)
In thousands

	2019	2018
	Series E	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	\$	
Beginning of period	53,567	29,255
Increase (decrease) in net assets from operations	8,022	3,893
Distributions paid to unitholders:		
Investment income	(1,268)	(361)
Capital gains	(4,862)	–
Management fee rebates	(298)	(47)
Total distributions paid to unitholders	(6,428)	(408)
Unit transactions:		
Proceeds from units issued	96,690	34,614
Reinvested distributions	4,862	–
Payments on redemption of units	(10,145)	(13,787)
Total unit transactions	91,407	20,827
Total increase (decrease) in net assets	93,001	24,312
End of period	146,568	53,567
	Units	
Increase (decrease) in units (note 7):		
Units outstanding – beginning of period	2,200	1,300
Issued	3,700	1,500
Reinvested distributions	–	–
Redeemed	(400)	(600)
Units outstanding – end of period	5,500	2,200

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



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)
In thousands

	2019	2018
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	8,022	3,893
Adjustments for:		
Net realized loss (gain) on investments	(1,652)	(1,885)
Change in net unrealized loss (gain) on investments	(4,694)	(1,547)
Purchase of investments	(48,530)	(17,300)
Proceeds from sale and maturity of investments	48,636	17,227
Change in dividends receivable	(112)	(20)
Change in due from manager	(41)	(11)
Change in due to manager	58	17
Net cash from operating activities	1,687	374
Cash flows from financing activities		
Proceeds from units issued	105	115
Payments on redemption of units	(22)	(36)
Distributions paid net of reinvestments	(1,566)	(408)
Net cash from financing activities	(1,483)	(329)
Net increase (decrease) in cash and cash equivalents	204	45
Cash and cash equivalents at beginning of period	51	2
Effect of exchange rate fluctuations on cash and cash equivalents	(3)	4
Cash and cash equivalents at end of period	252	51
Cash	252	51
Cash equivalents	—	—
Cash and cash equivalents at end of period	252	51
Supplementary disclosures on cash flow from operating activities:		
Dividends received	2,211	790
Foreign taxes paid	321	112
Interest received	2	—
Interest paid	—	—

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



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
A.O. Smith Corp.	United States	Industrials	604	41	43
AbbVie Inc.	United States	Health Care	6,550	744	705
Activision Blizzard Inc.	United States	Communication Services	3,286	237	200
Advance Auto Parts Inc.	United States	Consumer Discretionary	5,801	1,042	1,322
Advanced Micro Devices Inc.	United States	Information Technology	28,572	594	974
Aflac Inc.	United States	Financials	3,260	189	218
AGNC Investment Corp.	United States	Financials	28,359	706	682
Akamai Technologies Inc.	United States	Information Technology	690	60	66
Albemarle Corp.	United States	Materials	461	56	50
Alexandria Real Estate Equities Inc.	United States	Real Estate	484	81	92
Alkermes PLC	United States	Health Care	672	41	33
Alleghany Corp.	United States	Financials	61	48	50
Allegion PLC	United States	Industrials	410	44	50
Allergan PLC	United States	Health Care	1,446	344	283
Alliance Data Systems Corp.	United States	Information Technology	207	61	48
Allison Transmission Holdings Inc.	United States	Industrials	517	28	31
The Allstate Corp.	United States	Financials	1,411	165	178
Ally Financial Inc.	United States	Financials	910	32	33
Alnylam Pharmaceuticals Inc.	United States	Health Care	7,670	1,048	958
Altice USA Inc. Class A	United States	Communication Services	1,526	33	44
Amazon.com Inc.	United States	Consumer Discretionary	513	959	1,220
Amdocs Ltd.	United States	Information Technology	606	52	44
American Express Co.	United States	Financials	766	96	112
American Financial Group Inc.	United States	Financials	294	40	38
American International Group Inc.	United States	Financials	3,787	263	218
American Tower Corp. Class A	United States	Real Estate	3,242	618	853
American Water Works Co. Inc.	United States	Utilities	3,048	357	425
AmerisourceBergen Corp.	United States	Health Care	670	76	71
Anadarko Petroleum Corp.	United States	Energy	1,610	125	98
Analog Devices Inc.	United States	Information Technology	203	30	29
Annaly Capital Management Inc.	United States	Financials	104,274	1,446	1,392
Anthem Inc.	United States	Health Care	1,118	332	429
Aon PLC	United States	Financials	1,034	195	236
Apache Corp.	United States	Energy	1,650	94	76
Apple Inc.	United States	Information Technology	6,138	1,378	1,558
AptarGroup Inc.	United States	Materials	272	35	39
Aptiv PLC	United States	Consumer Discretionary	1,125	97	119
Aqua America Inc.	United States	Utilities	7,337	342	357
Aramark Corp.	United States	Consumer Discretionary	1,055	52	42
Arch Capital Group Ltd.	United States	Financials	1,691	63	73
Arconic Inc.	United States	Industrials	1,880	47	48
Arista Networks Inc.	United States	Information Technology	232	70	97
Arthur J. Gallagher & Co.	United States	Financials	792	76	83
Aspen Technology Inc.	United States	Information Technology	302	41	42
AT&T Inc.	United States	Communication Services	31,023	1,383	1,300
Athene Holding Ltd.	United States	Financials	686	46	37
Atlassian Corp. PLC	United Kingdom	Information Technology	484	48	73
Atmos Energy Corp.	United States	Utilities	1,199	151	165



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Autoliv Inc.	Sweden	Consumer Discretionary	366	51	36
AutoZone Inc.	United States	Consumer Discretionary	1,361	1,444	1,862
AvalonBay Communities Inc.	United States	Real Estate	601	138	161
Avery Dennison Corp.	United States	Materials	376	52	57
Axalta Coating Systems Ltd.	United States	Materials	18,593	725	626
Baker Hughes a GE Co.	United States	Energy	10,230	438	379
Ball Corp.	United States	Materials	1,440	77	111
Bank of America Corp.	United States	Financials	3,475	136	128
The Bank of New York Mellon Corp.	United States	Financials	3,689	243	249
Baxter International Inc.	United States	Health Care	242	25	26
BB&T Corp.	United States	Financials	3,302	208	205
Becton, Dickinson and Co.	United States	Health Care	811	236	271
Berry Global Group Inc.	United States	Materials	566	37	41
Best Buy Co. Inc.	United States	Consumer Discretionary	7,219	615	685
Biogen Inc.	United States	Health Care	854	356	270
Bio-Rad Laboratories Inc. Class A	United States	Health Care	93	35	38
Bio-Techne Corp.	United States	Health Care	164	31	44
Bluebird Bio Inc.	United States	Health Care	238	51	50
Booking Holdings Inc.	United States	Consumer Discretionary	201	508	469
Booz Allen Hamilton Holding Corp.	United States	Information Technology	595	33	46
BorgWarner Inc.	United States	Consumer Discretionary	898	45	46
Boston Properties Inc.	United States	Real Estate	672	110	120
Bright Horizons Family Solutions Inc.	United States	Consumer Discretionary	249	38	42
Bristol-Myers Squibb Co.	United States	Health Care	13,244	978	844
Broadcom Inc.	United States	Information Technology	1,681	548	675
Broadridge Financial Solutions Inc.	United States	Information Technology	501	76	69
Brown & Brown Inc.	United States	Financials	1,015	36	40
Brown-Forman Corp. Class B non-voting	United States	Consumer Staples	1,305	84	92
Bunge Ltd.	United States	Consumer Staples	11,283	1,011	800
Burlington Stores Inc.	United States	Consumer Discretionary	291	52	61
C.H. Robinson Worldwide Inc.	United States	Industrials	592	64	69
Cabot Oil & Gas Corp.	United States	Energy	4,039	134	141
Cadence Design Systems Inc.	United States	Information Technology	1,215	68	103
Caesars Entertainment Corp.	United States	Consumer Discretionary	2,545	37	30
Camden Property Trust	United States	Real Estate	417	49	57
Campbell Soup Co.	United States	Consumer Staples	16,600	893	846
Capital One Financial Corp.	United States	Financials	174	20	19
Capri Holdings Ltd.	United States	Consumer Discretionary	12,553	929	767
Cardinal Health Inc.	United States	Health Care	1,293	97	83
Carlisle Companies Inc.	United States	Industrials	245	35	40
CarMax Inc.	United States	Consumer Discretionary	738	69	69
Carnival Corp.	United States	Consumer Discretionary	1,262	97	86
Catalent Inc.	United States	Health Care	632	36	34
Cboe Global Markets Inc.	United States	Financials	9,637	1,263	1,229
CBS Corp. Class B non-voting	United States	Communication Services	1,420	104	90
CDK Global Inc.	United States	Information Technology	672	56	53
CDW Corp. of Delaware	United States	Information Technology	646	68	83
Celanese Corp. Series A	United States	Materials	138	19	18



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Centene Corp.	United States	Health Care	1,748	130	124
CenterPoint Energy Inc.	United States	Utilities	2,179	79	89
CenturyLink Inc.	United States	Communication Services	4,675	118	75
Cerner Corp.	United States	Health Care	1,356	108	104
Charter Communications Inc. Class A	United States	Communication Services	700	283	324
Check Point Software Technologies Ltd.	Israel	Information Technology	545	75	92
Chenerie Energy Inc.	United States	Energy	1,006	78	92
Chevron Corp.	United States	Energy	2,553	389	420
Chipotle Mexican Grill Inc.	United States	Consumer Discretionary	2,378	1,359	2,256
Chubb Ltd.	United States	Financials	1,851	323	346
Church & Dwight Co. Inc.	United States	Consumer Staples	4,999	395	476
Ciena Corp.	United States	Information Technology	669	35	33
Cigna Corp.	United States	Health Care	1,657	375	356
Cimarex Energy Co.	United States	Energy	410	49	38
Cincinnati Financial Corp.	United States	Financials	672	64	77
CIT Group Inc.	United States	Financials	436	30	28
Citigroup Inc.	United States	Financials	746	66	62
Citizens Financial Group Inc.	United States	Financials	1,999	82	87
Citrix Systems Inc.	United States	Information Technology	528	72	70
The Clorox Co.	United States	Consumer Staples	7,647	1,372	1,639
CME Group Inc.	United States	Financials	1,593	325	350
CMS Energy Corp.	United States	Utilities	5,174	322	384
The Coca-Cola Co.	United States	Consumer Staples	16,766	978	1,050
Coca-Cola European Partners PLC	United Kingdom	Consumer Staples	5,056	299	349
Cognizant Technology Solutions Corp.	United States	Information Technology	2,498	240	242
Colgate Palmolive Co.	United States	Consumer Staples	4,466	389	409
Comcast Corp. Class A	United States	Communication Services	19,563	942	1,045
Comerica Inc.	United States	Financials	687	62	67
Commerce Bancshares Inc.	United States	Financials	436	37	34
ConAgra Brands Inc.	United States	Consumer Staples	7,973	286	295
Concho Resources Inc.	United States	Energy	865	152	128
ConocoPhillips	United States	Energy	4,870	393	434
Consolidated Edison Inc.	United States	Utilities	19,656	2,031	2,226
Constellation Brands Inc. Class A	United States	Consumer Staples	1,807	468	423
The Cooper Companies Inc.	United States	Health Care	214	67	85
Copart Inc.	United States	Industrials	907	71	73
CoStar Group Inc.	United States	Industrials	156	78	97
Costco Wholesale Corp.	United States	Consumer Staples	1,891	486	612
Crown Castle International Corp.	United States	Real Estate	4,679	659	800
Crown Holdings Inc.	United States	Materials	578	36	42
CSX Corp.	United States	Industrials	1,973	156	197
Cullen/Frost Bankers Inc.	United States	Financials	250	35	32
Cummins Inc.	United States	Industrials	667	126	141
CVS Health Corp.	United States	Health Care	5,621	537	405
D.R. Horton Inc.	United States	Consumer Discretionary	1,522	82	84
Darden Restaurants Inc.	United States	Consumer Discretionary	537	72	87
DAVITA Inc.	United States	Health Care	543	48	39
Dell Technologies Inc. Class C	United States	Information Technology	690	55	54



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Dentsply Sirona Inc.	United States	Health Care	10,874	613	720
DexCom Inc.	United States	Health Care	7,687	1,091	1,223
Diamondback Energy Inc.	United States	Energy	712	103	97
Digital Realty Trust Inc.	United States	Real Estate	3,405	488	541
Discovery Communications Inc. Class C	United States	Communication Services	7,515	255	255
DISH Network Corp. Class A	United States	Communication Services	964	47	41
Dollar General Corp.	United States	Consumer Discretionary	4,400	540	701
Dollar Tree Inc.	United States	Consumer Discretionary	4,054	466	569
Dominion Resources Inc.	United States	Utilities	6,530	617	669
Domino's Pizza Inc.	United States	Consumer Discretionary	180	57	62
Dover Corp.	United States	Industrials	622	66	78
Duke Realty Corp.	United States	Real Estate	1,562	58	64
Dunkin' Brands Group Inc.	United States	Consumer Discretionary	358	31	36
DXC Technology Co.	United States	Information Technology	1,164	81	100
East West Bancorp Inc.	United States	Financials	628	41	40
eBay Inc.	United States	Consumer Discretionary	3,780	172	188
Ecolab Inc.	United States	Materials	137	28	32
Edison International	United States	Utilities	19,455	1,630	1,609
Edwards Lifesciences Corp.	United States	Health Care	899	157	230
Electronic Arts Inc.	United States	Communication Services	1,284	196	174
Eli Lilly and Co.	United States	Health Care	3,993	477	692
Encompass Health Corp.	United States	Health Care	411	40	32
EOG Resources Inc.	United States	Energy	2,516	362	320
Equifax Inc.	United States	Industrials	2,236	323	354
Equinix Inc.	United States	Real Estate	480	263	291
Equity Residential	United States	Real Estate	1,587	134	160
Essex Property Trust Inc.	United States	Real Estate	548	178	212
The Estée Lauder Companies Inc. Class A	United States	Consumer Staples	942	163	208
Etsy Inc.	United States	Consumer Discretionary	493	30	44
Euronet Worldwide Inc.	United States	Information Technology	215	40	41
Everest Re Group Ltd.	United States	Financials	2,484	739	717
Eversource Energy	United States	Utilities	13,719	1,143	1,300
Exact Sciences Corp.	United States	Health Care	5,769	493	668
Exelixis Inc.	United States	Health Care	16,397	445	521
Exelon Corp.	United States	Utilities	13,961	755	935
Expedia Group Inc.	United States	Consumer Discretionary	4,567	747	726
Expeditors International of Washington Inc.	United States	Industrials	744	65	75
Extra Space Storage Inc.	United States	Real Estate	10,718	1,271	1,459
Facebook Inc.	United States	Communication Services	9,264	1,993	2,063
FactSet Research Systems Inc.	United States	Financials	163	45	54
Fastenal Co.	United States	Industrials	1,242	82	107
Federal Realty Investment Trust	United States	Real Estate	321	53	59
Fidelity National Information Services Inc.	United States	Information Technology	235	31	36
Fifth Third Bancorp	United States	Financials	2,985	111	101
First American Financial Corp.	United States	Financials	467	33	32
First Horizon National Corp.	United States	Financials	1,363	33	25
First Republic Bank	United States	Financials	719	92	96
Fiserv Inc.	United States	Information Technology	814	88	96



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Five Below Inc.	United States	Consumer Discretionary	238	37	40
FleetCor Technologies Inc.	United States	Information Technology	369	99	122
FLIR Systems Inc.	United States	Information Technology	597	39	38
FMC Corp.	United States	Materials	582	66	60
FNF Group	United States	Financials	1,146	57	56
Foot Locker Inc.	United States	Consumer Discretionary	9,731	617	788
Ford Motor Co.	United States	Consumer Discretionary	16,912	188	198
Fortinet Inc.	United States	Information Technology	634	65	71
Franklin Resources Inc.	United States	Financials	1,265	56	56
The Gap Inc.	United States	Consumer Discretionary	20,583	739	720
Garmin Ltd.	United States	Consumer Discretionary	564	47	65
Gartner Inc.	United States	Information Technology	379	69	77
General Electric Co.	United States	Industrials	94,857	1,292	1,266
General Mills Inc.	United States	Consumer Staples	13,087	769	905
General Motors Co.	United States	Consumer Discretionary	5,382	268	267
Gentex Corp.	United States	Consumer Discretionary	1,128	31	31
Genuine Parts Co.	United States	Consumer Discretionary	621	77	93
Gilead Sciences Inc.	United States	Health Care	5,555	529	482
The Goldman Sachs Group Inc.	United States	Financials	140	37	36
GrubHub Inc.	United States	Consumer Discretionary	7,887	1,119	732
H&R Block Inc.	United States	Consumer Discretionary	17,824	587	570
Halliburton Co.	United States	Energy	3,521	200	138
Hanesbrands Inc.	United States	Consumer Discretionary	5,336	128	127
Harley-Davidson Inc.	United States	Consumer Discretionary	707	42	34
The Hartford Financial Services Group Inc.	United States	Financials	1,559	104	104
Hasbro Inc.	United States	Consumer Discretionary	4,322	535	491
HCA Holdings Inc.	United States	Health Care	1,171	158	204
HCP Inc.	United States	Real Estate	19,090	695	798
HD Supply Holdings Inc.	United States	Industrials	761	40	44
Helmerich & Payne Inc.	United States	Energy	463	39	34
Henry Schein Inc.	United States	Health Care	649	63	52
The Hershey Co.	United States	Consumer Staples	3,402	475	522
Hewlett Packard Enterprise Co.	United States	Information Technology	932	20	19
Hexcel Corp.	United States	Industrials	366	33	34
Hilton Inc.	United States	Consumer Discretionary	260	28	29
HollyFrontier Corp.	United States	Energy	685	56	45
Hologic Inc.	United States	Health Care	856	45	55
Hormel Foods Corp.	United States	Consumer Staples	1,202	58	72
Host Hotels & Resorts Inc.	United States	Real Estate	3,192	87	81
Hubbell Inc. Class B	United States	Industrials	236	36	37
Humana Inc.	United States	Health Care	3,896	1,424	1,384
Huntington Bancshares Inc.	United States	Financials	4,510	86	76
IAC/InterActiveCorp	United States	Communication Services	335	66	94
ICON PLC	United States	Health Care	234	38	43
Incyte Corp.	United States	Health Care	778	77	89
Ingredion Inc.	United States	Consumer Staples	286	42	36
Intercontinental Exchange Inc.	United States	Financials	2,427	221	247
International Business Machines Corp.	United States	Information Technology	3,958	746	746



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
International Flavors & Fragrances Inc.	United States	Materials	464	80	80
The Interpublic Group of Companies Inc.	United States	Communication Services	1,664	47	47
Intuitive Surgical Inc.	United States	Health Care	494	275	377
Invesco Ltd.	United States	Financials	1,703	37	44
Invitation Homes Inc.	United States	Real Estate	1,298	38	42
Ionis Pharmaceuticals Inc.	United States	Health Care	2,041	131	221
IPG Photonics Corp.	United States	Information Technology	153	35	31
IQVIA Holdings Inc.	United States	Health Care	438	63	84
Iron Mountain Inc.	United States	Real Estate	1,237	56	59
J.B. Hunt Transport Services Inc.	United States	Industrials	375	55	51
J.M. Smucker Co.	United States	Consumer Staples	8,261	1,147	1,286
Jack Henry & Associates Inc.	United States	Information Technology	333	67	62
Jazz Pharmaceuticals PLC	United States	Health Care	3,518	613	672
Johnson & Johnson	United States	Health Care	8,433	1,460	1,575
Johnson Controls International PLC	United States	Industrials	3,962	177	196
Jones Lang LaSalle Inc.	United States	Real Estate	197	42	41
JPMorgan Chase & Co.	United States	Financials	595	85	80
Juniper Networks Inc.	United States	Information Technology	1,483	53	52
Kansas City Southern	United States	Industrials	437	62	68
KAR Auction Services Inc.	United States	Industrials	575	42	39
Kellogg Co.	United States	Consumer Staples	6,878	555	527
KeyCorp	United States	Financials	4,422	101	93
Keysight Technologies Inc.	United States	Information Technology	403	33	47
Kimberly-Clark Corp.	United States	Consumer Staples	2,695	406	446
Kimco Realty Corp.	United States	Real Estate	17,902	388	442
Kinder Morgan Inc.	United States	Energy	2,606	69	70
Kohl's Corp.	United States	Consumer Discretionary	2,319	191	213
The Kraft Heinz Co.	United States	Consumer Staples	14,655	749	639
The Kroger Co.	United States	Consumer Staples	53,991	1,953	1,774
L Brands Inc.	United States	Consumer Discretionary	13,810	545	509
Laboratory Corp. of America Holdings	United States	Health Care	438	88	90
Lamb Weston Holdings Inc.	United States	Consumer Staples	4,569	430	457
Las Vegas Sands Corp.	United States	Consumer Discretionary	633	55	52
Lear Corp.	United States	Consumer Discretionary	272	44	49
Leggett & Platt Inc.	United States	Consumer Discretionary	563	32	32
Lennar Corp. Class A	United States	Consumer Discretionary	1,228	66	81
Lennox International Inc.	United States	Industrials	126	42	45
Liberty Broadband Corp.	United States	Communication Services	646	71	79
Liberty Global PLC Series C	United Kingdom	Communication Services	2,169	80	70
Liberty Media Corp. Liberty Formula One Class C	United States	Communication Services	858	40	40
Liberty Media Corp. Liberty SiriusXM	United States	Communication Services	712	41	36
Liberty Property Trust	United States	Real Estate	641	36	41
Linde PLC	Ireland	Materials	629	140	148
LKQ Corp.	United States	Consumer Discretionary	1,285	54	49
Loews Corp.	United States	Financials	1,117	71	72
Lowe's Companies Inc.	United States	Consumer Discretionary	1,406	167	206
LPL Financial Holdings Inc.	United States	Financials	360	36	33
Lululemon Athletica Inc.	United States	Consumer Discretionary	5,815	820	1,273



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
M&T Bank Corp.	United States	Financials	578	126	121
The Macerich Co.	United States	Real Estate	609	45	35
Macy's Inc.	United States	Consumer Discretionary	21,584	854	693
Marathon Oil Corp.	United States	Energy	3,557	82	79
Markel Corp.	United States	Financials	59	84	79
MarketAxess Holdings Inc.	United States	Financials	3,418	931	1,124
Marsh & McLennan Companies Inc.	United States	Financials	2,198	242	276
Martin Marietta Materials Inc.	United States	Materials	271	77	73
Marvell Technology Group Ltd.	Bermuda	Information Technology	2,169	58	58
Masco Corp.	United States	Industrials	351	18	18
Masimo Corp.	United States	Health Care	213	38	39
McCormick & Co. Inc. non-voting	United States	Consumer Staples	790	128	159
McDonald's Corp.	United States	Consumer Discretionary	3,661	756	929
McKesson Corp.	United States	Health Care	834	153	130
MDU Resources Group Inc.	United States	Utilities	844	29	29
Medtronic PLC	United States	Health Care	5,096	595	620
MercadoLibre Inc.	Argentina	Consumer Discretionary	179	79	121
Merck & Co. Inc.	United States	Health Care	11,325	944	1,258
MetLife Inc.	United States	Financials	3,209	192	183
Mid-America Apartment Communities Inc.	United States	Real Estate	494	65	72
Middleby Corp.	United States	Industrials	3,087	476	536
Mohawk Industries Inc.	United States	Consumer Discretionary	267	66	45
Molina Healthcare Inc.	United States	Health Care	3,231	571	613
Molson Coors Brewing Co. Class B	United States	Consumer Staples	4,110	337	328
Mondelez International Inc.	United States	Consumer Staples	6,188	345	413
Monster Beverage Corp.	United States	Consumer Staples	1,754	125	128
Mylan NV	United States	Health Care	2,232	106	85
Nasdaq Inc.	United States	Financials	503	55	59
National Instruments Corp.	United States	Information Technology	6,021	355	357
National Oilwell Varco Inc.	United States	Energy	1,667	86	59
National Retail Properties Inc.	United States	Real Estate	699	40	52
Nektar Therapeutics	United States	Health Care	14,927	1,112	670
Netflix Inc.	United States	Communication Services	1,105	426	526
Neurocrine Biosciences Inc.	United States	Health Care	6,290	739	740
Newell Brands Inc.	United States	Consumer Discretionary	31,567	913	647
Newmont Mining Corp.	United States	Materials	46,271	2,139	2,211
NextEra Energy Inc.	United States	Utilities	4,519	956	1,167
Nielsen Holdings PLC	United States	Industrials	22,630	779	716
Nike Inc. Class B	United States	Consumer Discretionary	4,667	425	525
NiSource Inc.	United States	Utilities	1,617	56	62
Noble Energy Inc.	United States	Energy	1,027	41	34
Nordson Corp.	United States	Industrials	219	37	39
Nordstrom Inc.	United States	Consumer Discretionary	5,588	337	331
Nutanix Inc. Class A	United States	Information Technology	605	31	31
NVR Inc.	United States	Consumer Discretionary	53	196	196
NXP Semiconductors NV	Netherlands	Information Technology	1,286	125	152
Occidental Petroleum Corp.	United States	Energy	3,251	316	288
Old Republic International Corp.	United States	Financials	1,236	34	35



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Omnicom Group Inc.	United States	Communication Services	966	93	94
ONEOK Inc.	United States	Energy	1,781	150	166
Oracle Corp.	United States	Information Technology	4,278	276	307
O'Reilly Automotive Inc.	United States	Consumer Discretionary	338	123	175
Owens Corning Inc.	United States	Industrials	470	38	30
PACCAR Inc.	United States	Industrials	1,058	95	96
PacWest Bancorp	United States	Financials	529	23	27
Palo Alto Networks Inc.	United States	Information Technology	702	169	228
Parsely Energy Inc. Class A	United States	Energy	1,165	42	30
Pentair PLC	United Kingdom	Industrials	740	42	44
People's United Financial Inc.	United States	Financials	1,632	35	36
PepsiCo Inc.	United States	Consumer Staples	6,107	870	1,000
Perrigo Co. PLC	United States	Health Care	6,626	633	426
Pfizer Inc.	United States	Health Care	21,819	1,111	1,238
PG&E Corp.	United States	Utilities	45,106	2,240	1,073
Pinnacle West Capital Corp.	United States	Utilities	487	52	62
Pioneer Natural Resources Co.	United States	Energy	736	161	150
PNC Financial Services Group Inc.	United States	Financials	1,819	299	298
Polaris Industries Inc.	United States	Consumer Discretionary	248	34	28
Polo Ralph Lauren Corp. Class A	United States	Consumer Discretionary	217	38	38
Pool Corp.	United States	Consumer Discretionary	168	32	37
Post Holdings Inc.	United States	Consumer Staples	273	32	40
PPG Industries Inc.	United States	Materials	1,027	136	155
PPL Corp.	United States	Utilities	3,139	126	133
Principal Financial Group Inc.	United States	Financials	1,208	84	81
The Procter & Gamble Co.	United States	Consumer Staples	11,325	1,250	1,574
The Progressive Corp.	United States	Financials	2,528	186	243
ProLogis Inc.	United States	Real Estate	2,727	235	262
Proofpoint Inc.	United States	Information Technology	236	39	38
Public Service Enterprise Group Inc.	United States	Utilities	3,787	260	301
Public Storage	United States	Real Estate	4,929	1,386	1,434
PulteGroup Inc.	United States	Consumer Discretionary	1,112	38	42
PVH Corp.	United States	Consumer Discretionary	327	57	53
Qorvo Inc.	United States	Information Technology	532	54	51
Qualcomm Inc.	United States	Information Technology	5,265	406	401
Quest Diagnostics Inc.	United States	Health Care	582	77	70
Qurate Retail Inc.	United States	Consumer Discretionary	1,565	46	33
Realty Income Corp.	United States	Real Estate	1,818	135	179
Regency Centers Corp.	United States	Real Estate	685	55	62
Regeneron Pharmaceuticals Inc.	United States	Health Care	354	172	194
Regions Financial Corp.	United States	Financials	4,417	95	83
Reinsurance Group of America Inc.	United States	Financials	273	52	52
RenaissanceRe Holdings Ltd.	Bermuda	Financials	592	116	113
Republic Services Inc.	United States	Industrials	634	58	68
ResMed Inc.	United States	Health Care	616	87	86
Rollins Inc.	United States	Industrials	681	32	38
Ross Stores Inc.	United States	Consumer Discretionary	1,580	167	197
RPM International Inc.	United States	Materials	565	45	44



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Sabre Corp.	United States	Information Technology	1,184	34	34
Sage Therapeutics Inc.	United States	Health Care	4,008	827	852
Sarepta Therapeutics Inc.	United States	Health Care	2,069	386	329
SBA Communications Corp. Class A	United States	Real Estate	1,569	331	419
Schlumberger Ltd.	United States	Energy	6,033	518	351
Seagate Technology	United States	Information Technology	1,091	70	70
Sealed Air Corp.	United States	Materials	669	36	41
Sempra Energy	United States	Utilities	6,892	1,045	1,159
Sensata Technologies Holding PLC	United States	Industrials	711	45	43
Service Corp. International	United States	Consumer Discretionary	762	38	41
ServiceMaster Global Holdings	United States	Consumer Discretionary	2,581	153	161
The Sherwin-Williams Co.	United States	Materials	359	184	207
Signature Bank	United States	Financials	227	38	39
Simon Property Group Inc.	United States	Real Estate	1,338	299	326
Sirius XM Holdings Inc.	United States	Communication Services	6,812	57	52
Skyworks Solutions Inc.	United States	Information Technology	324	36	36
SL Green Realty Corp.	United States	Real Estate	363	47	44
Snap Inc.	United States	Communication Services	56,410	840	830
Snap-On Inc.	United States	Industrials	240	49	50
Southwest Airlines Co.	United States	Industrials	2,161	154	150
Spirit Aerosystems Holdings Inc. Class A	United States	Industrials	456	48	56
Splunk Inc.	United States	Information Technology	638	89	106
SS&C Technologies Holdings Inc.	United States	Information Technology	690	47	59
Starbucks Corp.	United States	Consumer Discretionary	5,245	381	521
State Street Corp.	United States	Financials	1,131	106	99
Stryker Corp.	United States	Health Care	449	100	118
SVB Financial Group	United States	Financials	105	34	31
Symantec Corp.	United States	Information Technology	51,998	1,405	1,597
Synchrony Financial	United States	Financials	2,997	119	128
Synovus Financial Corp.	United States	Financials	690	36	32
Sysco Corp.	United States	Consumer Staples	2,110	177	188
Tableau Software Inc. Class A	United States	Information Technology	325	46	55
Take-Two Interactive Software Inc.	United States	Communication Services	487	67	61
Tapestry Inc.	United States	Consumer Discretionary	1,260	74	55
Target Corp.	United States	Consumer Discretionary	2,270	214	243
TD Ameritrade Holding Corp.	United States	Financials	1,212	84	81
Teleflex Inc.	United States	Health Care	200	69	81
Teradyne Inc.	United States	Information Technology	777	42	41
Tesla Inc.	United States	Consumer Discretionary	2,536	1,016	948
Tiffany & Co.	United States	Consumer Discretionary	1,492	217	210
The TJX Companies Inc.	United States	Consumer Discretionary	4,972	293	353
Torchmark Corp.	United States	Financials	235	26	26
Toro Co.	United States	Industrials	449	34	41
Tractor Supply Co.	United States	Consumer Discretionary	525	51	69
The Trade Desk Inc. Class A	United States	Information Technology	155	43	41
TransUnion	United States	Industrials	498	45	44
The Travelers Companies Inc.	United States	Financials	1,117	183	205
TripAdvisor Inc.	United States	Communication Services	1,872	134	129



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Twitter Inc.	United States	Communication Services	38,753	1,632	1,702
Tyler Technologies Inc.	United States	Information Technology	158	44	43
Tyson Foods Inc. Class A	United States	Consumer Staples	9,727	821	902
U.S. Bancorp	United States	Financials	4,511	296	290
UDR Inc.	United States	Real Estate	1,186	59	72
UGI Corp.	United States	Utilities	764	51	57
Ulta Beauty Inc.	United States	Consumer Discretionary	2,619	861	1,220
Union Pacific Corp.	United States	Industrials	395	69	88
United Parcel Service Inc. (UPS) Class B	United States	Industrials	1,064	153	159
UnitedHealth Group Inc.	United States	Health Care	3,318	987	1,096
Universal Display Corp.	United States	Information Technology	185	39	38
Universal Health Services Inc. Class B	United States	Health Care	1,329	206	238
Unum Group	United States	Financials	930	47	42
US Foods Holding Corp.	United States	Consumer Staples	946	43	44
Vail Resorts Inc.	United States	Consumer Discretionary	174	51	51
Varian Medical Systems Inc.	United States	Health Care	395	60	75
Ventas Inc.	United States	Real Estate	11,900	936	1,014
VEREIT Inc.	United States	Real Estate	4,194	43	47
VeriSign Inc.	United States	Information Technology	459	90	111
Verisk Analytics Inc.	United States	Industrials	403	61	72
Verizon Communications Inc.	United States	Communication Services	20,488	1,391	1,618
Vertex Pharmaceuticals Inc.	United States	Health Care	299	60	73
VF Corp.	United States	Consumer Discretionary	1,416	144	164
Viacom Inc. Class B	United States	Communication Services	30,743	1,225	1,153
VMware Inc. Class A	United States	Information Technology	340	59	82
Vornado Realty Trust	United States	Real Estate	756	71	68
Vulcan Materials Co.	United States	Materials	574	93	91
W. P. Carey Inc.	United States	Real Estate	710	66	74
W. R. Berkley Corp.	United States	Financials	409	39	46
W.W. Grainger Inc.	United States	Industrials	2,809	1,074	1,129
WABCO Holdings Inc.	United States	Industrials	222	32	39
Wabtec Corp.	United States	Industrials	578	63	57
Walgreens Boots Alliance Inc.	United States	Consumer Staples	3,466	324	293
The Walt Disney Co.	United States	Communication Services	6,490	908	963
Waste Management Inc.	United States	Industrials	1,825	201	253
Waters Corp.	United States	Health Care	315	93	106
Wayfair Inc. Class A	United States	Consumer Discretionary	249	42	49
WellCare Health Plans Inc.	United States	Health Care	216	64	78
Wells Fargo & Co.	United States	Financials	9,632	653	622
Welltower Inc.	United States	Real Estate	4,761	422	494
West Pharmaceutical Services Inc.	United States	Health Care	319	41	47
Western Digital Corp.	United States	Information Technology	1,234	117	79
The Western Union Co.	United States	Information Technology	1,890	46	47
WEX Inc.	United States	Information Technology	186	43	48
Weyerhaeuser Co.	United States	Real Estate	3,244	136	114
Whirlpool Corp.	United States	Consumer Discretionary	275	53	49
The Williams Companies Inc.	United States	Energy	5,272	190	202
Willis Towers Watson PLC	United States	Financials	564	115	132



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Worldpay Inc.	United States	Information Technology	1,309	140	198
Wyndham Hotels & Resorts, Inc.	United States	Consumer Discretionary	418	32	28
Wynn Resorts Ltd.	United States	Consumer Discretionary	6,848	1,284	1,092
Xerox Corp.	United States	Information Technology	850	31	36
Xilinx Inc.	United States	Information Technology	226	37	38
XPO Logistics Inc.	United States	Industrials	807	53	58
Xylem Inc.	United States	Industrials	780	73	82
Yum China Holdings Inc.	China	Consumer Discretionary	8,641	426	518
Yum! Brands Inc.	United States	Consumer Discretionary	1,334	147	178
Zebra Technologies Corp. Class A	United States	Information Technology	93	19	26
Zendesk Inc.	United States	Information Technology	464	40	53
Zimmer Biomet Holdings Inc.	United States	Health Care	888	134	151
Zions Bancorp	United States	Financials	808	52	49
Total equities				138,490	146,188
EXCHANGE-TRADED FUNDS/NOTES					
iShares Core S&P 500 ETF	United States	Exchange-Traded Funds/Notes	588	223	224
Total exchange-traded funds/notes				223	224
Transaction costs				(10)	—
Total investments				138,703	146,412
Cash and cash equivalents					252
Other assets less liabilities					(96)
Total net assets					146,568



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	99.7
Cash and short-term investments	0.2
Exchange-traded funds/notes	0.2
Other assets (liabilities)	(0.1)

Regional Allocation	
Regional Allocation	% of NAV
United States	98.6
United Kingdom	0.4
China	0.4
Cash and short-term investments	0.2
Bermuda	0.1
Netherlands	0.1
Ireland	0.1
Argentina	0.1
Israel	0.1
Other assets (liabilities)	(0.1)

Sector Allocation	
Sector Allocation	% of NAV
Consumer discretionary	19.3
Health care	16.4
Consumer staples	12.9
Communication services	8.9
Financials	8.8
Utilities	8.3
Real estate	7.6
Information technology	7.2
Industrials	4.9
Materials	2.8
Energy	2.6
Cash and short-term investments	0.2
Exchange-traded funds/notes	0.2
Other assets (liabilities)	(0.1)

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	99.7
Cash and short-term investments	0.1
Exchange-traded funds/notes	0.1
Other assets (liabilities)	0.1

Regional Allocation	
Regional Allocation	% of NAV
United States	98.8
Bermuda	0.3
United Kingdom	0.3
Cash and short-term investments	0.1
Israel	0.1
China	0.1
Other assets (liabilities)	0.1
Sweden	0.1
Argentina	0.1

Sector Allocation	
Sector Allocation	% of NAV
Consumer discretionary	21.4
Health care	19.5
Information technology	15.4
Consumer staples	11.9
Financials	6.1
Real estate	5.5
Utilities	5.2
Energy	4.8
Industrials	4.3
Materials	3.8
Telecommunication services	1.8
Cash and short-term investments	0.1
Exchange-traded funds/notes	0.1
Other assets (liabilities)	0.1



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 periods ended or as at March 31, 2019 and 2018, 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 audited annual financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). 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 June 3, 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 year-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 March 31, 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 expenses absorbed by Manager in the Statement of Comprehensive Income.

(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 for subscription 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 an integral multiple of the Prescribed Number of Units of the ETF based on the NAV per unit determined on the applicable trading day. A trading day is each day on which the Exchange is opened for business.

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

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

8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at March 31, 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 March 31, 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.

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 MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

(a) ETF Formation and Series Information

Date of Formation June 3, 2016

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 TSX under the symbol MUS on June 21, 2016. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2019 was \$26.65 (2018 – \$24.38).

The management fee rate for Series E units is 0.45%.

As at March 31, 2019, the ETF's NAV per unit was \$26.65 (2018 – \$24.35) and its Net Assets per unit calculated in accordance with IFRS was \$26.65 (2018 – \$24.35).

(b) Investments by Mackenzie and Affiliates

As at March 31, 2019, other funds managed by Mackenzie had an investment of \$72,242 (2018 – \$13,179) 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 March 31, 2019 and 2018, were as follows:

	March 31, 2019	March 31, 2018
	(\$)	(\$)
Value of securities loaned	13,168	917
Value of collateral received	13,949	960

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 March 31, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	10	100.0	–	–
Tax withheld	–	–	–	–
	10	100.0	–	–
Payments to Securities Lending Agent	(2)	(20.0)	–	–
Securities lending income	8	80.0	–	–

(e) Offsetting of Financial Assets and Liabilities

As at March 31, 2019 and 2018, there were no amounts subject to offsetting.

(f) Risks Associated with Financial Instruments

i. Risk exposure and management

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification USA Index, or any successor thereto. It invests primarily in U.S. equity securities.

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

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

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.

March 31, 2019				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	146,412	3	–	146,415
Total	146,412	3	–	146,415
% of Net Assets	99.9	–	–	99.9

March 31, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	53,484	12	–	53,496
Total	53,484	12	–	53,496
% of Net Assets	99.8	–	–	99.8

* Includes both monetary and non-monetary financial instruments

As at March 31, 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 \$7,321 or 5.0% of total net assets (2018 – \$2,675 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at March 31, 2019 and 2018, the ETF did not have a significant exposure to interest rate risk.

iv. Other price risk

The ETF's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at March 31, 2019, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$14,641 or 10.0% of total net assets (2018 – \$5,348 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at March 31, 2019 and 2018, the ETF did not have a significant exposure to credit risk.



MACKENZIE
Investments

MACKENZIE MAXIMUM DIVERSIFICATION US INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

STRATEGIC BETA INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

(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.

	March 31, 2019				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	146,188	–	–	146,188	53,451	–	–	53,451
Exchange-traded funds/notes	224	–	–	224	33	–	–	33
Total	146,412	–	–	146,412	53,484	–	–	53,484

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.



MACKENZIE
Investments