

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 All World Developed Ex North America 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 All World Developed Ex North America 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.



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 ALL WORLD DEVELOPED EX NORTH AMERICA 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	86,997	84,715
Cash and cash equivalents	430	175
Dividends receivable	401	314
Accounts receivable for investments sold	294	–
Accounts receivable for units issued	–	–
Due from manager	–	10
Total assets	88,122	85,214
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	590	–
Accounts payable for units redeemed	–	–
Due to manager	131	145
Total liabilities	721	145
Net assets attributable to unitholders	87,401	85,069
Net assets attributable to unitholders per series (note 3)		
Series E	87,401	85,069
Net assets attributable to unitholders per unit (note 3)		
Series E	21.85	22.99

STATEMENTS OF COMPREHENSIVE INCOME

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

	2019	2018
	\$	\$
Income		
Dividends	2,711	1,492
Interest income	3	1
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(2,301)	1,791
Net unrealized gain (loss)	(4,103)	4,589
Securities lending income	46	17
Other	236	255
Total income (loss)	(3,408)	8,145
Expenses (note 6)		
Management fees	587	425
Management fee rebates	(356)	(275)
Interest charges	2	1
Commissions and other portfolio transaction costs	336	387
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	569	538
Expenses absorbed by Manager	–	10
Net expenses	569	528
Increase (decrease) in net assets attributable to unitholders from operations before tax	(3,977)	7,617
Foreign withholding taxes	233	157
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	(4,210)	7,460
Increase (decrease) in net assets attributable to unitholders from operations per series		
Series E	(4,210)	7,460
Increase (decrease) in net assets attributable to unitholders from operations per unit		
Series E	(0.97)	2.60

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



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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	85,069	49,382
Increase (decrease) in net assets from operations	(4,210)	7,460
Distributions paid to unitholders:		
Investment income	(1,823)	(891)
Capital gains	(1,431)	–
Management fee rebates	(356)	(275)
Total distributions paid to unitholders	(3,610)	(1,166)
Unit transactions:		
Proceeds from units issued	33,683	43,964
Reinvested distributions	1,568	–
Payments on redemption of units	(25,099)	(14,571)
Total unit transactions	10,152	29,393
Total increase (decrease) in net assets	2,332	35,687
End of period	87,401	85,069
Increase (decrease) in units (note 7):	Units	
Units outstanding – beginning of period	3,700	2,400
Issued	1,500	2,000
Reinvested distributions	–	–
Redeemed	(1,200)	(700)
Units outstanding – end of period	4,000	3,700

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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	(4,210)	7,460
Adjustments for:		
Net realized loss (gain) on investments	2,265	(1,791)
Change in net unrealized loss (gain) on investments	4,103	(4,589)
Purchase of investments	(71,885)	(71,207)
Proceeds from sale and maturity of investments	63,511	42,084
Change in dividends receivable	(87)	(127)
Change in due from manager	10	(1)
Change in due to manager	(14)	98
Net cash from operating activities	(6,307)	(28,073)
Cash flows from financing activities		
Proceeds from units issued	33,683	43,964
Payments on redemption of units	(25,099)	(14,571)
Distributions paid net of reinvestments	(2,042)	(1,166)
Net cash from financing activities	6,542	28,227
Net increase (decrease) in cash and cash equivalents	235	154
Cash and cash equivalents at beginning of period	175	17
Effect of exchange rate fluctuations on cash and cash equivalents	20	4
Cash and cash equivalents at end of period	430	175
Cash	430	175
Cash equivalents	—	—
Cash and cash equivalents at end of period	430	175
Supplementary disclosures on cash flow from operating activities:		
Dividends received	2,624	1,365
Foreign taxes paid	233	157
Interest received	3	1
Interest paid	2	1

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SCHEDULE OF INVESTMENTS

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
A.P. Moller - Maersk AS Class B	Denmark	Industrials	50	105	85
The a2 Milk Co. Ltd.	New Zealand	Consumer Staples	58,082	557	757
ABC-Mart Inc.	Japan	Consumer Discretionary	1,369	104	109
ABN AMRO Group NV	Netherlands	Financials	2,841	102	86
Accor SA	France	Consumer Discretionary	57	3	3
Adidas AG	Germany	Consumer Discretionary	987	257	321
Admiral Group PLC	United Kingdom	Financials	2,980	95	113
Aegon NV	Netherlands	Financials	15,462	118	99
Aena SA	Spain	Industrials	381	80	92
Aeon Co. Ltd.	Japan	Consumer Staples	5,346	117	149
Aeroports de Paris	France	Industrials	337	84	87
Ageas	Belgium	Financials	1,737	104	112
AGL Energy Ltd.	Australia	Utilities	5,020	111	104
AIA Group Ltd.	Hong Kong	Financials	15,194	158	202
AIB Group PLC	Ireland	Financials	60,399	475	363
Ain Holdings Inc.	Japan	Consumer Staples	1,971	178	198
Air France-KLM	France	Industrials	22,167	300	333
Air Liquide SA	France	Materials	987	149	168
Ajinomoto Co. Inc.	Japan	Consumer Staples	4,253	106	91
Akzo Nobel NV	Netherlands	Materials	755	104	89
All Nippon Airways Co. Ltd.	Japan	Industrials	1,888	84	92
Alumina Ltd.	Australia	Materials	37,269	90	86
Amarin Corp. PLC	United Kingdom	Health Care	27,301	547	757
Ambu AS	Denmark	Health Care	7,580	277	268
Amcor Ltd.	Australia	Materials	6,356	81	93
Anheuser-Busch InBev NV	Belgium	Consumer Staples	1,796	172	201
Ansell Ltd.	Australia	Health Care	5,856	142	141
APA Group	Australia	Utilities	23,837	216	226
Aroundtown SA	Germany	Real Estate	7,498	85	83
Asahi Group Holdings Ltd.	Japan	Consumer Staples	2,396	132	143
Asahi Intecc Co. Ltd.	Japan	Health Care	3,647	139	229
Asahi Kasei Corp.	Japan	Materials	6,564	96	90
Ascendas Real Estate Investment Trust	Singapore	Real Estate	1,259	3	4
ASICS Corp.	Japan	Consumer Discretionary	6,814	135	122
ASM Pacific Technology Ltd.	Hong Kong	Information Technology	29,329	488	437
ASML Holding NV	Netherlands	Information Technology	1,410	290	354
ASR Nederland NV	Netherlands	Financials	58	3	3
Assa Abloy AB B	Sweden	Industrials	3,203	92	93
Assicurazioni Generali SPA	Italy	Financials	5,161	114	128
Associated British Foods PLC	United Kingdom	Consumer Staples	2,267	104	96
Astellas Pharma Inc.	Japan	Health Care	9,168	168	184
AstraZeneca PLC	United Kingdom	Health Care	5,286	545	565
Atlantia SPA	Italy	Industrials	3,032	84	105
Auckland International Airport Ltd.	New Zealand	Industrials	476	3	4
Aurizon Holdings Ltd.	Australia	Industrials	24,528	116	106
Auto Trader Group PLC	United Kingdom	Communication Services	15,065	99	137
AXA SA	France	Financials	2,858	100	96
B&M European Value Retail SA	United Kingdom	Consumer Discretionary	15,392	103	100



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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)					
Banco De Sabadell SA	Spain	Financials	61,524	129	82
Bank Hapoalim	Israel	Financials	9,545	85	84
Bank Leumi Le-Israel	Israel	Financials	9,820	83	86
The Bank of East Asia Ltd.	Hong Kong	Financials	18,681	99	81
Bank of Ireland Group PLC	Ireland	Financials	40,475	429	322
Bankia SA	Spain	Financials	48,479	275	168
Barclays PLC	United Kingdom	Financials	32,925	106	89
Barratt Developments PLC	United Kingdom	Consumer Discretionary	10,996	103	115
Bayerische Motoren Werke (BMW) AG Pfd.	Germany	Consumer Discretionary	905	89	80
Bayerische Motoren Werke (BMW) AG	Germany	Consumer Discretionary	813	91	84
Beiersdorf AG	Germany	Consumer Staples	672	94	93
Benesse Holdings Inc.	Japan	Consumer Discretionary	3,036	130	105
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	1,427	99	92
BlueScope Steel Ltd.	Australia	Materials	7,010	91	93
Brambles Ltd.	Australia	Industrials	10,367	105	116
Brenntag AG	Germany	Industrials	1,377	101	95
Bridgestone Corp.	Japan	Consumer Discretionary	2,343	124	121
The British Land Co. PLC	United Kingdom	Real Estate	8,678	81	89
BT Group PLC	United Kingdom	Communication Services	28,282	115	110
Bunzl PLC	United Kingdom	Industrials	2,443	89	108
Burberry Group PLC	United Kingdom	Consumer Discretionary	2,767	93	94
CaixaBank SA	Spain	Financials	25,033	137	105
Calbee Inc.	Japan	Consumer Staples	2,554	109	92
CapitaLand Mall Trust	Singapore	Real Estate	50,718	98	119
Carlsberg AS B	Denmark	Consumer Staples	567	89	95
Carnival PLC	United States	Consumer Discretionary	1,183	88	78
Carrefour SA	France	Consumer Staples	4,153	108	104
Castellum AB	Sweden	Real Estate	140	4	4
Cellnex Telecom SA	Spain	Communication Services	2,391	85	94
Central Japan Railway Co.	Japan	Industrials	453	108	141
Centrica PLC	United Kingdom	Utilities	189,076	436	376
Chr. Hansen Holding AS	Denmark	Materials	628	87	85
Chubu Electric Power Co. Inc.	Japan	Utilities	4,040	86	84
CIMIC Group Ltd.	Australia	Industrials	2,488	102	114
Cineworld Group PLC	United Kingdom	Communication Services	62,536	297	319
CK Asset Holdings Ltd.	Hong Kong	Real Estate	9,101	98	108
CK Hutchison Holdings Ltd.	Hong Kong	Industrials	10,318	159	145
CK Infrastructure Holdings Ltd.	Hong Kong	Utilities	8,469	87	93
Cobham PLC	United Kingdom	Industrials	222,360	483	427
Coca-Cola HBC AG-DI	Switzerland	Consumer Staples	2,353	98	107
Coca-Cola West Co. Ltd.	Japan	Consumer Staples	5,041	194	171
Cochlear Ltd.	Australia	Health Care	684	108	112
Coloplast AS	Denmark	Health Care	2,292	245	336
Colruyt SA	Belgium	Consumer Staples	1,337	94	132
ComfortDelGro Corp. Ltd.	Singapore	Industrials	46,388	100	118
Commonwealth Bank of Australia	Australia	Financials	1,321	88	89
Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	954	106	93
Compagnie Generale des Etablissements Michelin B	France	Consumer Discretionary	630	103	100



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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)					
Compass Group PLC	United Kingdom	Consumer Discretionary	3,872	110	122
Continental AG	Germany	Consumer Discretionary	445	122	90
COSMOS Pharmaceutical Corp.	Japan	Consumer Staples	551	147	127
Covivio	France	Real Estate	23	3	3
Credit Agricole SA	France	Financials	5,292	107	85
Credit Suisse Group AG	Switzerland	Financials	5,489	115	85
CSL Ltd.	Australia	Health Care	2,004	278	371
CYBG PLC	United Kingdom	Financials	25,174	116	87
Dai-ichi Life Holdings Inc.	Japan	Financials	5,359	126	99
Daiichi Sankyo Co. Ltd.	Japan	Health Care	3,371	123	208
Dainippon Pharmaceutical Co. Ltd.	Japan	Health Care	9,652	300	319
Dairy Farm International Holdings Ltd.	Hong Kong	Consumer Staples	22,356	256	251
Daito Trust Construction Co. Ltd.	Japan	Real Estate	578	118	108
Danone SA	France	Consumer Staples	940	96	97
Danske Bank AS	Denmark	Financials	3,345	132	79
Davide Campari Milano SPA	Italy	Consumer Staples	378	5	5
DeNA Co. Ltd.	Japan	Communication Services	8,422	229	169
Dentsu Inc.	Japan	Communication Services	1,591	96	90
Deutsche Bank AG Reg.	Germany	Financials	16,133	321	176
Deutsche Boerse AG	Germany	Financials	592	93	102
Deutsche Lufthansa AG Reg.	Germany	Industrials	3,941	121	116
Deutsche Wohnen AG	Germany	Real Estate	1,996	104	129
Dexus Property Group	Australia	Real Estate	9,785	93	118
Diageo PLC	United Kingdom	Consumer Staples	2,213	109	121
Direct Line Insurance Group PLC	United Kingdom	Financials	15,637	97	96
Domino's Pizza Enterprises Ltd.	Australia	Consumer Discretionary	3,952	173	163
Don Quijote Holdings Co. Ltd.	Japan	Consumer Discretionary	3,118	265	276
DSV AS	Denmark	Industrials	1,290	110	143
E.ON SE	Germany	Utilities	7,003	101	104
East Japan Railway Co.	Japan	Industrials	1,136	137	146
easyJet PLC	United Kingdom	Industrials	4,865	118	95
Edenred	France	Industrials	1,645	80	100
EDF SA (Electricite de France)	France	Utilities	4,606	90	84
Eisai Co. Ltd.	Japan	Health Care	1,792	147	134
Electrocomponents PLC	United Kingdom	Information Technology	18,538	237	181
Elekta AB B	Sweden	Health Care	6,008	79	100
Elisa OYJ	Finland	Communication Services	1,511	90	91
EMS-Chemie Holding AG	Switzerland	Materials	118	91	85
Endesa SA	Spain	Utilities	3,349	96	114
Enel SPA	Italy	Utilities	10,727	82	92
Epiroc AB Class A	Sweden	Industrials	272	4	4
Equinor ASA	Norway	Energy	2,946	99	86
Erste Group Bank AG	Austria	Financials	1,832	100	90
EssilorLuxottica	France	Consumer Discretionary	624	103	91
Essity Aktiebolag Class B	Sweden	Consumer Staples	9,741	346	376
Eutelsat Communications SA	France	Communication Services	7,779	218	182
Evolution Mining Ltd.	Australia	Materials	122,060	312	424
Ezaki Glico Co. Ltd.	Japan	Consumer Staples	4,564	294	321



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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)					
FamilyMart UNY Holdings Co. Ltd.	Japan	Consumer Staples	21,714	546	739
Fast Retailing Co. Ltd.	Japan	Consumer Discretionary	398	203	250
Ferrovial SA	Spain	Industrials	112	4	4
Fiat Chrysler Automobiles NV	United Kingdom	Consumer Discretionary	14,157	293	282
Fortescue Metals Group Ltd.	Australia	Materials	60,730	313	410
Fortum OYJ	Finland	Utilities	4,440	112	121
Fresenius Medical Care AG & Co.	Germany	Health Care	1,452	177	157
Fresenius SE & Co. KGaA	Germany	Health Care	1,531	153	114
Fuji Media Holdings Inc.	Japan	Communication Services	6,440	140	119
FUJIFILM Holdings Corp.	Japan	Information Technology	1,939	99	118
Galaxy Entertainment Group Ltd.	Hong Kong	Consumer Discretionary	13,322	117	121
Gas Natural SDG SA	Spain	Utilities	2,477	86	93
GEA Group AG	Germany	Industrials	2,692	127	94
Geberit AG	Switzerland	Industrials	165	92	90
Gecina SA	France	Real Estate	438	87	87
Genmab AS	Denmark	Health Care	423	91	98
Genting Singapore Ltd.	Singapore	Consumer Discretionary	90,273	93	93
Getlink SE	France	Industrials	4,824	89	98
Givaudan SA	Switzerland	Materials	88	241	300
Glanbia PLC	Ireland	Consumer Staples	14,476	355	379
GlaxoSmithKline PLC	United Kingdom	Health Care	18,626	463	518
GMO Payment Gateway Inc.	Japan	Information Technology	1,145	91	109
GN Store Nord AS (GN Great Nordic)	Denmark	Health Care	1,435	91	89
Goodman Group	Australia	Real Estate	7,920	84	100
GPT Group Stapled Securities	Australia	Real Estate	19,423	96	114
Grifols SA	Spain	Health Care	3,367	115	126
GVC Holdings PLC	United Kingdom	Consumer Discretionary	8,291	117	81
GW Pharmaceuticals PLC	United Kingdom	Health Care	1,608	320	362
H. Lundbeck AS	Denmark	Health Care	6,150	415	356
Hammerson PLC	United Kingdom	Real Estate	15,703	130	92
Hang Lung Properties Ltd.	Hong Kong	Real Estate	35,380	106	115
Hang Seng Bank Ltd.	Hong Kong	Financials	3,389	98	112
Hankyu Hanshin Holdings Inc.	Japan	Industrials	65	3	3
Hannover Rueckversicherung SE Reg.	Germany	Financials	448	89	86
Heineken Holding NV A	Netherlands	Consumer Staples	692	79	93
Heineken NV	Netherlands	Consumer Staples	731	92	103
Helvetia Holding AG	Switzerland	Financials	5	4	4
Henderson Land Development Co. Ltd.	Hong Kong	Real Estate	13,639	94	116
Henkel AG & Co. KGaA Pfd.	Germany	Consumer Staples	25	3	3
Henkel AG & Co. KGaA	Germany	Consumer Staples	696	101	88
Hennes & Mauritz AB B	Sweden	Consumer Discretionary	9,320	217	208
Hermes International	France	Consumer Discretionary	140	95	124
Hikari Tsushin Inc.	Japan	Consumer Discretionary	368	92	93
Hikma Pharmaceuticals PLC	Jordan	Health Care	4,809	145	150
Hiscox Ltd.	United Kingdom	Financials	4,285	100	116
HomeServe PLC	United Kingdom	Industrials	5,507	96	98
The Hong Kong and China Gas Co. Ltd.	Hong Kong	Utilities	44,236	101	142
Hongkong Land Holdings Ltd.	Hong Kong	Real Estate	10,361	94	98



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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)					
Hoshizaki Electric Co. Ltd.	Japan	Industrials	1,914	184	158
Howden Joinery Group PLC	United Kingdom	Industrials	10,893	88	92
Hoya Corp.	Japan	Health Care	1,481	96	131
HSBC Holdings PLC	United Kingdom	Financials	10,153	124	110
Hysan Development Co. Ltd.	Hong Kong	Real Estate	16,584	117	119
Iberdrola SA	Spain	Utilities	21,822	209	256
ICA Gruppen AB	Sweden	Consumer Staples	2,001	96	108
Idemitsu Kosan Co.	Japan	Energy	4,344	217	194
IG Group Holdings PLC	United Kingdom	Financials	37,477	434	339
Inchcape PLC	United Kingdom	Consumer Discretionary	8,942	110	89
Industria de Diseno Textil SA (Inditex)	Spain	Consumer Discretionary	2,561	106	101
Informa PLC	United Kingdom	Communication Services	7,456	96	97
Ingenico SA	France	Information Technology	3,327	383	318
Insurance Australia Group Ltd.	Australia	Financials	12,227	87	89
International Consolidated Airlines Group SA	United Kingdom	Industrials	9,191	104	82
Intertek Group PLC	United Kingdom	Industrials	1,447	112	122
Intesa Sanpaolo SPA	Italy	Financials	46,696	183	152
Ipsen SA	France	Health Care	469	83	86
Isetan Mitsukoshi Holdings Ltd.	Japan	Consumer Discretionary	6,595	101	89
Israel Discount Bank Ltd.	Israel	Financials	18,288	81	84
ISS AS	Denmark	Industrials	2,119	100	86
ITO EN Ltd.	Japan	Consumer Staples	58	4	4
ITOCHU Corp.	Japan	Industrials	3,579	86	87
Izumi Co. Ltd.	Japan	Consumer Discretionary	1,440	99	90
J Sainsbury PLC	United Kingdom	Consumer Staples	26,637	119	109
J. Front Retailing Co. Ltd.	Japan	Consumer Discretionary	5,867	111	93
James Hardie Industries PLC	Ireland	Materials	5,408	109	93
Japan Airlines Co. Ltd.	Japan	Industrials	2,286	102	108
Japan Post Bank Co. Ltd.	Japan	Financials	222	3	3
Japan Post Holdings Co. Ltd.	Japan	Financials	6,406	101	100
Jardine Matheson Holdings Ltd.	Hong Kong	Industrials	6,106	500	509
Jardine Strategic Holdings Ltd.	Hong Kong	Industrials	5,627	284	281
JBH Hi-Fi Ltd.	Australia	Consumer Discretionary	4,108	103	97
Jeronimo Martins SGPS SA	Portugal	Consumer Staples	4,440	89	88
John Wood Group PLC	United Kingdom	Energy	8,844	94	78
Just Eat PLC	United Kingdom	Consumer Discretionary	6,889	86	90
JXTG Holdings Inc.	Japan	Energy	13,188	104	81
K+S AG	Germany	Materials	3,727	118	91
Kajima Corp.	Japan	Industrials	4,747	101	94
Kaken Pharmaceutical Co. Ltd.	Japan	Health Care	1,391	96	84
Kansai Electric Power Co. Inc.	Japan	Utilities	13,252	224	261
Kao Corp.	Japan	Consumer Staples	2,770	223	291
KBC Groep NV	Belgium	Financials	993	98	93
KDDI Corp.	Japan	Communication Services	10,348	343	298
Keio Corp.	Japan	Industrials	1,081	90	93
Kerry Group PLC A (Irish traded shares)	Ireland	Consumer Staples	8,912	1,087	1,329
Kerry Properties Ltd.	Hong Kong	Real Estate	38,103	202	227
Kesko OYJ	Finland	Consumer Staples	1,397	98	114



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EQUITIES (cont'd)					
Kewpie Corp.	Japan	Consumer Staples	5,305	174	170
Keyence Corp.	Japan	Information Technology	189	120	157
Kinden Corp.	Japan	Industrials	4,646	92	103
Kingfisher PLC	United Kingdom	Consumer Discretionary	22,485	112	92
Kingspan Group PLC	Ireland	Industrials	2,048	106	127
Kintetsu Corp.	Japan	Industrials	1,430	82	89
Kirin Holdings Co. Ltd.	Japan	Consumer Staples	5,193	147	166
Kobe Steel Ltd.	Japan	Materials	12,430	155	125
Kone OYJ B	Finland	Industrials	1,526	98	103
Koninklijke (Royal) KPN NV	Netherlands	Communication Services	90,218	365	382
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	7,194	218	256
K's Holdings Corp.	Japan	Consumer Discretionary	11,193	144	133
Kuehne + Nagel International AG	Switzerland	Industrials	497	98	91
Kyowa Hakko Kirin Co. Ltd.	Japan	Health Care	4,238	98	123
Kyushu Electric Power Co. Inc.	Japan	Utilities	6,336	94	100
Kyushu Railway Co.	Japan	Industrials	1,848	85	81
Lagardere SCA	France	Communication Services	2,509	85	86
Land Securities Group PLC	United Kingdom	Real Estate	5,798	95	92
Lawson Inc.	Japan	Consumer Staples	4,172	364	309
LEG Immobilien GmbH	Germany	Real Estate	552	86	91
Legal & General Group PLC	United Kingdom	Financials	20,559	80	99
The Link Real Estate Investment Trust	Hong Kong	Real Estate	102,781	1,088	1,605
Lion Corp.	Japan	Consumer Staples	14,438	347	406
Lloyds Banking Group PLC	United Kingdom	Financials	124,280	134	134
London Stock Exchange Group PLC	United Kingdom	Financials	1,199	83	99
L'Oréal	France	Consumer Staples	371	104	133
MAP Group	Australia	Industrials	12,373	87	87
Marks & Spencer Group PLC	United Kingdom	Consumer Discretionary	18,499	94	90
Medibank Private Ltd.	Australia	Financials	35,298	100	92
Mediobanca SPA	Italy	Financials	7,351	98	102
Meggitt PLC	United Kingdom	Industrials	10,011	95	88
MEIJI Holdings Co. Ltd.	Japan	Consumer Staples	1,315	138	143
Melco Resorts & Entertainment Ltd. ADR	Hong Kong	Consumer Discretionary	2,951	89	89
Merck KGaA	Germany	Health Care	727	99	111
Metcash Ltd.	Australia	Consumer Staples	56,289	147	142
Metro Wholesale & Food Specialist	Germany	Consumer Staples	12,221	250	271
Micro Focus International PLC	United Kingdom	Information Technology	23,532	644	818
Mineral Resources Ltd.	Australia	Materials	5,848	102	88
Minth Group Ltd.	Hong Kong	Consumer Discretionary	27,118	156	114
Mirvac Group Stapled Securities	Australia	Real Estate	42,637	93	111
Mitsubishi Motors Corp.	Japan	Consumer Discretionary	51,673	457	367
Mitsubishi Tanabe Pharma Corp.	Japan	Health Care	4,492	116	80
Mizuho Financial Group Inc.	Japan	Financials	43,231	89	89
Morinaga & Co. Ltd.	Japan	Consumer Staples	4,061	249	236
Mowi ASA	Norway	Consumer Staples	4,184	97	125
MS&AD Insurance Group Holdings Inc.	Japan	Financials	2,210	95	90
MTR Corp. Ltd.	Hong Kong	Industrials	12,710	89	105
MTU Aero Engines AG	Germany	Industrials	467	94	141



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EQUITIES (cont'd)					
Muenchener Rueckversicherungs - Gesellschaft AG (MunichRe)	Germany	Financials	369	101	117
Nagoya Railroad Co. Ltd.	Japan	Industrials	2,769	89	102
Namco Bandai Holdings Inc.	Japan	Consumer Discretionary	5,080	253	318
National Australia Bank Ltd.	Australia	Financials	135	3	3
National Grid PLC	United Kingdom	Utilities	9,961	141	148
Neste Oil OYJ	Finland	Energy	8,052	658	1,146
Nestlé SA Reg.	Switzerland	Consumer Staples	7,281	816	927
Net One Systems Co. Ltd.	Japan	Information Technology	3,098	89	104
Newcrest Mining Ltd.	Australia	Materials	56,065	1,161	1,356
Nexon Co. Ltd.	Japan	Communication Services	9,042	139	189
Next PLC	United Kingdom	Consumer Discretionary	5,978	504	581
NH Foods Ltd.	Japan	Consumer Staples	1,977	121	95
NIB Holdings Ltd.	Australia	Financials	18,278	114	91
NICE-Systems Ltd.	Israel	Information Technology	627	94	99
Nichirei Corp.	Japan	Consumer Staples	8,615	279	284
Nihon Kohden Corp.	Japan	Health Care	4,687	185	186
Nikon Corp.	Japan	Consumer Discretionary	4,519	100	85
Nintendo Co. Ltd.	Japan	Communication Services	981	407	374
Nippon Express Co. Ltd.	Japan	Industrials	1,149	93	85
Nippon Shinyaku Co. Ltd.	Japan	Health Care	1,047	80	102
Nippon Telegraph & Telephone Corp. (NTT)	Japan	Communication Services	6,518	381	370
Nippon Television Holdings Inc.	Japan	Communication Services	4,111	90	82
Nissan Motor Co. Ltd.	Japan	Consumer Discretionary	8,131	101	89
Nissin Foods Holdings Co. Ltd.	Japan	Consumer Staples	1,021	84	94
Nitori Holdings Co. Ltd.	Japan	Consumer Discretionary	3,732	708	644
NN Group NV	Netherlands	Financials	2,171	112	121
Nokia OYJ	Finland	Information Technology	12,893	95	98
Nokian Renkaat OYJ	Finland	Consumer Discretionary	2,005	103	90
Nordea Bank ABP	Sweden	Financials	7,296	103	74
Northern Star Resources Ltd.	Australia	Materials	58,100	306	493
Novartis AG Reg.	Switzerland	Health Care	1,666	185	214
Novo Nordisk AS B	Denmark	Health Care	11,265	698	789
Novozymes AS	Denmark	Materials	1,656	98	102
NTT Data Corp.	Japan	Information Technology	6,914	97	102
NTT DoCoMo Inc.	Japan	Communication Services	7,108	224	210
NWS Holdings Ltd.	Hong Kong	Industrials	29,189	83	85
Obayashi Corp.	Japan	Industrials	7,950	109	107
Ocado Group PLC	United Kingdom	Consumer Discretionary	16,855	249	402
Odakyu Electric Railway Co. Ltd.	Japan	Industrials	2,725	87	88
Olympus Corp.	Japan	Health Care	6,428	94	93
OMV AG	Austria	Energy	1,303	94	95
Ono Pharmaceutical Co. Ltd.	Japan	Health Care	33,947	1,034	889
Orange SA	France	Communication Services	4,200	90	91
Oriental Land Co. Ltd.	Japan	Consumer Discretionary	3,961	410	601
Orion OYJ	Finland	Health Care	2,681	133	134
Orkla ASA	Norway	Consumer Staples	8,228	91	85
Orsted A/S	Denmark	Utilities	1,044	89	106
Osaka Gas Co. Ltd.	Japan	Utilities	3,702	95	98



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EQUITIES (cont'd)					
Osram Licht AG	Germany	Industrials	2,353	172	108
Otsuka Corp.	Japan	Information Technology	6,099	260	304
Otsuka Holdings Co. Ltd.	Japan	Health Care	2,432	142	128
Paddy Power Betfair PLC	Ireland	Consumer Discretionary	860	117	89
Pandora AS	Denmark	Consumer Discretionary	8,856	766	554
Park24 Co. Ltd.	Japan	Industrials	8,342	286	242
PCCW Ltd.	Hong Kong	Communication Services	333,192	248	277
Pearson PLC	United Kingdom	Communication Services	43,065	674	627
Pennon Group PLC	United Kingdom	Utilities	8,125	105	105
Pernod Ricard SA*	France	Consumer Staples	573	106	138
Persimmon PLC	United Kingdom	Consumer Discretionary	2,553	111	96
Philips Lighting NV	Netherlands	Industrials	3,568	146	128
Power Assets Holdings Ltd.	Hong Kong	Utilities	10,653	115	99
Prada SPA	Italy	Consumer Discretionary	40,030	240	159
ProSiebenSat.1 Media SE	Germany	Communication Services	3,699	137	71
Proximus SA	Belgium	Communication Services	2,510	92	97
PSA Peugeot Citroen	France	Consumer Discretionary	3,445	97	112
PSP Swiss Property AG Reg.	Switzerland	Real Estate	621	82	90
Publicis Groupe SA	France	Communication Services	1,136	98	81
Puma AG Rudolf Dassler Sport	Germany	Consumer Discretionary	155	101	120
Qantas Airways Ltd.	Australia	Industrials	20,177	98	108
QBE Insurance Group Ltd.	Australia	Financials	9,692	95	113
Qiagen NV	United States	Health Care	3,065	130	166
Raiffeisen International Bank-Holding AG	Austria	Financials	3,005	119	90
Ramsay Health Care Ltd.	Australia	Health Care	1,687	107	103
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples	2,303	242	256
Recruit Holdings Co. Ltd.	Japan	Industrials	5,116	137	195
Red Electrica Corporacion SA	Spain	Utilities	3,606	95	103
Reliance Worldwide Corp. Ltd.	United States	Industrials	35,468	174	145
RELX PLC	United Kingdom	Industrials	6,767	180	193
Rentokil Initial PLC	United Kingdom	Industrials	23,568	113	145
Resona Holdings Inc.	Japan	Financials	15,110	106	87
Ricoh Co. Ltd.	Japan	Information Technology	7,898	95	110
Roche Holding AG Genusscheine	Switzerland	Health Care	1,812	624	667
Roche Holding AG	Switzerland	Health Care	843	256	307
The Royal Bank of Scotland Group PLC	United Kingdom	Financials	28,174	125	121
Royal Mail PLC	United Kingdom	Industrials	43,608	256	181
Royal Unibrew AS	Denmark	Consumer Staples	929	89	92
RSA Insurance Group PLC	United Kingdom	Financials	9,619	100	85
Rubis SCA	France	Utilities	55	4	4
Ryohin Keikaku Co. Ltd.	Japan	Consumer Discretionary	288	99	97
Samsonite International SA	United States	Consumer Discretionary	106,156	555	454
Sankyo Co. Ltd.	Japan	Consumer Discretionary	1,759	88	90
Sanofi	France	Health Care	2,609	306	308
Santos Ltd.	Australia	Energy	15,472	99	100
SAP AG	Germany	Information Technology	1,888	252	292
SATS Ltd.	Singapore	Industrials	48,954	235	247
Sawai Pharmaceutical Co. Ltd.	Japan	Health Care	1,214	84	94



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EQUITIES (cont'd)					
SBM Offshore NV	Netherlands	Energy	4,638	98	118
Scentre Group	Australia	Real Estate	24,377	101	95
SCOR SE	France	Financials	1,492	89	85
SECOM Co. Ltd.	Japan	Industrials	799	92	91
Sega Sammy Holdings Inc.	Japan	Consumer Discretionary	6,048	114	95
Segro PLC	United Kingdom	Real Estate	8,029	81	94
SES SA	Luxembourg	Communication Services	33,151	771	689
Seven & i Holdings Co. Ltd.	Japan	Consumer Staples	2,306	123	116
Severn Trent PLC	United Kingdom	Utilities	2,987	105	103
SGS SA Reg.*	Switzerland	Industrials	27	83	90
Shimamura Co. Ltd.	Japan	Consumer Discretionary	2,080	316	235
Shimano Inc.	Japan	Consumer Discretionary	429	90	93
Shimizu Corp.	Japan	Industrials	7,679	97	89
Shiseido Co. Ltd.	Japan	Consumer Staples	2,174	131	210
Siemens Gamesa Renewable Energy SA	Spain	Industrials	7,071	145	151
Singapore Telecommunications Ltd.	Singapore	Communication Services	32,317	94	96
Sino Land Co. Ltd.	Hong Kong	Real Estate	34,942	83	90
Skanska AB	Sweden	Industrials	3,828	103	93
Skylark Co. Ltd.	Japan	Consumer Discretionary	7,413	149	164
Smith & Nephew PLC	United Kingdom	Health Care	3,977	96	105
Smurfit Kappa Group PLC	Ireland	Materials	2,400	113	90
Snam SPA	Italy	Energy	13,300	81	91
Societe Generale	France	Financials	3,459	226	134
Sodexo SA	France	Consumer Discretionary	617	87	91
SoftBank Group Corp.	Japan	Communication Services	703	91	91
Sonic Healthcare Ltd.	Australia	Health Care	3,761	87	88
Sonova Holding AG	Switzerland	Health Care	489	96	129
Sony Financial Holdings Inc.	Japan	Financials	4,239	96	107
South32 Ltd.	Australia	Materials	27,723	92	98
Spark New Zealand Ltd.	New Zealand	Communication Services	157,233	524	544
Spectris PLC	United Kingdom	Information Technology	2,171	83	95
SSE PLC	United Kingdom	Utilities	4,597	105	95
SSP Group PLC	United Kingdom	Consumer Discretionary	7,485	92	90
Standard Chartered PLC	United Kingdom	Financials	8,477	103	87
Standard Life Aberdeen PLC	United Kingdom	Financials	19,930	128	92
Stockland Stapled Securities	Australia	Real Estate	24,579	89	90
Subaru Corp.	Japan	Consumer Discretionary	2,745	88	84
Suez Environnement SA	France	Utilities	4,930	88	87
Sumitomo Realty & Development Co. Ltd.	Japan	Real Estate	1,639	88	91
Sun Art Retail Group Ltd.	Hong Kong	Consumer Staples	109,570	171	143
Sun Hung Kai Properties Ltd.	Hong Kong	Real Estate	4,545	97	104
Sunrise Communications Group AG	Switzerland	Communication Services	851	85	84
Suntory Beverage & Food Ltd.	Japan	Consumer Staples	1,492	89	94
Suzuki Motor Corp.	Japan	Consumer Discretionary	2,404	154	142
Svenska Handelsbanken AB A	Sweden	Financials	6,220	104	88
Swedbank AB	Sweden	Financials	3,597	92	68
Swire Pacific Ltd. Class A	Hong Kong	Real Estate	7,076	97	122
Swire Properties Ltd.	Hong Kong	Real Estate	21,708	106	125



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EQUITIES (cont'd)					
Swiss Life Holding AG Reg.	Switzerland	Financials	255	111	150
Swiss Prime Site AG	Switzerland	Real Estate	782	87	92
Swiss Re Ltd.	Switzerland	Financials	822	105	107
Swisscom AG Reg.	Switzerland	Communication Services	144	87	94
Symrise AG	Germany	Materials	890	86	107
Sysmex Corp.	Japan	Health Care	1,081	91	87
T&D Holdings Inc.	Japan	Financials	5,817	111	82
Tabcorp Holdings Ltd.	Australia	Consumer Discretionary	19,432	86	85
Taisei Corp.	Japan	Industrials	1,650	99	102
Takara Holdings Inc.	Japan	Consumer Staples	6,246	103	99
Takashimaya Co. Ltd.	Japan	Consumer Discretionary	4,975	88	89
Takeda Pharmaceutical Co. Ltd.	Japan	Health Care	5,731	314	313
Tate & Lyle PLC	United Kingdom	Consumer Staples	8,408	96	106
Taylor Wimpey PLC	United Kingdom	Consumer Discretionary	36,621	112	112
Techtronic Industries Co. Ltd.	Hong Kong	Consumer Discretionary	99,826	659	896
Tele2 AB	Sweden	Communication Services	4,825	89	86
Telecom Italia SPA RNC	Italy	Communication Services	6,609	5	5
Telefonaktiebolaget LM Ericsson B	Sweden	Information Technology	49,978	527	615
Telenor ASA	Norway	Communication Services	3,486	91	93
Teleperformance	France	Industrials	615	110	148
TeliaSonera AB	Sweden	Communication Services	14,546	92	88
Telstra Corp. Ltd.	Australia	Communication Services	37,217	131	117
Terna SPA	Italy	Utilities	10,503	82	89
Terumo Corp.	Japan	Health Care	3,534	105	144
Tesco PLC	United Kingdom	Consumer Staples	31,665	135	128
Teva Pharmaceutical Industries Ltd.	Israel	Health Care	5,079	119	106
Tobu Railway Co. Ltd.	Japan	Industrials	81	3	3
Toho Co. Ltd.	Japan	Communication Services	67	3	4
Toho Gas Co. Ltd.	Japan	Utilities	1,562	88	94
Tohoku Electric Power Co. Inc.	Japan	Utilities	5,052	87	86
Tokai Carbon Co. Ltd.	Japan	Materials	5,306	118	89
Tokyo Electric Power Co. Holdings Inc.	Japan	Utilities	10,450	88	88
Tokyo Electron Ltd.	Japan	Information Technology	517	98	100
Tokyo Gas Co. Ltd.	Japan	Utilities	3,293	105	119
Tokyu Corp.	Japan	Industrials	3,736	82	87
Toyo Suisan Kaisha Ltd.	Japan	Consumer Staples	1,918	93	98
Transurban Group Stapled Securities	Australia	Industrials	8,894	99	111
Travis Perkins PLC	United Kingdom	Industrials	3,799	71	91
Treasury Wine Estates Ltd.	Australia	Consumer Staples	7,146	100	101
TSUMURA & Co.	Japan	Health Care	2,699	114	110
Tsuruha Holdings Inc.	Japan	Consumer Staples	1,221	185	133
TUI AG	Germany	Consumer Discretionary	6,379	134	82
Tullow Oil PLC	United Kingdom	Energy	106,140	423	445
UBI Banca - Unione di Banche Italiane SCPA	Italy	Financials	73,302	399	259
UBS Group AG	Switzerland	Financials	10,996	237	178
UCB SA	Belgium	Health Care	2,475	240	284
Unicharm Corp.	Japan	Consumer Staples	2,625	89	116
UniCredit SPA	Italy	Financials	16,721	373	287



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Unilever NV CVA	United Kingdom	Consumer Staples	1,875	128	146
Unilever PLC	United Kingdom	Consumer Staples	2,181	155	167
United Utilities Group PLC	United Kingdom	Utilities	7,718	100	109
UPM-Kymmene OYJ	Finland	Materials	2,345	109	91
Valeo SA	France	Consumer Discretionary	2,241	147	87
Venture Corp. Ltd.	Singapore	Information Technology	14,798	265	262
Veolia Environnement	France	Utilities	2,882	88	86
Vestas Wind Systems AS	Denmark	Industrials	4,170	394	469
Vicinity Centres	Australia	Real Estate	36,919	99	91
Vifor Pharma AG	Switzerland	Health Care	745	126	135
Vitasoy International Holdings Ltd.	Hong Kong	Consumer Staples	18,208	97	118
Vivendi SA	France	Communication Services	3,531	107	137
Vodafone Group PLC	United Kingdom	Communication Services	35,081	94	85
Volvo AB Class B	Sweden	Industrials	4,963	101	103
Vonovia SE	Germany	Real Estate	1,949	107	135
Wesfarmers Ltd.	Australia	Consumer Discretionary	2,966	120	98
West Japan Railway Co.	Japan	Industrials	1,004	89	101
Westpac Banking Corp.	Australia	Financials	3,467	87	85
WH Group Ltd.	Hong Kong	Consumer Staples	745,810	847	1,065
The Wharf Holdings Ltd.	Hong Kong	Real Estate	23,860	103	96
Wharf Real Estate Investment Co. Ltd.	Hong Kong	Real Estate	8,667	84	86
Wheelock and Co. Ltd.	Hong Kong	Real Estate	10,848	95	106
Whitbread PLC	United Kingdom	Consumer Discretionary	1,014	92	90
William Morrison Supermarkets PLC	United Kingdom	Consumer Staples	21,922	94	87
Wilmar International Ltd.	Singapore	Consumer Staples	30,950	97	101
Wirecard AG	Germany	Information Technology	2,012	255	337
Wolters Kluwer NV	Netherlands	Industrials	985	89	90
Woolworths Ltd.	Australia	Consumer Staples	3,849	101	111
WPP PLC	United Kingdom	Communication Services	5,702	115	80
Xinyi Glass Holdings Ltd.	Hong Kong	Consumer Discretionary	141,365	245	217
Yahoo Japan Corp.	Japan	Communication Services	25,154	118	82
Yakult Hansha Co. Ltd.	Japan	Consumer Staples	1,031	86	96
Yamada Denki Co. Ltd.	Japan	Consumer Discretionary	33,548	235	221
Yamato Holdings Co. Ltd.	Japan	Industrials	3,487	106	120
Yamazaki Baking Co. Ltd.	Japan	Consumer Staples	9,632	255	209
Yue Yuen Industrial (Holdings) Ltd.	Hong Kong	Consumer Discretionary	79,835	381	367
Zalando SE	Germany	Consumer Discretionary	3,427	206	179
Zensho Holdings Co. Ltd.	Japan	Consumer Discretionary	2,798	87	87
ZOZO Inc.	Japan	Consumer Discretionary	951	32	24
Zurich Insurance Group AG	Switzerland	Financials	242	102	107
Total equities				83,807	86,702



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MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA 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)
EXCHANGE-TRADED FUNDS/NOTES					
iShares Core MSCI EAFE ETF	United States	Exchange-Traded Funds/Notes	3,639	295	295
Total exchange-traded funds/notes				295	295
Transaction costs				(167)	—
Total investments				83,935	86,997
Cash and cash equivalents					430
Other assets less liabilities					(26)
Total net assets					87,401

* Related to Mackenzie. See Note 1.



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MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA 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	99.2
Cash and short-term investments	0.5
Exchange-traded funds/notes	0.3

Regional Allocation	
	% of NAV
Japan	25.5
United Kingdom	16.0
Hong Kong	10.4
Australia	8.3
Other	6.9
Germany	4.9
Switzerland	4.9
France	4.7
Denmark	4.4
Ireland	3.2
Sweden	2.4
Finland	2.3
Netherlands	2.2
Spain	1.7
Italy	1.7
Cash and short-term investments	0.5

Sector Allocation	
	% of NAV
Consumer staples	17.1
Consumer discretionary	15.3
Health care	13.7
Industrials	11.5
Financials	9.2
Communication services	8.0
Real estate	6.0
Information technology	5.7
Materials	5.5
Utilities	4.4
Energy	2.8
Cash and short-term investments	0.5
Exchange-traded funds/notes	0.3

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	99.1
Exchange-traded funds/notes	0.5
Other assets (liabilities)	0.2
Cash and short-term investments	0.2

Regional Allocation	
	% of NAV
Japan	28.8
United Kingdom	10.6
Other	10.0
Hong Kong	9.6
Germany	8.2
Australia	6.8
Switzerland	5.6
France	3.8
Denmark	3.3
Ireland	3.1
Netherlands	2.4
Sweden	2.4
Spain	1.8
Finland	1.6
Italy	1.6
Other assets (liabilities)	0.2
Cash and short-term investments	0.2

Sector Allocation	
	% of NAV
Consumer discretionary	17.1
Health care	13.6
Consumer staples	12.8
Industrials	12.3
Financials	11.0
Information technology	10.8
Materials	10.0
Real estate	3.9
Telecommunication services	2.8
Utilities	2.6
Energy	2.2
Exchange-traded funds/notes	0.5
Other assets (liabilities)	0.2
Cash and short-term investments	0.2



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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.



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 MXU on September 7, 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 \$21.92 (2018 – \$23.11).

The management fee rate for Series E units is 0.50%.

As at March 31, 2019, the ETF's NAV per unit was \$21.85 (2018 – \$22.95) and its Net Assets per unit calculated in accordance with IFRS was \$21.85 (2018 – \$22.99).

(b) Investments by Mackenzie and Affiliates

As at March 31, 2019, other funds managed by Mackenzie had an investment of \$48,996 (2018 – \$51,544) 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	10,647	5,491
Value of collateral received	11,622	5,805

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	61	100.0	23	100.0
Tax withheld	–	–	(1)	(4.3)
	61	100.0	22	95.7
Payments to Securities Lending Agent	(15)	(25.0)	(5)	(21.7)
Securities lending income	46	75.0	17	74.0

(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 All World Developed ex North America Index, or any successor thereto. It invests primarily in equity securities of developed world markets, excluding North America.

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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* (\$)
Japanese yen	22,198	–	–	22,198
Euro	20,039	–	–	20,039
British pound	12,954	–	–	12,954
Hong Kong dollar	8,451	–	–	8,451
Australian dollar	7,461	6	–	7,467
Swiss franc	4,119	2	–	4,121
Danish krone	3,832	13	–	3,845
U.S. dollar	2,642	1	–	2,643
Swedish krona	2,108	–	–	2,108
New Zealand dollar	1,305	–	–	1,305
Singapore dollar	1,040	–	–	1,040
Israeli shekel	459	–	–	459
Norwegian krone	389	–	–	389
Total	86,997	22	–	87,019
% of Net Assets	99.5	–	–	99.5

March 31, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Japanese yen	24,483	12	–	24,495
Euro	21,290	11	–	21,301
British pound	8,771	36	–	8,807
Hong Kong dollar	8,005	7	–	8,012
Australian dollar	6,036	6	–	6,042
Swiss franc	4,799	9	–	4,808
U.S. dollar	4,514	65	–	4,579
Danish krone	2,080	–	–	2,080
Swedish krona	1,782	–	–	1,782
Singapore dollar	1,360	–	–	1,360
New Zealand dollar	1,335	–	–	1,335
Norwegian krone	260	–	–	260
Total	84,715	146	–	84,861
% of Net Assets	99.6	0.2	–	99.8

* Includes both monetary and non-monetary financial instruments



MACKENZIE
Investments

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 (cont'd)

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 \$4,351 or 5.0% of total net assets (2018 – \$4,243 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 \$8,700 or 10.0% of total net assets (2018 – \$8,472 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.

(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	86,702	–	–	86,702	84,322	–	–	84,322
Exchange-traded funds/notes	295	–	–	295	393	–	–	393
Total	86,997	–	–	86,997	84,715	–	–	84,715

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.