

## ***Annual Management Report of Fund Performance***

*For the Period Ended March 31, 2019*

*This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com).*

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

*For the Fund's current net asset values per security and for more recent information on general market events, please visit our website.*

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

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

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



# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Management Discussion of Fund Performance

June 3, 2019

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended March 31, 2019, that have affected the Fund's performance and outlook. If the Fund was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the Fund's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

### Investment Objective and Strategies

Effective January 11, 2019, the Fund's investment objective and strategies was changed to seek a positive return over a market cycle, regardless of conditions, by employing one or more of the following strategies: credit alternative strategy, global macro, long/short equity and/or equity market neutral. The Fund will gain exposure to a broad range of asset classes, including equities, fixed income securities and/or convertible securities issued by companies anywhere in the world, including emerging markets. The Fund may also invest up to 100% of its assets in foreign currencies and/or physical commodities. The Fund may also engage in physical short sales and/or borrowing for investment purposes.

The Fund's aggregate exposure, calculated as the sum of the following, must not exceed 300% of its net asset value: (i) the aggregate market value of securities sold short; (ii) the value of indebtedness under any borrowing arrangements for investment purposes; and (iii) the aggregate notional value of the Fund's specified derivatives positions, excluding any specified derivatives used for hedging purposes.

Under the prior investment objective and strategies, the Fund's ability to use derivatives and engage in short selling and borrowing was subject to lower limits.

### Risk

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

The Fund is suitable for medium-term investors looking for an alternative fund that provides a diversified portfolio of alternative investment strategies to hold as part of their balanced portfolio, who can handle the volatility of stock, bond, commodity and currency markets, and who have a low to medium tolerance for risk.

### Results of Operations

#### Investment Performance

The performance of the Fund's Series A securities is discussed below. The performance of all series is shown in the *Past Performance* section of the report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period.

Please refer to the *Fund Formation and Series Information* section of this report for the varying management and administration fees payable by each series.

From the Fund's inception on May 23, 2018, to March 31, 2019, the Fund's Series A securities returned -2.5% (after deducting fees and expenses paid by the series). This compares with the FTSE Canada 91-Day T-Bill Index return of 1.3% for the same period. All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Performance varied across developed global sovereign bond markets. In general, yields on longer-term bonds declined and yield curves flattened as central banks took a more pessimistic view of growth as the period progressed. Emerging markets stabilized in January after the U.S. Federal Reserve shifted away from monetary tightening, introducing some uncertainty about the strength of the U.S. dollar. Despite volatility, the Canadian dollar was relatively strong, benefiting from a solid economic backdrop.

Global economic data weakened throughout the second half of the period. Europe struggled with weakening economic data and continued political challenges affecting the European Union, including negotiations over the withdrawal of the United Kingdom. Chinese equities declined due to trade disputes and a slowing economy. Emerging markets were weighed down by higher U.S. interest rates and a strengthening U.S. dollar. After some volatility, global markets recovered strongly starting in January.

The Fund underperformed the index, with the global macro, long/short equity and equity market-neutral strategies detracting from performance. Specifically, stock selection in the long positions held by the equity strategies detracted in aggregate.

Conversely, the credit alternative strategy contributed to performance, as did the risk management overlay, which is designed to manage the Fund's overall exposure to equity markets. Within the Fund's credit alternative strategy, the timing of government and corporate bond exposure in the credit momentum portion of the portfolio contributed.

### Leverage

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that would otherwise not be possible. The Fund's leverage is measured by calculating its aggregate exposure through the sum of the following: (i) the market value of short holdings; (ii) the amount of cash borrowed for investment purposes; and (iii) the notional value of the Fund's derivatives positions, excluding any derivatives used for hedging purposes.

During the period from the Fund's inception to March 31, 2019, the Fund's aggregate exposure ranged from 107.1% to 295.2% of the Fund's NAV. The low end of the range occurred at the time of the Fund's launch, when its strategies were implemented. The high end of the range was reached in March, when the Fund's strategy dictated that more leverage was required to achieve its target risk-return objectives. The sources of leverage were

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

physical short positions in equity and bond securities, and positions in long futures, short futures, forward currency contracts and swaps. Including the notional value of derivatives used for hedging, the low and high amounts above would be 107.1% and 303.2%.

## Net Assets

From its inception on May 23, 2018, to March 31, 2019, the Fund experienced \$1.3 million in net losses (after including dividend and interest income) from investment performance, after deducting fees and expenses, and \$282.8 million in net sales.

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

## Fees and Expenses

The annualized management expense ratio ("MER") for Series A was 2.88% since inception. The MERs (before and after waivers or absorptions, if any) for all series are presented in the *Financial Highlights* section of this report.

## Recent Developments

The strong market performance of most asset classes in the final quarter of the period occurred despite a notable slowdown in the global economy. The Mackenzie Multi-Asset Strategy team believes several U.S. economic indicators have begun to point to a slower pace of expansion, although the team does not anticipate a recession in 2019. Europe remains weak and was exhibiting recessionary conditions at period-end. The rebound in stock valuations leaves less room for further improvements should corporate earnings disappoint investor expectations.

Unless U.S. domestic growth and markets rise significantly, the team believes the Federal Reserve is unlikely to raise rates in 2019. The team believes the European Central Bank and the Bank of Japan will keep monetary conditions accommodative as confidence in their respective economies falters. The team expects the Bank of Canada to continue relying on Canadian economic data but also to consider U.S. monetary policy and interest rate decisions.

To align with new securities regulations, Mackenzie updated the investment objective and strategies of the Fund effective January 11, 2019. These changes provide additional flexibility for the portfolio management team to use derivatives and engage in short selling and borrowing to achieve the Fund's objectives.

## Related Party Transactions

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

## Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to Mackenzie at the annual rates specified under *Fund Formation and Series Information* in this report and as more fully described in the Prospectus. In return for the administration fees, Mackenzie pays all costs and expenses (other than certain specified fund costs) required to operate the Fund that are not included in management fees. See also *Management Fees*.

## Other Related Party Transactions

Mackenzie is wholly owned by IGM Financial Inc. ("IGM"). IGM is a subsidiary of Power Financial Corp., which in turn is a subsidiary of Power Corp. of Canada. Companies related to Power Financial Corp. are therefore considered affiliates of Mackenzie. At March 31, 2019, the Fund held the following investment(s) in companies affiliated with Mackenzie: \$0.4 million invested in securities issued by Ontex Group NV. The investment(s) represented 0.1% of the Fund's NAV. In making the investment(s), Mackenzie relied on the approval of the Mackenzie Funds' Independent Review Committee. The Independent Review Committee issued the approval on the basis that the investment(s) would be made in compliance with Mackenzie's policies. Mackenzie's policies are designed to ensure that any related party transaction (i) is made free from any influence by an entity related to Mackenzie and without taking into account any considerations relevant to an entity related to Mackenzie; (ii) represents the business judgment of Mackenzie, uninfluenced by considerations other than the best interests of the Fund; and (iii) achieves a fair and reasonable result for the Fund.

Investment funds managed by Mackenzie invest in Series R securities of the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. At March 31, 2019, funds managed by Mackenzie owned 80.7% of the Fund's NAV. All related party transactions are based on the NAV per security on each transaction day.

At March 31, 2019, Mackenzie had an investment of \$0.4 million in the Fund (0.2% of the Fund's NAV).



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

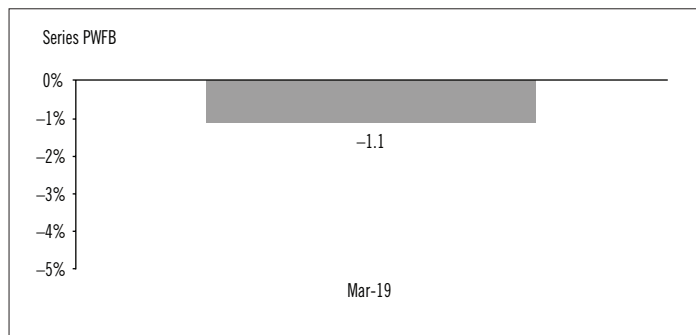
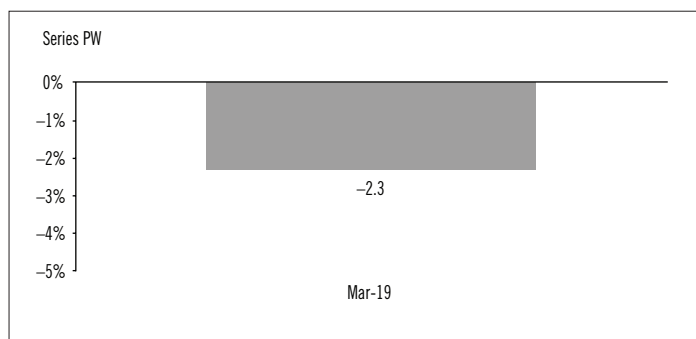
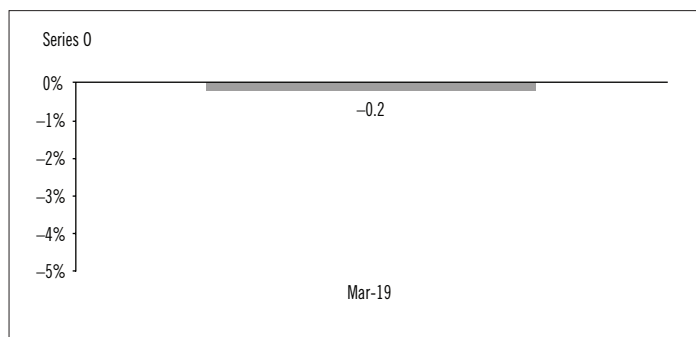
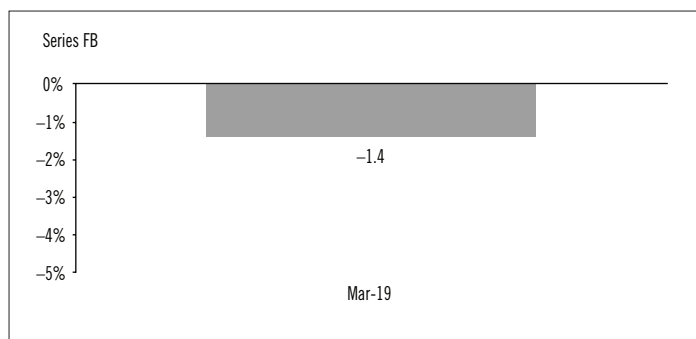
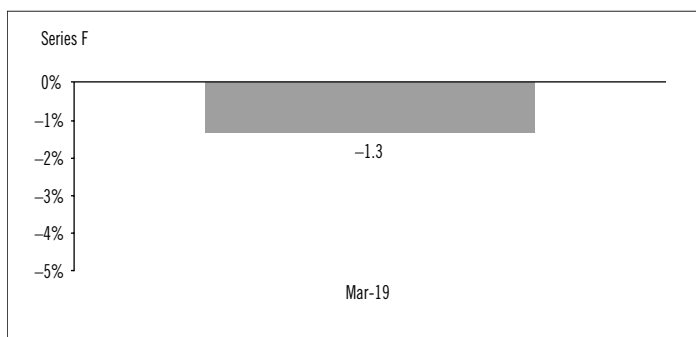
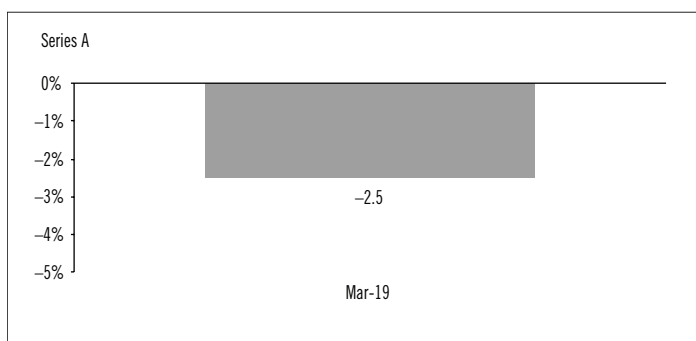
## Past Performance

The Fund's past performance information is presented in the following charts and table. It assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series of the Fund. The charts and table do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any investor that would have reduced returns. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

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

## Year-by-Year Returns

The following bar charts present the performance of each series of the Fund for each of the fiscal periods shown. The charts show, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

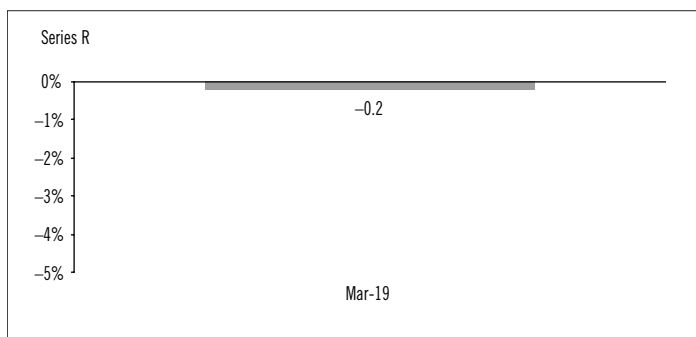
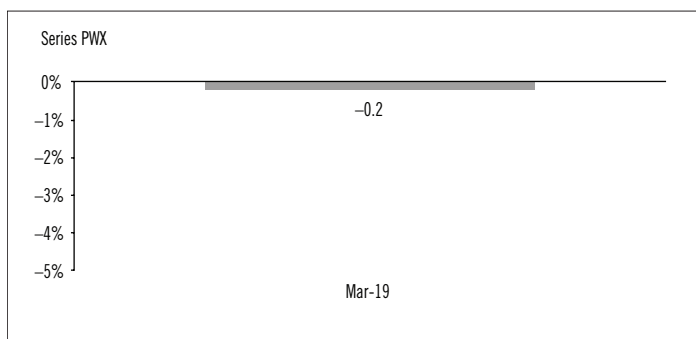


MACKENZIE  
Investments

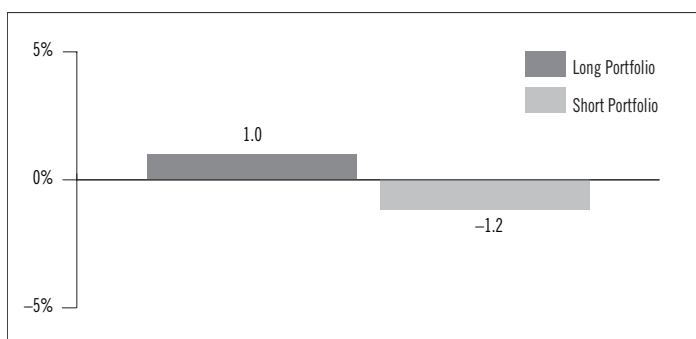
# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND



The following bar chart presents the performance of the Fund's long and short portfolio positions for the period ended March 31, 2019, before deducting fees and expenses and before the effect of other assets (liabilities).



## Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2019. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

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

Percentage Return: <sup>1</sup>	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception <sup>2</sup>
Series A	n/a	n/a	n/a	n/a	-2.5
Series F	n/a	n/a	n/a	n/a	-1.3
Series FB	n/a	n/a	n/a	n/a	-1.4
Series O	n/a	n/a	n/a	n/a	-0.2
Series PW	n/a	n/a	n/a	n/a	-2.3
Series PWFB	n/a	n/a	n/a	n/a	-1.1
Series PWX	n/a	n/a	n/a	n/a	-0.2
Series R	n/a	n/a	n/a	n/a	-0.2
FTSE Canada 91-Day T-Bill Index	n/a	n/a	n/a	n/a	Note 3

\* Broad-based index

The FTSE Canada 91-Day T-Bill Index is an index of Government of Canada treasury bills with maturities of less than 91 days.

- (1) The percentage return differs for each series because the management fee rate and expenses differ for each series.
- (2) The return since inception for each series will differ when the inception date differs and is only provided when a series has been active for a period of less than 10 years.
- (3) The return of the FTSE Canada 91-Day T-Bill Index since inception for each series is 1.3%.



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Summary of Investment Portfolio at March 31, 2019

<i>Effective Portfolio Allocation</i>	<i>% of NAV</i>		
	Long	Short	Net
Bonds	66.0	(1.8)	64.2
<i>Bonds</i>	42.8	(1.8)	41.0
<i>Futures*</i>	23.2	(0.0)	23.2
Equities	48.7	(34.4)	14.3
<i>Futures**</i>	13.1	(0.1)	13.0
<i>Equities</i>	35.6	(34.3)	1.3
Cash and short-term investments <sup>†</sup>	12.7	—	12.7
Commodities futures <sup>††</sup>	5.7	(0.0)	5.7
Other assets (liabilities)	2.6	—	2.6
Swaps <sup>§</sup>	0.5	—	0.5

<i>Effective Regional Allocation</i>	<i>% of NAV</i>		
	Long	Short	Net
United States	45.7	(20.4)	25.3
Cash and short-term investments <sup>†</sup>	12.7	—	12.7
Germany	13.1	(1.5)	11.6
Japan	12.4	(3.0)	9.4
Switzerland	9.3	(1.0)	8.3
Other	8.6	(1.1)	7.5
Canada	9.1	(1.7)	7.4
South Korea	5.9	—	5.9
Australia	4.3	(1.6)	2.7
Other assets (liabilities)	2.6	—	2.6
United Kingdom	4.9	(3.3)	1.6
Netherlands	1.9	(0.4)	1.5
France	2.1	(0.9)	1.2
Finland	1.0	—	1.0
Hong Kong	0.6	—	0.6
British Virgin Islands	0.6	—	0.6
China	0.4	(0.2)	0.2
Norway	0.4	(0.4)	0.0
Sweden	0.3	(0.3)	0.0
Denmark	0.3	(0.4)	(0.1)

<i>Effective Sector Allocation</i>	<i>% of NAV</i>		
	Long	Short	Net
Foreign government bonds	35.0	—	35.0
Corporate bonds	29.0	(1.8)	27.2
Other	13.9	—	13.9
Cash and short-term investments <sup>†</sup>	12.7	—	12.7
Commodities futures	5.7	(0.0)	5.7
Other assets (liabilities)	2.6	—	2.6
Federal bonds	1.7	—	1.7
Financials	3.4	(2.1)	1.3
Utilities	2.6	(1.5)	1.1
Consumer staples	2.7	(1.9)	0.8
Communication services	3.9	(3.4)	0.5
Energy	2.4	(1.9)	0.5
Health care	3.5	(3.6)	(0.1)
Materials	2.7	(2.9)	(0.2)
Real estate	1.0	(1.5)	(0.5)
Information technology	5.5	(6.1)	(0.6)
Consumer discretionary	4.3	(5.1)	(0.8)
Industrials	3.6	(4.4)	(0.8)

<i>Effective Net Currency Exposure</i>	<i>% of NAV</i>
Canadian dollar	96.6
U.S. dollar	10.4
Mexican peso	2.9
Norwegian krone	1.8
South African rand	1.5
Turkish lira	1.4
New Zealand dollar	1.2
Other	0.6
Polish zloty	(1.1)
Japanese yen	(1.3)
Swiss franc	(2.2)
South Korean won	(3.4)
Israeli shekel	(4.0)
Euro	(4.4)

<i>Bonds by Credit Rating<sup>§§</sup></i>	<i>% of NAV</i>
AA	11.4
A	12.2
Less than BBB	(0.3)
Unrated	3.3

<sup>†</sup> A portion of the Fund's effective cash allocation is invested in Series R securities of a money market fund managed by Mackenzie.

<sup>§</sup> Notional principal values represent 3.0% of NAV for currency swaps, 21.4% of NAV for interest rate swaps and 43.9% of NAV for total return swaps.

<sup>§§</sup> Credit ratings and rating categories are based on ratings issued by a designated rating organization. This table includes only bonds held directly by the Fund.

All additional notes follow the Summary of Investment Portfolio.

The effective allocation shows the portfolio, regional, sector or net currency exposure of the Fund calculated by combining its direct and indirect investments.



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Summary of Investment Portfolio at March 31, 2019 (cont'd)

### Top 25 Long Holdings

Issuer/Underlying Fund	% of NAV
Cash and short-term investments	44.6
Mackenzie Canadian Money Market Fund Series R	14.8
The Korea Development Bank 0.23% 09-03-2021	4.3
Japan Finance Corp. 0.00% 05-13-2019	2.6
SPDR Bloomberg Barclays High Yield Bond ETF	2.1
Mackenzie US TIPS Index ETF (CAD-Hedged)	2.0
Nomura Holdings Inc. 2.10% 11-27-2019	1.7
Bank of America Corp. F/R 03-05-2020	1.7
Royal Bank of Canada 4.63% 01-17-2020	1.6
iShares iBoxx \$ Investment Grade Corporate Bond ETF	1.5
iShares TIPS Bond ETF	1.5
Australia and New Zealand Banking Group Ltd. 0.34% 07-24-2020	1.3
Meiji Yasuda Life 2014 Fund Special Purpose Co. Ltd. 0.51% 08-07-2019	1.3
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	1.1
Mackenzie US High Yield Bond Index ETF (CAD-Hedged)	1.1
Export-Import Bank of Korea 1.93% 02-24-2020	1.0
Westpac Banking Corp. 0.30% 01-22-2021	0.9
Cooperatieve Rabobank UA 0.38% 05-22-2020	0.9
Barclays Bank PLC 0.48% 06-24-2019	0.9
East Nippon Expressway Co. Ltd. 0% 06-20-2019	0.9
BPCE SA F/R 04-24-2020	0.8
IFC Development (Corporate Treasury) Ltd. 3.40% 03-26-2020	0.6
Interest Rate Swap 10-14-2021	0.5
Cooperatieve Rabobank UA 1.80% 02-18-2020	0.4
Hyogo Prefecture 1.45% 02-14-2020	0.4
<b>Top long positions as a percentage of total net asset value</b>	<b>90.5</b>

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

### Top 25 Short Holdings

Issuer	% of NAV
The Stars Group Inc.	(0.3)
Zalando SE	(0.3)
Ocado Group PLC	(0.3)
Energizer Holdings Inc. 6.38% 07-15-2026 Callable 2021	(0.2)
Nordic Semiconductor ASA	(0.2)
Ensign Energy Services Inc.	(0.2)
Digimarc Corp.	(0.2)
Hitachi Ltd.	(0.2)
FLEX LNG Ltd.	(0.2)
Twilio Inc.	(0.2)
JD Sports Fashion PLC	(0.2)
Saab AB Class B	(0.2)
Healthcare Services Group Inc.	(0.2)
PDF Solutions Inc.	(0.2)
Mallinckrodt International Finance SA 5.50% 04-15-2025 Callable 2020	(0.2)
NMC Health PLC	(0.2)
Givaudan SA	(0.2)
Sanderson Farms Inc.	(0.2)
Cray Inc.	(0.2)
Avid Technology Inc.	(0.2)
Cyber Agent Ltd.	(0.2)
GoDaddy Inc.	(0.2)
Kratos Defense & Security Solutions Inc.	(0.2)
A10 Networks Inc.	(0.2)
Alnylam Pharmaceuticals Inc.	(0.2)
<b>Top short positions as a percentage of total net asset value</b>	<b>(5.3)</b>

The investments and percentages may have changed since March 31, 2019, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Summary of Investment Portfolio at March 31, 2019 (cont'd)

<i>Notional Principal Values</i>	<i>% of NAV</i>	<i>Notional Principal Values</i>	<i>% of NAV</i>
<b>* Bonds – Futures</b>		<b>†† Commodities – Futures</b>	
Euro-Bund Futures	12.3	Crude Oil Brent Futures	1.6
Long Swiss Confederation Bond Futures	9.3	LME Aluminum Futures	1.0
Long Gilt Futures	0.9	Gold 100-Oz. Futures	0.8
10-Year Commonwealth Treasury Bond Futures	0.4	LME Lead Futures	0.8
U.S. Treasury Note 10-Year Futures	(1.5)	Crude Oil WTI Futures	0.3
Canadian 10-Year Bond Futures	(1.8)	LME Zinc Futures	0.3
90-Day Eurodollar Futures	(11.8)	Sugar No. 11 Futures	0.2
		Soybean Oil Futures	0.2
<b>** Equities – Futures</b>		Wheat Futures	0.2
S&P 500 E-mini Futures	6.4	KC HRW Wheat Futures	0.2
Euro STOXX 50 Futures	2.3	Cotton No. 2 Futures	0.1
Mini MSCI Emerging Markets Index Futures	0.7	Natural Gas Futures	(0.1)
S&P/TSX 60 Index Futures	0.5	Soybean Futures	(0.1)
OMXS30 Index Futures	0.5	LME Nickel Futures	(0.1)
Russell 2000 Index Mini Futures	0.5	RBOB Gasoline Futures	(0.2)
Yen-Denominated Nikkei 225 Futures	0.5	Soybean Meal Futures	(0.2)
FTSE 100 Index Futures	0.4	Silver Futures	(0.3)
SPI 200 Futures	0.4	ULSD NY Harbor Futures	(0.5)
IBEX 35 Index Futures	0.3	Low Sulphur Gasoil Futures	(0.7)
FTSE MIB Futures	0.2	Corn Futures	(0.7)
Hang Seng Index Futures	0.2	LME Copper Futures	(1.1)
CAC40 Index Future	0.0		
Nasdaq 100 E-mini Futures	(0.1)		
Swiss Market Index Futures	(0.2)		
DAX Index Futures	(0.3)		
FTSE/JSE Top 40 Futures	(0.3)		
MEX BOLSA Futures	(0.4)		



**MACKENZIE**  
Investments



# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

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

Series A	Mar. 31 2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.18
Total expenses	(0.32)
Realized gains (losses) for the period	0.06
Unrealized gains (losses) for the period	0.04
<b>Total increase (decrease) from operations²</b>	<b>(0.04)</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	–
From dividends	–
From capital gains	–
Return of capital	–
<b>Total annual distributions³</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.75</b>
Series F	Mar. 31 2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.18
Total expenses	(0.21)
Realized gains (losses) for the period	(0.02)
Unrealized gains (losses) for the period	0.04
<b>Total increase (decrease) from operations²</b>	<b>(0.01)</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	–
From dividends	–
From capital gains	–
Return of capital	–
<b>Total annual distributions³</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.86</b>

Series FB	Mar. 31 2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.22
Total expenses	(0.23)
Realized gains (losses) for the period	(0.18)
Unrealized gains (losses) for the period	0.05
<b>Total increase (decrease) from operations²</b>	<b>(0.14)</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	–
From dividends	–
From capital gains	–
Return of capital	–
<b>Total annual distributions³</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>9.86</b>
Series O	Mar. 31 2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.18
Total expenses	(0.09)
Realized gains (losses) for the period	0.54
Unrealized gains (losses) for the period	0.04
<b>Total increase (decrease) from operations²</b>	<b>0.67</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	(0.01)
From dividends	–
From capital gains	–
Return of capital	–
<b>Total annual distributions³</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>9.97</b>

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



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## THE FUND'S NET ASSETS PER SECURITY (\$)¹ (cont'd)

	Mar. 31
Series PW	2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.19
Total expenses	(0.30)
Realized gains (losses) for the period	(0.00)
Unrealized gains (losses) for the period	0.05
<b>Total increase (decrease) from operations²</b>	<b>(0.06)</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
<b>Total annual distributions³</b>	<b>-</b>
<b>Net assets, end of period</b>	<b>9.78</b>

	Mar. 31
Series PWFB	2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.35
Total expenses	(0.28)
Realized gains (losses) for the period	(0.04)
Unrealized gains (losses) for the period	0.09
<b>Total increase (decrease) from operations²</b>	<b>0.12</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
<b>Total annual distributions³</b>	<b>-</b>
<b>Net assets, end of period</b>	<b>9.89</b>

	Mar. 31
Series PWX	2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.19
Total expenses	(0.09)
Realized gains (losses) for the period	0.39
Unrealized gains (losses) for the period	0.05
<b>Total increase (decrease) from operations²</b>	<b>0.54</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	(0.01)
From dividends	-
From capital gains	-
Return of capital	-
<b>Total annual distributions³</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>9.97</b>

	Mar. 31
Series R	2019
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.23
Total expenses	(0.11)
Realized gains (losses) for the period	(0.24)
Unrealized gains (losses) for the period	0.06
<b>Total increase (decrease) from operations²</b>	<b>(0.06)</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	(0.01)
From dividends	-
From capital gains	-
Return of capital	-
<b>Total annual distributions³</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>9.89</b>



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## RATIOS AND SUPPLEMENTAL DATA

	Mar. 31 2019
<b>Series A</b>	
Total net asset value (\$000) <sup>1</sup>	3,903
Securities outstanding (000) <sup>1</sup>	400
Management expense ratio (%) <sup>2</sup>	2.88
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.89
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.75

	Mar. 31 2019
<b>Series F</b>	
Total net asset value (\$000) <sup>1</sup>	46,353
Securities outstanding (000) <sup>1</sup>	4,700
Management expense ratio (%) <sup>2</sup>	1.51
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.51
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.86

	Mar. 31 2019
<b>Series FB</b>	
Total net asset value (\$000) <sup>1</sup>	1
Securities outstanding (000) <sup>1</sup>	–
Management expense ratio (%) <sup>2</sup>	1.79
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.80
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.86

	Mar. 31 2019
<b>Series O</b>	
Total net asset value (\$000) <sup>1</sup>	602
Securities outstanding (000) <sup>1</sup>	60
Management expense ratio (%) <sup>2</sup>	0.06
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.07
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.97

	Mar. 31 2019
<b>Series PW</b>	
Total net asset value (\$000) <sup>1</sup>	3,433
Securities outstanding (000) <sup>1</sup>	351
Management expense ratio (%) <sup>2</sup>	2.61
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.61
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.77

	Mar. 31 2019
<b>Series PWFB</b>	
Total net asset value (\$000) <sup>1</sup>	1
Securities outstanding (000) <sup>1</sup>	–
Management expense ratio (%) <sup>2</sup>	1.53
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.54
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.89

	Mar. 31 2019
<b>Series PWX</b>	
Total net asset value (\$000) <sup>1</sup>	16
Securities outstanding (000) <sup>1</sup>	2
Management expense ratio (%) <sup>2</sup>	0.06
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.07
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.97

- (1) This information is provided as at the end of the fiscal period shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. If in the period a series was established or reinstated, the management expense ratio is annualized from the date of inception or reinstatement. Mackenzie may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## RATIOS AND SUPPLEMENTAL DATA (cont'd)

Series R	Mar. 31 2019
Total net asset value (\$000) <sup>1</sup>	227,183
Securities outstanding (000) <sup>1</sup>	22,966
Management expense ratio (%) <sup>2</sup>	0.06
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.07
Trading expense ratio (%) <sup>3</sup>	0.56
Portfolio turnover rate (%) <sup>4</sup>	n/a
Net asset value per security (\$)	9.89

## Management Fees

The management fee for each applicable series is calculated and accrued daily as a percentage of its NAV. The Fund's management fees were used by Mackenzie to pay for the costs of managing the investment portfolio of the Fund and/or the underlying fund(s), as applicable, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio, and providing other services. Mackenzie also used the management fees to fund sales commissions, trailing commissions and any other compensation (collectively "distribution-related payments") to registered dealers and brokers whose clients invest in the Fund.

The following dealers affiliated with Mackenzie may be entitled to distribution-related payments from Mackenzie on the same basis as unrelated registered brokers and dealers: IPC Securities Corporation, Investors Group Securities Inc., IPC Investment Corporation and Investors Group Financial Services Inc.

Mackenzie used approximately 43% of the total management fee revenues received from all Mackenzie funds during the year to fund distribution-related payments to registered dealers and brokers. In comparison, such distribution-related payments for the Fund represented on average 8% of the management fees paid by all applicable series of the Fund during the period. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series. Because the Fund is in its first year, the percentage of management fees used to fund such distribution-related payments is not representative.



**MACKENZIE**  
Investments

# MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Period Ended March 31, 2019

ALTERNATIVE FUND

## Fund Formation and Series Information

The Fund may have undergone a number of changes, such as a reorganization or a change in manager, mandate or name. A history of the major changes affecting the Fund in the last 10 years can be found in the Fund's Annual Information Form.

Date of Formation April 27, 2018

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in *Financial Highlights*.

**Series Offered by Mackenzie Financial Corporation** (180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com))

Series A are offered to retail investors investing a minimum of \$500.

Series F securities are offered to retail investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000.

Series PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series PWX securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Each series is available for purchase under the sales charge purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. For further details on this purchase option, please refer to the Fund's Simplified Prospectus and Fund Facts.

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$) Mar. 31, 2019
Series A	May 23, 2018	2.25%	0.28%	9.75
Series F	May 23, 2018	1.15%	0.15%	9.86
Series FB	May 23, 2018	1.25%	0.28%	9.86
Series O	May 23, 2018	— <sup>(1)</sup>	— *	9.97
Series PW	May 23, 2018	2.15%	0.15%	9.77
Series PWFB	May 23, 2018	1.15%	0.15%	9.89
Series PWX	May 23, 2018	— <sup>(2)</sup>	— <sup>(2)</sup>	9.97
Series R	May 23, 2018	— *	— *	9.89

\* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.



**MACKENZIE**  
Investments