

MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2018

STRATEGIC BETA INDEX ETF

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Maximum Diversification 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 7, 2018

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Maximum Diversification All World Developed Ex North America Index ETF (the "ETF")

We have audited the accompanying financial statements of the ETF which comprise the statements of financial position as at March 31, 2018 and 2017, and the statements of comprehensive income, statements of changes in financial position and statements of cash flows for the periods then ended, as indicated in Note 1, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the ETF as at March 31, 2018 and 2017, 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.



Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
June 7, 2018



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STATEMENTS OF FINANCIAL POSITION

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

	2018	2017
	\$	\$
ASSETS		
Current assets		
Investments at fair value	84,715	49,216
Cash and cash equivalents	175	17
Dividends receivable	314	187
Accounts receivable for investments sold	–	5
Accounts receivable for securities issued	–	–
Due from manager	10	9
Total assets	85,214	49,434
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	–	5
Accounts payable for securities redeemed	–	–
Due to manager	145	47
Total liabilities	145	52
Net assets attributable to unitholders	85,069	49,382
Net assets attributable to unitholders per series (note 3)		
Series E	85,069	49,382
Net assets attributable to unitholders per unit (note 3)		
Series E	22.99	20.58

STATEMENTS OF COMPREHENSIVE INCOME

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

	2018	2017
	\$	\$
Income		
Dividends	1,492	364
Interest income	1	–
Other changes in fair value of investments		
Net realized gain (loss)	1,791	81
Net unrealized gain (loss)	4,589	2,566
Securities lending income	17	–
Other	255	104
Total income (loss)	8,145	3,115
Expenses (note 6)		
Management fees	425	86
Management fee rebates	(275)	–
Interest charges	1	–
Commissions and other portfolio transaction costs	387	156
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	538	242
Expenses absorbed by Manager	10	27
Net expenses	528	215
Increase (decrease) in net assets attributable to unitholders from operations before tax	7,617	2,900
Foreign withholding taxes	157	48
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	7,460	2,852
Increase (decrease) in net assets attributable to unitholders from operations per series		
Series E	7,460	2,852
Increase (decrease) in net assets attributable to unitholders from operations per unit		
Series E	2.60	2.56

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

	2018	2017
	Series E	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	\$	
Beginning of period	49,382	–
Increase (decrease) in net assets from operations	7,460	2,852
Distributions paid to unitholders:		
Investment income	(891)	(177)
Capital gains	–	–
Management fee rebates	(275)	–
Total distributions paid to unitholders	(1,166)	(177)
Unit transactions:		
Proceeds from units issued	43,964	46,610
Reinvested distributions	–	97
Value of units redeemed	(14,571)	–
Total unit transactions	29,393	46,707
Total increase (decrease) in net assets	35,687	49,382
End of period	85,069	49,382
Increase (decrease) in units (note 7):	Units	
Units outstanding – beginning of period	2,400	–
Issued	2,000	2,400
Reinvested distributions	–	–
Redeemed	(700)	–
Units outstanding – end of period	3,700	2,400

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STATEMENTS OF CASH FLOWS

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

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	7,460	2,852
Adjustments for:		
Net realized loss (gain) on investments	(1,791)	(81)
Change in net unrealized loss (gain) on investments	(4,589)	(2,566)
Purchase of investments	(71,207)	(53,074)
Proceeds from sale and maturity of investments	42,084	6,439
Change in dividends receivable	(127)	(187)
Change in due from manager	(1)	(9)
Change in due to manager	98	47
Net cash from operating activities	(28,073)	(46,579)
Cash flows from financing activities		
Proceeds from redeemable securities issued	43,964	46,610
Payments on redemption of redeemable securities	(14,571)	–
Distributions paid net of reinvestments	(1,166)	(80)
Net cash from financing activities	28,227	46,530
Net increase (decrease) in cash and cash equivalents	154	(49)
Cash and cash equivalents at beginning of period	17	–
Effect of exchange rate fluctuations on cash and cash equivalents	4	66
Cash and cash equivalents at end of period	175	17
Cash	175	17
Cash equivalents	–	–
Cash and cash equivalents at end of period	175	17
Supplementary disclosures on cash flow from operating activities:		
Dividends received	1,365	177
Foreign taxes paid	157	48
Interest received	1	–
Interest paid	1	–

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SCHEDULE OF INVESTMENTS

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
3i Group PLC	United Kingdom	Financials	5,559	86	86
A.P. Moller - Maersk AS A	Denmark	Industrials	45	96	85
A.P. Moller - Maersk AS B	Denmark	Industrials	43	97	85
The a2 Milk Co. Ltd.	New Zealand	Consumer Staples	52,027	475	600
ABB Ltd.	Switzerland	Industrials	2,770	88	85
ABC-Mart Inc.	Japan	Consumer Discretionary	1,151	86	98
ABN AMRO Group NV	Netherlands	Financials	2,574	93	100
Adecco Group SA	Switzerland	Industrials	916	86	84
Adidas AG	Germany	Consumer Discretionary	915	223	285
Admiral Group PLC	United Kingdom	Financials	2,840	88	95
Aegon NV	Netherlands	Financials	15,674	118	136
Aeon Co. Ltd.	Japan	Consumer Staples	4,974	99	115
Ageas	Belgium	Financials	1,612	93	107
Aggreko PLC	United Kingdom	Industrials	6,637	87	88
AGL Energy Ltd.	Australia	Utilities	4,761	108	102
AIA Group Ltd.	Hong Kong	Financials	12,170	114	133
AIB Group PLC	Ireland	Financials	55,926	457	434
Ain Holdings Inc.	Japan	Consumer Staples	1,802	159	174
Air France-KLM	France	Industrials	5,658	86	81
Air Liquide SA	France	Materials	938	137	148
Ajinomoto Co. Inc.	Japan	Consumer Staples	3,600	94	84
Akzo Nobel NV	Netherlands	Materials	679	87	83
All Nippon Airways Co. Ltd.	Japan	Industrials	1,690	72	84
Altice NV Class A	Netherlands	Consumer Discretionary	14,294	215	152
Alumina Ltd.	Australia	Materials	36,917	88	86
Amadeus IT Group SA	Spain	Information Technology	1,278	96	122
Ams AG	Austria	Information Technology	4,521	592	608
Anglo American PLC	United Kingdom	Materials	3,493	88	105
Anheuser-Busch InBev NV	Belgium	Consumer Staples	599	87	85
Ansell Ltd.	Australia	Health Care	10,246	244	256
ArcelorMittal SA	Luxembourg	Materials	3,123	101	127
Asahi Group Holdings Ltd.	Japan	Consumer Staples	2,287	118	157
Asahi Intecc Co. Ltd.	Japan	Health Care	4,495	147	230
Asahi Kasei Corp.	Japan	Materials	8,231	113	140
ASM Pacific Technology Ltd.	Hong Kong	Information Technology	27,322	462	492
ASML Holding NV	Netherlands	Information Technology	1,560	290	396
Assa Abloy AB B	Sweden	Industrials	3,162	83	88
Assicurazioni Generali SPA	Italy	Financials	4,789	104	119
Astellas Pharma Inc.	Japan	Health Care	8,659	152	170
Atlas Copco AB - Class A	Sweden	Industrials	1,558	73	88
Atlas Copco AB B	Sweden	Industrials	2,024	86	101
Auckland International Airport Ltd.	New Zealand	Industrials	14,663	88	83
Aurizon Holdings Ltd.	Australia	Industrials	23,695	117	99
Auto Trader Group PLC	United Kingdom	Information Technology	14,434	92	92
Banco Bilbao Vizcaya Argentaria SA	Spain	Financials	8,241	83	84
Banco De Sabadell SA	Spain	Financials	45,522	105	120
Banco Santander SA	Spain	Financials	9,975	85	84
The Bank of East Asia Ltd.	Hong Kong	Financials	15,412	83	79



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Bank of Ireland Group PLC	Ireland	Financials	36,953	398	417
Bankia SA	Spain	Financials	45,096	270	260
Barclays PLC	United Kingdom	Financials	28,052	91	105
Benesse Holdings Inc.	Japan	Consumer Discretionary	6,724	282	315
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	1,253	89	86
BlueScope Steel Ltd.	Australia	Materials	17,869	213	267
BNP Paribas SA	France	Financials	891	87	85
Boliden AB	Sweden	Materials	2,382	92	107
Brambles Ltd.	Australia	Industrials	9,331	97	92
Brenntag AG	Germany	Industrials	1,300	97	100
Bridgestone Corp.	Japan	Consumer Discretionary	2,177	116	122
BT Group PLC	United Kingdom	Telecommunication Services	21,229	89	87
Bunzl PLC	United Kingdom	Industrials	2,337	82	89
Burberry Group PLC	United Kingdom	Consumer Discretionary	2,924	90	90
CaixaBank SA	Spain	Financials	23,288	126	143
Calbee Inc.	Japan	Consumer Staples	1,991	87	85
Capital & Counties Properties PLC	United Kingdom	Real Estate	17,947	86	88
CapitaLand Mall Trust	Singapore	Real Estate	47,178	89	96
Carnival PLC ADR	United States	Consumer Discretionary	1,014	80	86
Carrefour SA	France	Consumer Staples	3,158	86	84
Central Japan Railway Co.	Japan	Industrials	414	93	101
Centrica PLC	United Kingdom	Utilities	62,774	154	161
CIMIC Group Ltd.	Australia	Industrials	3,780	152	166
Cineworld Group PLC	United Kingdom	Consumer Discretionary	27,351	124	117
CK Asset Holdings Ltd.	Hong Kong	Real Estate	7,670	84	83
CK Hutchison Holdings Ltd.	Hong Kong	Industrials	9,459	151	146
Clariant AG Reg.	Switzerland	Materials	3,421	96	105
CNH Industrial NV	United Kingdom	Industrials	6,458	91	103
Cobham PLC	United Kingdom	Industrials	207,792	456	462
Coca-Cola HBC AG-DI	Switzerland	Consumer Staples	2,248	91	107
Coca-Cola West Co. Ltd.	Japan	Consumer Staples	2,325	98	124
Cochlear Ltd.	Australia	Health Care	657	96	118
Coloplast AS	Denmark	Health Care	3,280	326	356
Colruyt SA	Belgium	Consumer Staples	1,236	83	88
ComfortDelGro Corp. Ltd.	Singapore	Industrials	43,210	92	87
Commerzbank AG	Germany	Financials	9,348	135	156
Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	753	88	87
Compagnie Generale des Etablissements Michelin B	France	Consumer Discretionary	521	87	99
Compass Group PLC	United Kingdom	Consumer Discretionary	3,138	86	84
Continental AG	Germany	Consumer Discretionary	296	88	105
ConvaTec Group PLC	United Kingdom	Health Care	23,873	84	86
Cosmo Energy Holdings Co. Ltd.	Japan	Energy	1,993	87	83
COSMOS Pharmaceutical Corp.	Japan	Consumer Staples	342	88	90
Credit Agricole SA	France	Financials	3,986	88	83
Credit Suisse Group AG	Switzerland	Financials	3,704	89	80
CSL Ltd.	Australia	Health Care	1,857	226	285
CSR Ltd.	Australia	Materials	15,647	84	80
Cyber Agent Ltd.	Japan	Consumer Discretionary	2,149	86	138



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
CYBG PLC	United Kingdom	Financials	18,364	92	98
Dai-ichi Life Holdings Inc.	Japan	Financials	5,129	120	121
Daiichi Sankyo Co. Ltd.	Japan	Health Care	3,312	105	142
Dainippon Pharmaceutical Co. Ltd.	Japan	Health Care	4,596	91	100
Dairy Farm International Holdings Ltd.	Hong Kong	Consumer Staples	8,408	88	86
Daito Trust Construction Co. Ltd.	Japan	Real Estate	425	91	95
Danone SA	France	Consumer Staples	4,051	88	85
Danske Bank AS	Denmark	Financials	1,674	82	80
DBS Group Holdings Ltd.	Singapore	Financials	3,031	85	82
DeNA Co. Ltd.	Japan	Information Technology	9,540	271	222
Deutsche Bank AG Reg.	Germany	Financials	15,009	329	270
Deutsche Boerse AG	Germany	Financials	542	82	95
Deutsche Lufthansa AG Reg.	Germany	Industrials	4,234	123	174
Deutsche Wohnen AG	Germany	Real Estate	1,855	90	111
Dexus Property Group	Australia	Real Estate	9,051	86	83
Direct Line Insurance Group PLC	United Kingdom	Financials	14,787	92	102
Domino's Pizza Enterprises Ltd.	Australia	Consumer Discretionary	3,617	156	149
Downer EDI Ltd.	Australia	Industrials	13,000	87	82
DSV AS	Denmark	Industrials	1,297	101	131
E.ON SE	Germany	Utilities	5,879	85	84
East Japan Railway Co.	Japan	Industrials	1,042	125	125
easyJet PLC	United Kingdom	Industrials	3,352	84	97
Eisai Co. Ltd.	Japan	Health Care	1,917	143	158
Elekta AB B	Sweden	Health Care	7,682	91	105
EMS-Chemie Holding AG	Switzerland	Materials	104	80	84
Endesa SA	Spain	Utilities	3,117	88	88
Engie SA	France	Utilities	4,142	90	89
Erste Group Bank AG	Austria	Financials	1,618	89	105
Essilor International SA	France	Health Care	536	85	93
Essity Aktiebolag Class B	Sweden	Consumer Staples	9,951	362	353
Eutelsat Communications SA	France	Consumer Discretionary	3,656	113	93
Evolution Mining Ltd.	Australia	Materials	112,530	255	337
Experian PLC	United Kingdom	Industrials	3,085	85	86
Ezaki Glico Co. Ltd.	Japan	Consumer Staples	4,264	275	288
FamilyMart UNY Holdings Co. Ltd.	Japan	Consumer Staples	6,571	561	715
Fast Retailing Co. Ltd.	Japan	Consumer Discretionary	500	238	262
Ferrari NV	Italy	Consumer Discretionary	893	105	138
Fiat Chrysler Automobiles NV	United Kingdom	Consumer Discretionary	18,526	351	485
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	Health Care	9,609	97	118
Fletcher Building Ltd.	New Zealand	Materials	14,455	110	81
Fortescue Metals Group Ltd.	Australia	Materials	47,366	244	203
Fortum OYJ	Finland	Utilities	4,128	95	114
Fresenius Medical Care AG & Co.	Germany	Health Care	5,990	727	789
Fresenius SE & Co. KGaA	Germany	Health Care	1,396	144	137
Fresnillo PLC	Mexico	Materials	12,794	298	294
Fuji Media Holdings Inc.	Japan	Consumer Discretionary	3,892	89	86
FUJIFILM Holdings Corp.	Japan	Information Technology	1,800	91	93
Furukawa Electric Co. Ltd.	Japan	Industrials	4,683	253	325



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As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
G4S PLC	United Kingdom	Industrials	19,164	88	86
Galapagos NV-SPON ADR	Belgium	Health Care	716	98	92
Galaxy Entertainment Group Ltd.	Hong Kong	Consumer Discretionary	22,048	182	258
Galp Energia SGPS SA	Portugal	Energy	4,355	92	106
GEA Group AG	Germany	Industrials	1,597	91	87
Geberit AG	Switzerland	Industrials	149	83	85
Genmab AS	Denmark	Health Care	341	73	94
Genting Singapore PLC	Singapore	Consumer Discretionary	110,566	110	117
Givaudan SA	Switzerland	Materials	126	332	369
Glanbia PLC	Ireland	Consumer Staples	10,486	245	233
Glencore PLC	Switzerland	Materials	14,173	84	91
GPT Group Stapled Securities	Australia	Real Estate	18,068	89	85
Grifols SA	Spain	Health Care	3,129	102	114
GVC Holdings PLC	Isle of Man	Consumer Discretionary	5,055	80	84
H. Lundbeck AS	Denmark	Health Care	5,820	364	418
Hang Lung Properties Ltd.	Hong Kong	Real Estate	27,760	87	83
Hang Seng Bank Ltd.	Hong Kong	Financials	3,163	87	94
Hargreaves Lansdown PLC	United Kingdom	Financials	3,732	95	110
Henderson Land Development Co. Ltd.	Hong Kong	Real Estate	11,533	85	97
Henkel AG & Co. KGaA Pfd.	Germany	Consumer Staples	492	82	83
Henkel AG & Co. KGaA	Germany	Consumer Staples	539	80	87
Hennes & Mauritz AB B	Sweden	Consumer Discretionary	4,093	119	79
Hermes International	France	Consumer Discretionary	129	79	98
Hexagon AB B	Sweden	Information Technology	1,606	94	123
Hisamitsu Pharmaceutical Co. Ltd.	Japan	Health Care	1,430	101	143
Hiscox Ltd.	United Kingdom	Financials	4,133	91	109
The Hong Kong and China Gas Co. Ltd.	Hong Kong	Utilities	36,001	84	95
Hong Kong Exchanges and Clearing Ltd.	Hong Kong	Financials	4,854	173	203
Hongkong Land Holdings Ltd.	Hong Kong	Real Estate	9,650	87	86
Hoshizaki Electric Co. Ltd.	Japan	Industrials	745	83	84
Hoya Corp.	Japan	Health Care	1,567	96	101
Hutchison Port Holdings Trust	Hong Kong	Industrials	428,362	231	163
Hysan Development Co. Ltd.	Hong Kong	Real Estate	12,528	89	85
Iberdrola SA	Spain	Utilities	20,044	187	190
Idemitsu Kosan Co.	Japan	Energy	2,707	106	133
IG Group Holdings PLC	United Kingdom	Financials	34,866	371	503
Iliad SA	France	Telecommunication Services	306	88	82
Iluka Resources Ltd.	Australia	Materials	7,867	88	82
Inchcape PLC	United Kingdom	Consumer Discretionary	7,009	92	88
Indivior PLC	United Kingdom	Health Care	67,247	377	496
Industria de Diseno Textil SA (Inditex)	Spain	Consumer Discretionary	2,242	93	90
Infineon Technologies AG	Germany	Information Technology	7,068	200	244
Informa PLC	United Kingdom	Consumer Discretionary	6,761	86	88
ING Groep NV	Netherlands	Financials	3,836	88	83
Ingenico SA	France	Information Technology	3,579	426	374
Inmarsat PLC	United Kingdom	Telecommunication Services	23,902	244	157
InterContinental Hotels Group PLC	United Kingdom	Consumer Discretionary	1,081	86	83
Intermediate Capital Group PLC	United Kingdom	Financials	6,870	102	122



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As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
International Consolidated Airlines Group SA	United Kingdom	Industrials	7,630	88	85
Intertek Group PLC	United Kingdom	Industrials	1,347	96	114
Intesa Sanpaolo SPA	Italy	Financials	20,181	88	95
Intesa Sanpaolo SPA (RSP share)	Italy	Financials	17,116	88	84
Investec PLC	South Africa	Financials	7,568	83	75
Ipsen SA	France	Health Care	1,091	149	218
ISS AS	Denmark	Industrials	1,803	87	86
ITV PLC	United Kingdom	Consumer Discretionary	32,604	98	85
Izumi Co. Ltd.	Japan	Consumer Discretionary	1,230	81	108
J Sainsbury PLC	United Kingdom	Consumer Staples	19,960	86	86
J. Front Retailing Co. Ltd.	Japan	Consumer Discretionary	4,724	92	104
James Hardie Industries PLC	Ireland	Materials	4,755	99	108
Japan Airlines Co. Ltd.	Japan	Industrials	2,169	93	113
Japan Post Holdings Co. Ltd.	Japan	Financials	5,686	92	88
Japan Steel Works Ltd.	Japan	Industrials	2,027	87	84
Jardine Cycle & Carriage Ltd.	Singapore	Consumer Discretionary	2,462	86	84
Jardine Matheson Holdings Ltd.	Hong Kong	Industrials	4,644	371	369
Jardine Strategic Holdings Ltd.	Hong Kong	Industrials	4,279	220	212
JBH Hi-Fi Ltd.	Australia	Consumer Discretionary	5,386	140	137
John Wood Group PLC	United Kingdom	Energy	8,415	89	82
Johnson Matthey PLC	United Kingdom	Materials	1,574	83	87
Julius Baer Group Ltd.	Switzerland	Financials	1,206	88	95
Just Eat PLC	United Kingdom	Information Technology	7,577	92	96
JXTG Holdings Inc.	Japan	Energy	11,302	88	88
Jyske Bank AS	Denmark	Financials	1,238	85	94
K+S AG	Germany	Materials	18,799	605	699
Kagome Co. Ltd.	Japan	Consumer Staples	4,197	159	190
Kajima Corp.	Japan	Industrials	9,200	99	110
Kaken Pharmaceutical Co. Ltd.	Japan	Health Care	1,304	90	99
Kansai Electric Power Co. Inc.	Japan	Utilities	11,237	176	187
Kao Corp.	Japan	Consumer Staples	2,575	189	250
Kazakhmys PLC	Kazakhstan	Materials	5,333	91	83
KBC Groep NV	Belgium	Financials	925	90	104
KDDI Corp.	Japan	Telecommunication Services	6,971	235	230
Kerry Group PLC A	Ireland	Consumer Staples	8,690	1,001	1,136
Kerry Properties Ltd.	Hong Kong	Real Estate	15,422	91	90
Kesko OYJ	Finland	Consumer Staples	1,300	88	96
Kewpie Corp.	Japan	Consumer Staples	5,201	173	182
Keyence Corp.	Japan	Information Technology	191	111	153
Kinden Corp.	Japan	Industrials	4,683	89	100
Kingfisher PLC	United Kingdom	Consumer Discretionary	18,016	93	95
Kingspan Group PLC	Ireland	Industrials	1,951	94	106
Kingston Financial Group Ltd.	Hong Kong	Financials	189,854	182	109
Kirin Holdings Co. Ltd.	Japan	Consumer Staples	5,049	131	174
Kobe Steel Ltd.	Japan	Materials	17,153	216	222
Konami Corp.	Japan	Information Technology	1,277	79	87
Kone OYJ B	Finland	Industrials	1,396	89	90
Koninklijke (Royal) KPN NV	Netherlands	Telecommunication Services	105,160	437	406



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	4,711	129	144
Koninklijke Philips NV	Netherlands	Health Care	4,507	201	223
Kuehne + Nagel International AG	Switzerland	Industrials	429	85	87
Kuraray Co. Ltd.	Japan	Materials	4,284	94	94
Kyowa Hakko Kirin Co. Ltd.	Japan	Health Care	14,342	310	407
Kyushu Electric Power Co. Inc.	Japan	Utilities	6,059	88	93
Land Securities Group PLC	United Kingdom	Real Estate	5,280	88	89
Landing International Development Ltd.	Hong Kong	Information Technology	6,464,102	314	231
Lawson Inc.	Japan	Consumer Staples	3,858	345	340
Li & Fung Ltd.	Hong Kong	Consumer Discretionary	180,729	109	114
The Link Real Estate Investment Trust	Hong Kong	Real Estate	105,942	1,047	1,167
Lion Corp.	Japan	Consumer Staples	13,360	314	348
Logitech International SA Reg.	Switzerland	Information Technology	4,874	215	229
London Stock Exchange Group PLC	United Kingdom	Financials	1,261	83	94
Lonza Group AG	Switzerland	Health Care	424	116	129
L'Oréal SA	France	Consumer Staples	334	87	97
Lundin Petroleum AB	Sweden	Energy	7,660	220	247
MAN SE	Germany	Industrials	617	86	93
Marine Harvest ASA	Norway	Consumer Staples	3,890	84	100
Marks & Spencer Group PLC	United Kingdom	Consumer Discretionary	17,291	87	84
Medibank Private Ltd.	Australia	Financials	31,533	91	90
Mediclinic International PLC	South Africa	Health Care	13,684	161	149
Mediobanca SPA	Italy	Financials	6,660	90	101
MEIJI Holdings Co. Ltd.	Japan	Consumer Staples	1,264	133	124
Melco International Development Ltd.	Hong Kong	Consumer Discretionary	41,909	133	157
Melco Resorts & Entertainment Ltd. ADR	Hong Kong	Consumer Discretionary	4,729	133	177
Melrose Industries PLC	United Kingdom	Industrials	175,048	631	731
Merck KGaA	Germany	Health Care	694	96	86
Metcash Ltd.	Australia	Consumer Staples	48,249	123	149
Metro Wholesale & Food Specialist	Germany	Consumer Staples	3,550	88	81
MGM China Holdings Ltd.	Macau	Consumer Discretionary	65,209	199	217
Micro Focus International PLC	United Kingdom	Information Technology	5,966	235	106
Mineral Resources Ltd.	Australia	Materials	5,790	104	97
Mirvac Group Stapled Securities	Australia	Real Estate	39,612	86	84
Mitsubishi Motors Corp.	Japan	Consumer Discretionary	48,071	413	444
Mitsubishi Tanabe Pharma Corp.	Japan	Health Care	4,161	113	105
Mitsui Mining & Smelting Co. Ltd.	Japan	Materials	1,493	99	88
Morinaga & Co. Ltd.	Japan	Consumer Staples	3,866	238	220
Morinaga Milk Industry Co. Ltd.	Japan	Consumer Staples	3,198	174	168
MTR Corp. Ltd.	Hong Kong	Industrials	12,028	84	83
MTU Aero Engines AG	Germany	Industrials	578	106	125
Muenchener Rueckversicherungs - Gesellschaft AG (MunichRe)	Germany	Financials	336	89	101
Nagoya Railroad Co. Ltd.	Japan	Industrials	2,648	83	87
Namco Bandai Holdings Inc.	Japan	Consumer Discretionary	2,072	83	88
National Grid PLC ADR	United Kingdom	Utilities	1,242	99	90
Natixis	France	Financials	9,921	91	105
Neste Oil OYJ	Finland	Energy	6,790	470	609
Nestlé SA Reg.	Switzerland	Consumer Staples	835	88	85



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
New World Development Co. Ltd.	Hong Kong	Real Estate	51,325	85	93
Newcrest Mining Ltd.	Australia	Materials	59,713	1,235	1,156
Nexon Co. Ltd.	Japan	Information Technology	10,836	149	232
Next PLC	United Kingdom	Consumer Discretionary	4,228	324	364
NIB Holdings Ltd.	Australia	Financials	12,346	86	78
Nichirei Corp.	Japan	Consumer Staples	9,786	308	349
Nihon Kohden Corp.	Japan	Health Care	2,398	90	86
Nikon Corp.	Japan	Consumer Discretionary	4,203	94	97
Nintendo Co. Ltd.	Japan	Information Technology	1,101	439	626
Nippon Express Co. Ltd.	Japan	Industrials	1,029	80	89
Nippon Meat Packers Inc.	Japan	Consumer Staples	1,578	107	84
Nippon Paper Industries Co. Ltd.	Japan	Materials	7,025	169	169
Nippon Shinyaku Co. Ltd.	Japan	Health Care	3,424	254	296
Nippon Telegraph & Telephone Corp. (NTT)	Japan	Telecommunication Services	4,565	269	272
Nissin Foods Holdings Co. Ltd.	Japan	Consumer Staples	987	78	88
Nitori Holdings Co. Ltd.	Japan	Consumer Discretionary	2,733	491	624
NN Group NV	Netherlands	Financials	2,062	102	118
Nokia OYJ ADR	Finland	Information Technology	20,494	144	145
Nokian Renkaat OYJ	Finland	Consumer Discretionary	1,702	91	100
Nomura Research Institute Ltd.	Japan	Information Technology	1,418	67	87
Nordea Bank AB	Sweden	Financials	5,710	86	78
Norsk Hydro ASA ADR	Norway	Materials	10,379	86	80
Northern Star Resources Ltd.	Australia	Materials	55,709	255	346
Novartis AG Reg.	Switzerland	Health Care	819	88	85
Novo Nordisk AS B ADR	Denmark	Health Care	11,460	637	728
Novozymes AS	Denmark	Materials	1,685	95	112
NTT Data Corp.	Japan	Information Technology	6,450	88	89
NTT DoCoMo Inc.	Japan	Telecommunication Services	6,469	201	213
Obayashi Corp.	Japan	Industrials	18,475	256	261
Ocado Group PLC	United Kingdom	Consumer Discretionary	8,077	87	78
OMRON Corp.	Japan	Information Technology	1,527	94	116
OMV AG	Austria	Energy	1,210	86	91
Ono Pharmaceutical Co. Ltd.	Japan	Health Care	32,087	968	1,284
Oracle Corp. Japan	Japan	Information Technology	822	70	86
Oriental Land Co. Ltd.	Japan	Consumer Discretionary	6,025	545	796
Orion OYJ	Finland	Health Care	2,053	111	81
Osaka Gas Co. Ltd.	Japan	Utilities	3,540	90	90
Osram Licht AG	Germany	Industrials	4,240	376	402
Otsuka Corp.	Japan	Information Technology	8,100	317	526
Otsuka Holdings Co. Ltd.	Japan	Health Care	2,342	133	152
OZ Minerals Ltd.	Australia	Materials	9,309	88	83
Paddy Power Betfair PLC	Ireland	Consumer Discretionary	630	89	83
Pandora AS	Denmark	Consumer Discretionary	1,864	251	258
Park24 Co. Ltd.	Japan	Industrials	7,724	263	267
Partners Group Holding AG	Switzerland	Financials	126	95	120
PCCW Ltd.	Hong Kong	Telecommunication Services	309,952	229	231
Pennon Group PLC	United Kingdom	Utilities	7,688	99	89
PeptiDream Inc.	Japan	Health Care	2,010	92	133



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Pernod Ricard SA	France	Consumer Staples	521	88	112
Philips Lighting NV	Netherlands	Industrials	1,798	86	87
Playtech PLC	United Kingdom	Consumer Discretionary	6,346	90	84
Porsche Automobil Holding SE Pfd.	Germany	Consumer Discretionary	828	89	89
Power Assets Holdings Ltd.	Hong Kong	Utilities	7,688	92	88
Prada SPA	Italy	Consumer Discretionary	31,085	186	185
ProSiebenSat.1 Media SE	Germany	Consumer Discretionary	2,064	99	92
PSA Peugeot Citroen	France	Consumer Discretionary	3,203	85	99
Publicis Groupe SA	France	Consumer Discretionary	956	84	86
Qantas Airways Ltd.	Australia	Industrials	36,304	159	209
QBE Insurance Group Ltd.	Australia	Financials	8,434	83	80
Qiagen NV	United States	Health Care	2,855	116	119
Raiffeisen International Bank-Holding AG	Austria	Financials	2,086	90	104
Ramsay Health Care Ltd.	Australia	Health Care	1,343	91	83
Randgold Resources Ltd. ADR	Jersey	Materials	5,621	634	603
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples	4,256	101	92
Recruit Holdings Co. Ltd.	Japan	Industrials	4,758	111	153
Red Electrica Corporacion SA	Spain	Utilities	3,357	87	89
RELX PLC	United Kingdom	Industrials	3,231	88	87
Rentokil Initial PLC	United Kingdom	Industrials	21,922	96	108
Resona Holdings Inc.	Japan	Financials	14,227	99	97
Ricoh Co. Ltd.	Japan	Information Technology	7,500	89	96
Roche Holding AG Genusscheine	Switzerland	Health Care	278	84	82
Roche Holding AG	Switzerland	Health Care	1,696	512	506
The Royal Bank of Scotland Group PLC	United Kingdom	Financials	27,613	122	129
Royal Mail PLC	United Kingdom	Industrials	8,614	82	84
RSA Insurance Group PLC	United Kingdom	Financials	8,067	85	92
RTL Group SA	Luxembourg	Consumer Discretionary	908	91	97
RWE AG	Germany	Utilities	2,852	92	91
Ryohin Keikaku Co. Ltd.	Japan	Consumer Discretionary	197	62	85
Samsonite International SA	United States	Consumer Discretionary	71,477	400	419
Sands China Ltd.	Hong Kong	Consumer Discretionary	14,437	89	100
Sanofi-Aventis ADR	France	Health Care	1,665	92	86
Santen Pharmaceutical Co. Ltd.	Japan	Health Care	4,152	75	86
SAP AG	Germany	Information Technology	1,867	239	252
Sapporo Holdings Ltd.	Japan	Consumer Staples	6,081	216	229
SATS Ltd.	Singapore	Industrials	45,538	215	230
SBM Offshore NV	Netherlands	Energy	4,210	89	87
Scentre Group	Australia	Real Estate	21,535	91	82
Sega Sammy Holdings Inc.	Japan	Consumer Discretionary	5,230	96	107
SES SA	Luxembourg	Consumer Discretionary	16,111	354	281
Seven & i Holdings Co. Ltd.	Japan	Consumer Staples	2,081	108	115
Severn Trent PLC	United Kingdom	Utilities	2,682	96	89
SGS SA Reg.*	Switzerland	Industrials	25	72	79
Sharp Corp.	Japan	Consumer Discretionary	5,166	195	199
Shimamura Co. Ltd.	Japan	Consumer Discretionary	1,928	312	312
Shimizu Corp.	Japan	Industrials	7,256	92	84
Shionogi & Co. Ltd.	Japan	Health Care	1,724	114	115



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Shire PLC ADR	United States	Health Care	670	133	129
Shiseido Co. Ltd.	Japan	Consumer Staples	2,168	102	179
Showa Denko K. K.	Japan	Materials	1,549	49	85
Siemens AG	Germany	Industrials	1,013	171	166
Siemens Gamesa Renewable Energy SA	Spain	Industrials	6,574	138	136
Sika AG	Switzerland	Materials	8	54	81
Sims Metal Management Ltd.	United States	Materials	9,425	136	135
Singapore Press Holdings Ltd.	Singapore	Consumer Discretionary	34,433	86	85
Sino Land Co. Ltd.	Hong Kong	Real Estate	38,451	83	80
Skandinaviska Enskilda Banken AB (SEB) A	Sweden	Financials	6,639	99	89
Skanska AB	Sweden	Industrials	3,269	94	86
Smurfit Kappa Group PLC	Ireland	Materials	1,528	89	80
Societe BIC SA	France	Industrials	626	84	80
Societe Generale	France	Financials	5,898	407	413
Sonova Holding AG	Switzerland	Health Care	463	86	95
Sony Financial Holdings Inc.	Japan	Financials	4,422	97	104
South32 Ltd.	Australia	Materials	26,817	87	85
Spark New Zealand Ltd.	New Zealand	Telecommunication Services	145,667	483	453
Square Enix Holdings Co. Ltd.	Japan	Information Technology	1,513	67	89
Standard Life Aberdeen PLC	United Kingdom	Financials	13,089	90	85
Start Today Co. Ltd.	Japan	Consumer Discretionary	8,763	264	302
Statoil ASA ADR	Norway	Energy	2,897	72	88
STMicroelectronics NV	Switzerland	Information Technology	13,451	292	384
Straumann Holding AG	Switzerland	Health Care	149	101	121
Subsea 7 SA	United Kingdom	Energy	4,591	87	76
Sumco Corp.	Japan	Information Technology	7,503	189	254
Sun Art Retail Group Ltd.	Hong Kong	Consumer Staples	58,281	86	87
Sun Hung Kai Properties Ltd.	Hong Kong	Real Estate	4,060	88	83
Sundrug Co. Ltd.	Japan	Consumer Staples	1,417	71	85
Suzuki Motor Corp.	Japan	Consumer Discretionary	1,617	95	112
Svenska Cellulosa AB (SCA) B	Sweden	Materials	9,951	108	136
Svenska Handelsbanken AB A	Sweden	Financials	4,764	87	76
The Swatch Group AG Reg.	Switzerland	Consumer Discretionary	906	82	98
The Swatch Group AG	Switzerland	Consumer Discretionary	170	78	96
Swire Pacific Ltd. Class A	Hong Kong	Real Estate	6,593	90	86
Swire Properties Ltd.	Hong Kong	Real Estate	19,145	93	86
Swiss Life Holding AG Reg.	Switzerland	Financials	242	101	111
Swiss Re Ltd.	Switzerland	Financials	660	88	86
Symrise AG	Germany	Materials	939	86	97
T&D Holdings Inc.	Japan	Financials	5,121	99	105
Tadano Ltd.	Japan	Industrials	5,916	96	115
Taiheiy Cement Corp.	Japan	Materials	1,909	88	90
Taisei Corp.	Japan	Industrials	1,687	95	111
Taiyo Nippon Sanso Corp.	Japan	Materials	10,637	172	208
Taiyo Yuden Co. Ltd.	Japan	Information Technology	4,354	85	95
Takeda Pharmaceutical Co. Ltd.	Japan	Health Care	2,339	148	147
TechnipFMC PLC	United Kingdom	Energy	2,216	86	84
Techtronic Industries Co. Ltd.	Hong Kong	Consumer Discretionary	128,393	802	966



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Telefonaktiebolaget LM Ericsson B ADR	Sweden	Information Technology	24,954	210	206
Telefonica Deutschland Holding AG	Germany	Telecommunication Services	14,038	86	85
Teleperformance	France	Industrials	572	92	114
Telstra Corp. Ltd.	Australia	Telecommunication Services	25,008	103	78
Temenos Group AG	Switzerland	Information Technology	832	102	128
Tenaris SA	Luxembourg	Energy	5,470	101	121
Terumo Corp.	Japan	Health Care	1,673	89	114
Tokuyama Corp.	Japan	Materials	5,320	180	219
Tokyo Electric Power Co. Holdings Inc.	Japan	Utilities	40,552	214	202
Tokyo Electron Ltd.	Japan	Information Technology	843	149	205
Tokyo Gas Co. Ltd.	Japan	Utilities	3,136	97	107
Toray Industries Inc.	Japan	Materials	10,882	126	133
Toyo Suisan Kaisha Ltd.	Japan	Consumer Staples	1,696	83	85
TP ICAP PLC	United Kingdom	Financials	14,721	122	119
Transurban Group Stapled Securities	Australia	Industrials	8,053	90	91
Treasury Wine Estates Ltd.	Australia	Consumer Staples	7,389	96	123
Trend Micro Inc.	Japan	Information Technology	1,736	103	134
TSUMURA & Co.	Japan	Health Care	4,280	178	190
Tsuruha Holdings Inc.	Japan	Consumer Staples	1,300	192	239
TUI AG	Germany	Consumer Discretionary	4,557	98	126
UBI Banca - Unione di Banche Italiane SCPA	Italy	Financials	37,803	216	222
UBS Group AG	Switzerland	Financials	10,225	227	231
UCB SA	Belgium	Health Care	2,304	215	242
Ulvac Inc.	Japan	Information Technology	2,132	153	155
Umicore SA*	Belgium	Materials	2,194	107	149
Unicharm Corp.	Japan	Consumer Staples	2,445	77	90
UniCredit SPA	Italy	Financials	15,551	349	419
Unilever NV CVA	United Kingdom	Consumer Staples	1,435	92	104
Unilever PLC	United Kingdom	Consumer Staples	1,313	91	94
United Internet AG	Germany	Information Technology	1,528	104	124
United Utilities Group PLC	United Kingdom	Utilities	6,972	89	90
Valeo SA	France	Consumer Discretionary	1,000	90	85
Venture Corp. Ltd.	Singapore	Information Technology	17,679	312	489
Vestas Wind Systems AS	Denmark	Industrials	3,072	284	281
Vicinity Centres	Australia	Real Estate	34,387	95	82
Vifor Pharma AG	Switzerland	Health Care	2,935	459	582
Vinci SA	France	Industrials	842	92	107
Vivendi SA	France	Consumer Discretionary	3,249	95	108
Vodafone Group PLC	United Kingdom	Telecommunication Services	23,767	88	83
Voestalpine AG	Austria	Materials	1,468	94	99
Volkswagen AG Pfd.	Germany	Consumer Discretionary	445	96	114
Volvo AB Class B	Sweden	Industrials	4,878	98	114
Vonovia SE	Germany	Real Estate	1,789	92	114
VTech Holdings Ltd.	Hong Kong	Information Technology	5,013	87	82
Wartsila OYJ	Finland	Industrials	4,229	102	120
West Japan Railway Co.	Japan	Industrials	958	83	86
WH Group Ltd.	Hong Kong	Consumer Staples	339,776	438	467
The Wharf Holdings Ltd.	Hong Kong	Real Estate	18,962	84	84



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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Wheelock and Co. Ltd.	Hong Kong	Real Estate	9,789	85	92
Whitbread PLC	United Kingdom	Consumer Discretionary	1,382	90	92
William Hill PLC	United Kingdom	Consumer Discretionary	32,025	158	191
Wilmar International Ltd.	Singapore	Consumer Staples	28,792	91	90
Wirecard AG	Germany	Information Technology	5,144	494	783
Woolworths Ltd.	Australia	Consumer Staples	3,380	85	88
WPP PLC	United Kingdom	Consumer Discretionary	4,160	94	85
Wynn Macau Ltd.	Macau	Consumer Discretionary	26,952	96	126
Xinyi Glass Holdings Ltd.	Hong Kong	Consumer Discretionary	130,641	232	254
Yahoo Japan Corp.	Japan	Information Technology	14,602	81	87
Yakult Hansha Co. Ltd.	Japan	Consumer Staples	938	75	90
Yamada Denki Co. Ltd.	Japan	Consumer Discretionary	34,938	249	271
Yamaha Corp.	Japan	Consumer Discretionary	2,151	96	122
Yamato Holdings Co. Ltd.	Japan	Industrials	3,196	89	104
Yamazaki Baking Co. Ltd.	Japan	Consumer Staples	11,229	287	301
Yara International ASA	Norway	Materials	1,537	85	84
Yue Yuen Industrial (Holdings) Ltd.	Hong Kong	Consumer Discretionary	74,264	379	380
Zalando SE	Germany	Consumer Discretionary	6,101	359	428
Zurich Insurance Group AG	Switzerland	Financials	205	88	86
Total equities				77,317	84,322
EXCHANGE-TRADED FUNDS/NOTES					
iShares Core MSCI EAFE ETF	United States	Exchange-Traded Funds/Notes	4,631	392	393
Total exchange-traded funds/notes				392	393
Transaction costs				(153)	–
Total investments				77,556	84,715
Cash and cash equivalents					175
Other assets less liabilities					179
Total net assets					85,069

* Related to Mackenzie. See Note 1.



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SUMMARY OF INVESTMENT PORTFOLIO

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	
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	
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

March 31, 2017	
Portfolio Allocation	% of NAV
Equities	99.7
Other assets (liabilities)	0.3

Regional Allocation	
Regional Allocation	% of NAV
Japan	31.2
United Kingdom	10.3
Other	7.7
Germany	7.2
Switzerland	7.0
Australia	6.6
Hong Kong	6.2
France	5.8
Denmark	3.1
Ireland	2.8
Netherlands	2.7
Sweden	2.2
Spain	2.1
Italy	2.0
Finland	1.4
Singapore	1.4
Other assets (liabilities)	0.3

Sector Allocation	
Sector Allocation	% of NAV
Health care	15.9
Industrials	15.3
Consumer staples	14.3
Consumer discretionary	14.0
Information technology	9.3
Materials	9.2
Financials	9.2
Telecommunication services	4.6
Real estate	3.4
Utilities	2.4
Energy	2.1
Other assets (liabilities)	0.3



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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, 2018 and 2017, 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 7, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

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 – 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.

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.

NOTES TO FINANCIAL STATEMENTS**3. Significant Accounting Policies (cont'd)****(a) Financial instruments (cont'd)**

The ETF accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at fair value through profit and loss. 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 – 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 futures contracts or swaps. 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, 2018.

(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.

NOTES TO FINANCIAL STATEMENTS**3. Significant Accounting Policies (cont'd)****(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 – 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, 2018 and 2017 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, 2018, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the ETF's performance by employing professional, experienced portfolio advisors, by monitoring the ETF's positions and market events daily, by diversifying the investment portfolio within the constraints of the ETF's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the ETF encounters difficulty in meeting its financial obligations as they come due. The ETF is exposed to liquidity risk due to potential daily cash redemptions of redeemable units. In accordance with securities regulations, the ETF must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). The ETF also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions and an additional 5% of its net assets for the purpose of funding distributions paid to its investors.

NOTES TO FINANCIAL STATEMENTS**9. Financial Instruments Risk (cont'd)**

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the ETF to significant amounts of interest rate risk. Note 10 summarizes the ETF's exposure, if applicable and significant, to interest rate risk.

v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the ETF continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the ETF. This risk is mitigated by ensuring that the ETF holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 10 summarizes the ETF's exposure, if applicable and significant, to other price risk.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the ETF. Note 10 summarizes the ETF's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The ETF may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

vii. Underlying ETFs

The ETF may invest in underlying ETFs and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying ETFs. Note 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.

MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

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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, 2018 was \$23.11 (2017 – \$20.62).

The management fee rate for Series E units is 0.60%.

As at March 31, 2018 and 2017, the ETF's NAV per unit was \$23.11 (2017 – \$20.62) and its Net Assets per unit calculated in accordance with IFRS was \$22.99 (2017 – \$20.58).

(b) Investments by Mackenzie and Affiliates

As at March 31, 2018, other funds managed by Mackenzie had an investment of \$51,544 (2017 – \$43,657) 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, 2018 and 2017, were as follows:

	March 31, 2018	March 31, 2017
	(\$)	(\$)
Value of securities loaned	5,491	–
Value of collateral received	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, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	23	100.0	–	–
Tax withheld	(1)	(4.3)	–	–
	22	95.7	–	–
Payments to Securities Lending Agent	(5)	(21.7)	–	–
Securities lending income	17	74.0	–	–

(e) Offsetting of Financial Assets and Liabilities

As at March 31, 2018 and 2017, 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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STRATEGIC BETA INDEX ETF

NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk

The table below indicates currencies to which the ETF had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the ETF to significant currency risk.

Currency	March 31, 2018			
	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

Currency	March 31, 2017			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Japanese yen	15,385	1	–	15,386
Euro	11,374	4	–	11,378
U.S. dollar	6,610	14	–	6,624
British pound	3,500	1	–	3,501
Australian dollar	3,308	3	–	3,311
Hong Kong dollar	3,160	5	–	3,165
Swiss franc	2,272	4	–	2,276
Danish krone	982	1	–	983
Swedish krona	761	–	–	761
Singapore dollar	712	–	–	712
Israeli shekel	644	–	–	644
New Zealand dollar	508	–	–	508
Total	49,216	33	–	49,249
% of Net Assets	99.7	0.1	–	99.8

* Includes both monetary and non-monetary financial instruments



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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 (cont'd)

As at March 31, 2018, 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 \$4,243 or 5.0% of total net assets (2017 – \$2,462 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, 2018 and 2017, 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, 2018, 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 \$8,472 or 10.0% of total net assets (2017 – \$4,922 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at March 31, 2018 and 2017, 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, 2018				March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	84,322	–	–	84,322	49,216	–	–	49,216
Exchange-traded funds/notes	393	–	–	393	–	–	–	–
Total	84,715	–	–	84,715	49,216	–	–	49,216

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.