

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2018

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the ETF. You may obtain a copy of the Interim MRFP, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at www.mackenzieinvestments.com or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Unitholders may also contact us using one of these methods to request a copy of the ETF's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the ETF, appoints independent auditors to audit the ETF's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The ETF's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.



MACKENZIE MAXIMUM DIVERSIFICATION EMERGING MARKETS INDEX ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

STRATEGIC BETA INDEX ETF

STATEMENTS OF FINANCIAL POSITION

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

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	125,558	114,017
Cash and cash equivalents	826	162
Dividends receivable	127	114
Accounts receivable for investments sold	16	–
Accounts receivable for units issued	–	–
Total assets	126,527	114,293
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	16	–
Accounts payable for units redeemed	–	–
Due to manager	526	138
Total liabilities	542	138
Net assets attributable to unitholders	125,985	114,155
Net assets attributable to unitholders per series (note 3)		
Series E	125,985	114,155
Net assets attributable to unitholders per unit (note 3)		
Series E	23.33	25.37

STATEMENTS OF COMPREHENSIVE INCOME

*For the periods ended September 30 (note 1)
In thousands (except per unit figures)*

	2018 \$	2017 \$
Income		
Dividends	2,158	525
Interest income	2	–
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	(1,900)	10
Net unrealized gain (loss)	(10,583)	394
Securities lending income	23	–
Other	161	219
Total income (loss)	(10,139)	1,148
Expenses (note 6)		
Management fees	428	101
Management fee rebates	(163)	(17)
Interest charges	2	1
Commissions and other portfolio transaction costs	251	155
Independent Review Committee fees	–	–
Expenses before amounts absorbed by Manager	518	240
Expenses absorbed by Manager	–	–
Net expenses	518	240
Increase (decrease) in net assets attributable to unitholders from operations before tax	(10,657)	908
Foreign withholding taxes	681	77
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to unitholders from operations	(11,338)	831
Increase (decrease) in net assets attributable to unitholders from operations per series		
Series E	(11,338)	831
Increase (decrease) in net assets attributable to unitholders from operations per unit		
Series E	(2.16)	0.62

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 September 30 (note 1)

	2018	2017
	Series E	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	\$	
Beginning of period	114,155	6,496
Increase (decrease) in net assets from operations	(11,338)	831
Distributions paid to unitholders:		
Investment income	(356)	(105)
Capital gains	–	–
Management fee rebates	(163)	(17)
Total distributions paid to unitholders	(519)	(122)
Unit transactions:		
Proceeds from units issued	37,975	40,445
Reinvested distributions	–	–
Payments on redemption of units	(14,288)	–
Total unit transactions	23,687	40,445
Total increase (decrease) in net assets	11,830	41,154
End of period	125,985	47,650
	Units	
Increase (decrease) in units (note 7):		
Units outstanding – beginning of period	4,500	300
Issued	1,500	1,800
Reinvested distributions	–	–
Redeemed	(600)	–
Units outstanding – end of period	5,400	2,100

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STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to unitholders from operations	(11,338)	831
Adjustments for:		
Net realized loss (gain) on investments	1,696	(10)
Change in net unrealized loss (gain) on investments	10,583	(394)
Purchase of investments	(78,188)	(46,962)
Proceeds from sale and maturity of investments	54,280	6,280
Change in dividends receivable	(13)	(27)
Change in due from manager	–	39
Change in due to manager	388	54
Net cash from operating activities	(22,592)	(40,189)
Cash flows from financing activities		
Proceeds from units issued	37,975	40,445
Payments on redemption of units	(14,288)	–
Distributions paid net of reinvestments	(519)	(122)
Net cash from financing activities	23,168	40,323
Net increase (decrease) in cash and cash equivalents	576	134
Cash and cash equivalents at beginning of period	162	18
Effect of exchange rate fluctuations on cash and cash equivalents	88	(27)
Cash and cash equivalents at end of period	826	125
Cash	826	125
Cash equivalents	–	–
Cash and cash equivalents at end of period	826	125
Supplementary disclosures on cash flow from operating activities:		
Dividends received	2,145	498
Foreign taxes paid	681	77
Interest received	2	–
Interest paid	2	1

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SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
3SBio Inc.	China	Health Care	224,591	540	488
AAC Technologies Holdings Inc.	China	Information Technology	23,743	483	319
Accton Technology Corp.	Taiwan	Information Technology	84,835	337	305
Adani Transmission Ltd.	India	Utilities	86,125	287	246
Advanced Info Service PCL	Thailand	Telecommunication Services	89,806	670	721
Airports of Thailand PCL	Thailand	Industrials	181,373	423	475
Alfa SA Series A	Mexico	Industrials	291,017	444	484
Alibaba Health Information Technology Ltd.	China	Health Care	302,674	381	383
Alibaba Pictures Group Ltd.	Hong Kong	Consumer Discretionary	2,431,727	403	430
Alpha Bank AE	Greece	Financials	174,976	504	325
Amorepacific Corp.	South Korea	Consumer Staples	1,093	386	332
AmorePacific Group	South Korea	Consumer Staples	3,031	486	330
AngloGold Ltd.	South Africa	Materials	102,445	1,305	1,145
Anta Sports Products Ltd.	China	Consumer Discretionary	175,336	1,026	1,088
Apollo Hospitals Enterprise Ltd.	India	Health Care	10,213	196	190
Asian Paints Ltd.	India	Materials	17,346	410	400
ASUSTeK Computer Inc.	Taiwan	Information Technology	41,312	487	462
Axiata Group BHD	Malaysia	Telecommunication Services	143,372	229	204
Axis Bank Ltd.	India	Financials	46,953	485	513
Ayala Corp.	Philippines	Financials	17,761	425	394
Ayala Land Inc.	Philippines	Real Estate	369,109	381	354
Bajaj Auto Ltd.	India	Consumer Discretionary	5,545	327	266
Bajaj Finance Ltd.	India	Financials	8,784	308	340
Bajaj Finserv Ltd.	India	Financials	5,962	603	639
Balkrishna Industries Ltd.	India	Consumer Discretionary	15,921	344	289
Bangkok Bank PCL	Thailand	Financials	46,346	370	404
Bangkok Dusit Medical Services PCL	Thailand	Health Care	602,376	551	614
Bangkok Expressway and Metro PCL	Thailand	Industrials	1,298,798	398	452
Bank of Baroda	India	Financials	139,939	414	248
Bank of Philippine Islands	Philippines	Financials	182,489	468	364
Bank Tabungan Negara Persero TBK	Indonesia	Financials	827,485	255	189
Banpu PCL	Thailand	Energy	554,344	438	423
Beauty Community PCL	Thailand	Consumer Discretionary	478,766	353	232
Beijing Capital International Airport Co. Ltd. H	China	Industrials	319,486	603	502
Berger Paints India Ltd.	India	Materials	63,974	337	334
Berli Jucker PCL	Thailand	Consumer Staples	214,933	450	511
BGF Retail Co. Ltd.	South Korea	Consumer Staples	989	194	237
Bharat Petroleum Corp. Ltd.	India	Energy	41,602	383	278
Bharti Airtel Ltd.	India	Telecommunication Services	34,275	279	207
Bharti Infratel Ltd.	India	Telecommunication Services	102,378	730	480
Bid Corp. Ltd.	South Africa	Consumer Staples	14,517	409	391
BIM Birllesik Magazalar AS	Turkey	Consumer Staples	24,218	554	424
Biocon Ltd.	India	Health Care	42,459	439	523
Bloomerry Resorts Corp.	Philippines	Consumer Discretionary	882,551	226	185
BOC Hong Kong Holdings Ltd.	China	Financials	72,419	467	445
BRF SA	Brazil	Consumer Staples	34,143	420	242
Brilliance China Automotive Holdings Ltd.	China	Consumer Discretionary	104,745	269	219
Britannia Industries Ltd.	India	Consumer Staples	3,611	336	375
BTS Group Holdings PCL Warrants Exp. 12-31-2019	Thailand	Industrials	3,415,907	609	539



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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Bumrungrad Hospital Public Co. Ltd.	Thailand	Health Care	72,705	561	541
Cadila Healthcare Ltd.	India	Health Care	39,075	341	269
Castrol India Ltd.	India	Materials	62,987	240	160
Cathay Financial Holding Co. Ltd.	Taiwan	Financials	244,843	544	544
Celltrion Inc.	South Korea	Health Care	2,137	516	740
Celltrion Pharm Inc.	South Korea	Health Care	3,304	352	308
Central Pattana PCL	Thailand	Real Estate	104,503	312	347
Charoen Pokphand Foods PCL	Thailand	Consumer Staples	194,737	199	197
China Conch Venture Holdings Ltd.	China	Industrials	79,497	368	359
China Everbright International Ltd.	China	Industrials	215,177	383	240
China Evergrande Group	China	Real Estate	152,224	582	552
China First Capital Group Ltd.	Hong Kong	Consumer Discretionary	684,665	506	475
China Gas Holdings Ltd.	Hong Kong	Utilities	100,012	453	366
China Huishan Dairy Holdings Co. Ltd.	China	Consumer Staples	77,481	37	—
China Mengniu Dairy Co. Ltd.	China	Consumer Staples	80,110	355	345
China Mobile Ltd.	China	Telecommunication Services	157,579	2,028	2,007
China Resources Enterprise Ltd.	China	Consumer Staples	90,879	411	472
China Resources Gas Group Ltd.	China	Utilities	124,493	626	655
China Steel Corp.	Taiwan	Materials	322,225	339	348
China Telecom Corp. Ltd. H	China	Telecommunication Services	920,128	572	591
China Unicom (Hong Kong) Ltd.	China	Telecommunication Services	253,866	445	387
Cholamandalam Investment and Finance Co. Ltd.	India	Financials	11,536	307	240
Chunghwa Telecom Co. Ltd.	Taiwan	Telecommunication Services	64,187	295	299
Cipla Ltd./India	India	Health Care	34,346	395	401
CJ O Shopping Co. Ltd.	South Korea	Consumer Discretionary	844	247	244
Compania de Minas Buenaventura SA ADR	Peru	Materials	21,271	381	369
COSCO SHIPPING Holdings Co. Ltd.	China	Industrials	527,872	365	283
Country Garden Holdings Co. Ltd.	China	Real Estate	266,086	563	434
Coway Co. Ltd.	South Korea	Consumer Discretionary	3,969	445	401
CP ALL PCL	Thailand	Consumer Staples	539,059	1,547	1,486
Crompton Greaves Consumer Electricals Ltd.	India	Consumer Discretionary	68,355	307	273
CSPC Pharmaceuticals Group Ltd.	China	Health Care	148,580	405	408
CTBC Financial Holding Co. Ltd.	Taiwan	Financials	357,624	315	348
Cummins India Ltd.	India	Industrials	21,885	366	263
Dali Foods Group Co. Ltd.	China	Consumer Staples	501,427	558	466
Delta Electronics (Thailand) PCL	Thailand	Information Technology	249,979	761	697
Dialog Group BHD	Malaysia	Energy	370,191	402	404
DiGi.Com BHD	Malaysia	Telecommunication Services	296,784	448	447
Divi's Laboratories Ltd.	India	Health Care	8,135	203	190
Doosan Infracore Co. Ltd.	South Korea	Industrials	27,784	303	317
E Ink Holdings Inc.	Taiwan	Information Technology	171,240	242	227
Eclat Textile Co. Ltd.	Taiwan	Consumer Discretionary	18,123	263	290
EFG Eurobank Ergasias	Greece	Financials	354,469	444	345
Embraer SA	Brazil	Industrials	88,802	619	570
Energy Absolute PCL	Thailand	Energy	309,072	493	596
ENN Energy Holdings Ltd.	China	Utilities	60,238	653	677
Eregli Demir Ve Celik Fabrikalari TAS	Turkey	Materials	150,524	383	357
Estacio Participacoes SA	Brazil	Consumer Discretionary	61,812	465	500
EVA Airways Corp.	Taiwan	Industrials	369,158	227	232



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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Far EasTone Telecommunications Co. Ltd.	Taiwan	Telecommunication Services	278,442	898	858
Fibria Celulose SA	Brazil	Materials	50,262	1,024	1,224
Fomento Economico Mexicano SA de CV UBD	Mexico	Consumer Staples	93,291	1,100	1,194
Formosa Plastics Corp.	Taiwan	Materials	109,791	465	544
Fubon Financial Holding Co. Ltd.	Taiwan	Financials	229,272	496	503
Fullshare Holdings Ltd.	Hong Kong	Real Estate	1,441,178	829	895
Gamuda BHD	Malaysia	Industrials	245,315	269	257
Geely Automobile Holdings Ltd.	China	Consumer Discretionary	173,471	595	447
Genexine Co. Ltd.	South Korea	Health Care	3,065	371	371
Genting Malaysia BHD	Malaysia	Consumer Discretionary	202,474	340	316
Glenmark Pharmaceuticals Ltd.	India	Health Care	30,873	384	348
Globalwafers Co. Ltd.	Taiwan	Information Technology	32,848	616	468
Gold Fields Ltd.	South Africa	Materials	179,917	889	559
GOME Electrical Appliance Holdings Ltd.	China	Consumer Discretionary	2,386,591	372	315
Gruh Finance Ltd.	India	Financials	32,393	200	176
Grupo Elektra SAB de CV	Mexico	Financials	16,905	701	993
Grupo Financiero Banorte SAB de CV Series O	Mexico	Financials	44,373	339	415
Grupo Televisa SAB	Mexico	Consumer Discretionary	121,506	658	559
Guangdong Investment Ltd.	China	Utilities	227,959	450	523
Hana Financial Group Inc.	South Korea	Financials	5,395	288	280
Hanmi Pharm Co. Ltd.	South Korea	Health Care	1,000	513	583
Hanmi Science Co. Ltd.	South Korea	Health Care	5,469	531	560
Hanon Systems	South Korea	Consumer Discretionary	16,590	223	245
Hanssem Co. Ltd.	South Korea	Consumer Discretionary	2,712	498	242
HCL Technologies Ltd.	India	Information Technology	35,753	634	694
HEG Ltd.	India	Industrials	5,384	356	321
Hellenic Telecommunications Organization SA (OTE)	Greece	Telecommunication Services	19,778	315	314
Hengan International Group Co. Ltd.	China	Consumer Staples	39,155	459	467
HengTen Networks Group Ltd.	China	Consumer Discretionary	7,863,421	419	383
Hero MotoCorp Ltd.	India	Consumer Discretionary	5,150	370	269
Hindustan Lever Ltd.	India	Consumer Staples	64,888	1,669	1,860
HLB Inc.	South Korea	Consumer Discretionary	6,582	432	921
Home Product Center PCL	Thailand	Consumer Discretionary	757,876	404	479
Hon Hai Precision Industry Co. Ltd.	Taiwan	Information Technology	292,254	1,244	980
Housing Development Finance Corp. Ltd.	India	Financials	9,100	314	285
HTC Corp.	Taiwan	Information Technology	133,751	384	230
Hugel Inc.	South Korea	Health Care	543	305	271
Hyundai Elevator Co. Ltd.	South Korea	Industrials	2,832	351	368
Hyundai Engineering & Construction Co. Ltd.	South Korea	Industrials	3,032	230	238
Hyundai Glovis Co. Ltd.	South Korea	Industrials	2,492	369	378
Hyundai Merchant Marine Co. Ltd.	South Korea	Industrials	39,088	235	224
Hyundai Mobis	South Korea	Consumer Discretionary	2,014	556	535
Hyundai Motor Co. Ltd. 1st Pfd.	South Korea	Consumer Discretionary	3,712	393	339
Hyundai Motor Co. Ltd. 2nd Pfd.	South Korea	Consumer Discretionary	2,989	346	295
Hyundai Rotem Co.	South Korea	Industrials	8,886	343	316
Idea Cellular Ltd.	India	Telecommunication Services	322,930	512	222
IHH Healthcare BHD	Malaysia	Health Care	147,583	277	240
Indiabulls Ventures Ltd.	India	Financials	14,425	189	139
Indian Hotels Co. Ltd.	India	Consumer Discretionary	85,305	222	208



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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Indorama Ventures PCL	Thailand	Materials	246,704	476	582
Indraprastha Gas Ltd.	India	Utilities	97,747	524	423
Infosys Ltd.	India	Information Technology	148,464	1,582	1,932
Infrastructure Development Finance Co. Ltd.	India	Financials	305,904	344	217
Innolux Corp.	Taiwan	Information Technology	369,780	212	166
InterGlobe Aviation Ltd.	India	Industrials	18,810	385	277
Inventec Corp.	Taiwan	Information Technology	417,340	425	484
IRPC PCL	Thailand	Energy	960,414	250	261
Jollibee Foods Corp.	Philippines	Consumer Discretionary	117,077	745	720
Jubilant Life Sciences Ltd.	India	Health Care	17,402	275	227
Kasikornbank PCL	Thailand	Financials	74,338	619	648
KCE Electronics PCL	Thailand	Information Technology	132,746	234	224
Kingdee International Software Group Co. Ltd.	Hong Kong	Information Technology	199,411	297	281
Komipharm International Co. Ltd.	South Korea	Health Care	8,322	347	253
Korea Aerospace Industries Ltd.	South Korea	Industrials	9,852	548	403
Kroton Educacional SA	Brazil	Consumer Discretionary	106,924	550	392
Largan Precision Co. Ltd.	Taiwan	Information Technology	4,567	955	703
Legend Holdings Corp.	China	Information Technology	88,038	353	349
Lenovo Group Ltd.	China	Information Technology	255,447	197	241
LG Chem Ltd.	South Korea	Materials	709	326	302
LG Electronics Inc.	South Korea	Consumer Discretionary	2,674	278	221
LG Household & Health Care Ltd.	South Korea	Consumer Staples	367	540	546
LG Uplus Corp.	South Korea	Telecommunication Services	21,298	354	454
Li Ning Co. Ltd.	China	Consumer Discretionary	437,357	524	535
Lite-On Technology Corp.	Taiwan	Information Technology	138,680	262	225
Lotte Shopping Co. Ltd.	South Korea	Consumer Discretionary	793	218	194
Lupin Ltd.	India	Health Care	43,983	872	707
Luye Pharma Group Ltd.	China	Health Care	418,470	587	485
Mahindra & Mahindra Ltd.	India	Consumer Discretionary	31,630	470	486
Malayan Banking BHD	Malaysia	Financials	199,910	602	611
Mando Corp.	South Korea	Consumer Discretionary	6,695	359	269
Maruti Suzuki India Ltd.	India	Consumer Discretionary	4,211	681	552
Max Financial Services Ltd.	India	Financials	55,728	605	406
Maxis BHD	Malaysia	Telecommunication Services	154,537	286	282
MediaTek Inc.	Taiwan	Information Technology	34,665	437	362
Medy-Tox Inc.	South Korea	Health Care	960	639	692
Mega Financial Holding Co. Ltd.	Taiwan	Financials	327,129	355	381
Meitu Inc.	China	Information Technology	233,492	214	211
MOL Magyar Olaj-es Gazipari RT	Hungary	Energy	34,422	478	479
Mphasis Ltd.	India	Information Technology	16,339	348	342
Nan Ya Plastic Corp.	Taiwan	Materials	98,683	332	354
Naver Corp.	South Korea	Information Technology	501	418	418
NCsoft Corp.	South Korea	Information Technology	644	318	332
Nestle India Ltd.	India	Consumer Staples	2,128	329	368
OCI Co. Ltd.	South Korea	Materials	1,528	200	196
OPAP SA	Greece	Consumer Discretionary	53,254	781	723
Orion Corp./Republic of Korea	South Korea	Consumer Staples	2,486	376	306
OTP Bank NYRT	Hungary	Financials	10,285	502	493
Ottogi Corp.	South Korea	Consumer Staples	426	381	371



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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Petroleo Brasileiro SA - Petrobras Pfd.	Brazil	Energy	83,966	496	573
Petroleo Brasileiro SA - Petrobras	Brazil	Energy	17,788	129	140
PharmaEssentia Corp.	Taiwan	Health Care	29,698	220	225
Pharmicell Co. Ltd.	South Korea	Health Care	12,317	252	238
Phison Electronics Corp.	Taiwan	Information Technology	20,808	278	214
Piramal Enterprises Ltd.	India	Health Care	7,710	394	316
PLDT Inc.	Philippines	Telecommunication Services	7,094	279	229
Polymetal International PLC	Russia	Materials	34,819	397	361
Power Grid Corp. of India Ltd.	India	Utilities	66,758	268	224
President Chain Store Corp.	Taiwan	Consumer Staples	51,250	631	778
Press Metal Aluminium Holdings BHD	Malaysia	Materials	180,036	263	273
PT Astra International TBK	Indonesia	Consumer Discretionary	649,524	491	414
PT Bank Central Asia TBK	Indonesia	Financials	287,872	565	603
PT Bank Mandiri (Persero) TBK	Indonesia	Financials	554,606	364	324
PT Bank Rakyat Indonesia (Persero) TBK	Indonesia	Financials	1,344,645	399	367
PT Matahari Department Store TBK	Indonesia	Consumer Discretionary	435,839	382	262
PT Perusahaan Gas Negara	Indonesia	Utilities	1,792,121	353	350
PT Telekomunikasi Indonesia TBK	Indonesia	Telecommunication Services	3,482,502	1,369	1,100
PTT Exploration and Production PCL	Thailand	Energy	30,449	166	189
PTT PCL	Thailand	Energy	201,133	403	436
Public Bank BHD	Malaysia	Financials	75,571	517	590
Punjab National Bank	India	Financials	205,465	444	219
Reliance Industries Ltd.	India	Energy	69,986	1,220	1,569
Richter Gedeon Nyrt	Hungary	Health Care	7,915	241	191
Samsung Engineering Co. Ltd.	South Korea	Industrials	18,689	288	420
Samsung Heavy Industries Co. Ltd.	South Korea	Industrials	21,770	205	205
Samsung Life Insurance Co. Ltd.	South Korea	Financials	3,719	518	422
Samsung SDI Co. Ltd.	South Korea	Information Technology	820	204	247
Sappi Ltd.	South Africa	Materials	27,684	248	224
Semiconductor Manufacturing International Corp.	China	Information Technology	542,638	937	757
Shandong Weigao Group Medical Polymer Co. Ltd. Class H	China	Health Care	302,783	295	387
Shenzhou International Group Holdings Ltd.	China	Consumer Discretionary	116,508	1,397	1,931
Siam Commercial Bank PCL	Thailand	Financials	31,174	180	186
Sihuan Pharmaceutical Holdings Group Ltd.	China	Health Care	1,170,510	498	309
Silergy Corp.	China	Information Technology	14,670	416	342
Silicon Motion Technology Corp. ADR	Taiwan	Information Technology	6,912	460	480
SillaJen Inc.	South Korea	Health Care	2,927	337	349
Sino Biopharmaceutical Ltd.	Hong Kong	Health Care	246,049	323	297
Sinopec Engineering Group Co. Ltd.	China	Industrials	156,967	211	232
Sinopharm Group Co. H	China	Health Care	37,023	217	234
Sinotruk Hong Kong Ltd.	China	Industrials	81,345	239	229
SK Hynix Inc.	South Korea	Information Technology	4,616	446	393
SK Telecom Co. Ltd.	South Korea	Telecommunication Services	834	243	274
SM Prime Holdings Inc.	Philippines	Real Estate	515,579	456	446
SSY Group Ltd.	Hong Kong	Health Care	212,043	307	265
St. Shine Optical Co. Ltd.	Taiwan	Health Care	8,487	267	241
State Bank of India	India	Financials	81,077	464	384
STX Pan Ocean Co. Ltd.	South Korea	Industrials	26,897	174	164
Sun Pharmaceutical Industries Ltd.	India	Health Care	108,980	1,192	1,211



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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Sunac China Holdings Ltd.	Hong Kong	Real Estate	64,038	352	255
Sunny Optical Technology Group Co. Ltd.	China	Information Technology	28,720	542	428
Suzano Papel e Celulose SA	Brazil	Materials	83,053	789	1,289
Taiwan Mobile Co. Ltd.	Taiwan	Telecommunication Services	214,976	1,014	997
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	177,027	1,743	1,966
Tata Consultancy Services Ltd.	India	Information Technology	23,744	676	925
Tatung Co. Ltd.	Taiwan	Consumer Discretionary	370,613	377	632
Tech Mahindra Ltd.	India	Information Technology	35,054	375	466
Thai Oil PCL	Thailand	Energy	108,544	390	384
Thai Union Group PCL	Thailand	Consumer Staples	473,411	356	339
Tingyi (Cayman Islands) Holding Corp.	China	Consumer Staples	400,404	900	951
Tisco Financial Group PCL	Thailand	Financials	73,065	234	245
Titan Co. Ltd.	India	Consumer Discretionary	16,557	229	238
TMB Bank PCL	Thailand	Financials	3,981,719	400	366
Top Glove Corp. BHD	Malaysia	Health Care	87,321	293	291
Total Access Communication PLC	Thailand	Telecommunication Services	151,475	283	285
TOTVS SA	Brazil	Information Technology	71,905	593	589
True Corp. PCL	Thailand	Telecommunication Services	2,119,542	543	513
Tupras-Turkiye Petrol Rafinerileri AS	Turkey	Energy	11,711	331	338
Turk Hava Yollari AO	Turkey	Industrials	181,583	770	746
Uni-President Enterprises Corp.	Taiwan	Consumer Staples	135,142	386	456
United Breweries Ltd.	India	Consumer Staples	10,511	207	254
United Microelectronics Corp.	Taiwan	Information Technology	479,206	315	328
United Spirits Ltd.	India	Consumer Staples	68,463	761	628
United Tractors TBK PT	Indonesia	Energy	217,426	668	622
Universal Robina Corp.	Philippines	Consumer Staples	69,665	241	241
ViroMed Co. Ltd.	South Korea	Health Care	1,950	474	547
Walsin Lihwa Corp.	Taiwan	Industrials	246,173	246	214
Winbond Electronics Corp.	Taiwan	Information Technology	397,854	361	244
Wipro Ltd.	India	Information Technology	69,565	385	402
Wistron Corp.	Taiwan	Information Technology	210,579	227	177
WNS (Holdings) Ltd.	India	Information Technology	8,013	526	526
Wockhardt Ltd.	India	Health Care	28,727	391	278
Yageo Corp.	Taiwan	Information Technology	13,553	387	263
Yandex NV	Russia	Information Technology	15,751	749	670
Yes Bank Ltd.	India	Financials	32,554	186	107
Total equities				129,904	125,558
Transaction costs				(178)	—
Total investments				129,726	125,558
Cash and cash equivalents					826
Other assets less liabilities					(399)
Total net assets					125,985



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SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018	
Portfolio Allocation	% of NAV
Equities	99.6
Cash and short-term investments	0.7
Other assets (liabilities)	(0.3)

Regional Allocation	% of NAV
India	20.1
China	16.7
South Korea	13.7
Taiwan	13.1
Thailand	10.6
Brazil	4.4
Indonesia	3.4
Malaysia	3.1
Mexico	2.9
Hong Kong	2.6
Philippines	2.3
Other	2.0
South Africa	1.8
Turkey	1.5
Greece	1.4
Cash and short-term investments	0.7
Other assets (liabilities)	(0.3)

Sector Allocation	% of NAV
Information technology	15.9
Consumer discretionary	14.3
Health care	12.0
Financials	11.7
Consumer staples	11.6
Telecommunication services	8.6
Industrials	7.7
Materials	7.2
Energy	5.3
Utilities	2.7
Real estate	2.6
Cash and short-term investments	0.7
Other assets (liabilities)	(0.3)

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	99.8
Cash and short-term investments	0.1
Exchange-traded funds/notes	0.1

Regional Allocation	% of NAV
China	21.4
India	18.8
Taiwan	14.6
South Korea	12.9
Thailand	9.2
Indonesia	4.7
Brazil	3.4
Philippines	2.4
Malaysia	2.2
Mexico	2.1
South Africa	2.1
Hong Kong	1.6
Greece	1.6
Turkey	1.4
Hungary	1.0
Other	0.5
Cash and short-term investments	0.1

Sector Allocation	% of NAV
Information technology	16.6
Consumer discretionary	15.7
Financials	12.8
Consumer staples	11.7
Health care	11.1
Telecommunication services	8.8
Materials	7.4
Industrials	6.4
Energy	3.9
Real estate	3.3
Utilities	2.1
Cash and short-term investments	0.1
Exchange-traded funds/notes	0.1



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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 six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 10 for the formation date of the ETF.

The ETF is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the ETF’s registered office is 180 Queen Street West, Toronto, Ontario, Canada. The ETF is authorized to issue an unlimited number of units for sale under a Prospectus. The units of the ETF are listed on the Toronto Stock Exchange/Aequitas NEO Exchange (“the Exchange”).

Mackenzie Financial Corporation (“Mackenzie”) is the manager of the ETF and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the ETF are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These unaudited interim financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including international Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the ETF’s most recent audited annual financial statements for the year ended March 31, 2018. 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 November 13, 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 – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The ETF’s redeemable units are held by different types of unitholders that are entitled to different redemption rights. Unitholders may redeem units of the ETF at a redemption price per unit equal to 95% of the closing price of the units on the Exchange on the effective day of the redemption, subject to a maximum redemption price of the applicable NAV per unit. These different redemption features create equally subordinate but not identical units of the ETF which therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The ETF’s obligation for net assets attributable to unitholders is presented at the redemption amount. Refer to Note 7 for details of subscriptions and redemptions of the ETF’s units.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the units of the ETF, arising from financing activities. Changes in units of the ETF, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the units not settled in cash as at the end of the period are presented as either Accounts receivable for units issued or Accounts payable for units redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The ETF accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the ETF invests, does not meet either the definition of a structured entity or the definition of an associate.

(b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the ETF in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The ETF may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The ETF may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the ETF's portfolio manager(s), provided that the use of the derivative is consistent with the ETF's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the ETF, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the ETF are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the ETF closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on 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 September 30, 2018.

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income or realized gains (losses) on sale of investments, as appropriate.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. Mackenzie may reimburse the ETF for certain commissions and other portfolio transaction costs. Mackenzie may make these reimbursements at its discretion and stop these reimbursements at any time without notice. Any such reimbursements are included in expenses absorbed by Manager in the Statement of Comprehensive Income.

(e) Securities lending, repurchase and reverse repurchase transactions

The ETF is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the ETF's Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the ETF enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the ETF.

(g) Foreign currency

The functional and presentation currency of the ETF is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to unitholders per unit

Net assets attributable to unitholders per unit is computed by dividing the net assets attributable to unitholders on a business day by the total number of units outstanding on that day.

(i) Net asset value per unit

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to unitholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 10 for the ETF's NAV per unit.

(j) Increase (decrease) in net assets attributable to unitholders from operations per unit

Increase (decrease) in net assets attributable to unitholders from operations per unit in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to unitholders from operations for the period, divided by the weighted average number of units outstanding during the period.



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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.

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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 September 30, 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 September 30, 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.

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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.

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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 MEE on January 23, 2017. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at September 30, 2018 was \$23.42 (March 31, 2018 – \$25.76).

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

As at September 30, 2018, the ETF's NAV per unit was \$23.42 (March 31, 2018 – \$25.76) and its Net Assets per unit calculated in accordance with IFRS was \$23.33 (March 31, 2018 – \$25.37).

(b) Investments by Mackenzie and Affiliates

As at September 30, 2018, other funds managed by Mackenzie had an investment of \$36,498 (March 31, 2018 – \$36,926) 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 September 30, 2018 and March 31, 2018, were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	3,913	1,526
Value of collateral received	4,170	1,616

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the ETF for the periods ended September 30, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	31	100.0	–	–
Tax withheld	–	–	–	–
	31	100.0		
Payments to Securities Lending Agent	(8)	(25.8)	–	–
Securities lending income	23	74.2	–	–

(e) Offsetting of Financial Assets and Liabilities

As at September 30, 2018 and March 31, 2018, there were no amounts subject to offsetting.



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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

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 Emerging Index, or any successor thereto. It invests primarily in equity securities of emerging markets.

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	September 30, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Indian rupee	24,804	16	–	24,820
Hong Kong dollar	23,998	68	–	24,066
South Korean won	17,291	–	–	17,291
Taiwanese dollar	16,390	–	–	16,390
Thai baht	12,833	1	–	12,834
Brazilian real	5,519	1	–	5,520
Indonesian rupiah	4,770	–	–	4,770
Malaysian ringgit	3,915	9	–	3,924
Mexican peso	3,645	–	–	3,645
Philippine peso	2,933	–	–	2,933
South African rand	2,319	3	–	2,322
U.S. dollar	2,045	26	–	2,071
Turkish lira	1,865	–	–	1,865
Euro	1,707	–	–	1,707
Hungarian forint	1,163	–	–	1,163
British pound	361	15	–	376
Total	125,558	139	–	125,697
% of Net Assets	99.7	0.1	–	99.8



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

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

ii. Currency risk (cont'd)

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Indian rupee	21,204	18	–	21,222
Hong Kong dollar	20,367	–	–	20,367
Taiwanese dollar	16,629	–	–	16,629
South Korean won	14,758	–	–	14,758
Thai baht	10,535	–	–	10,535
U.S. dollar	6,505	1	–	6,506
Indonesian rupiah	5,319	–	–	5,319
Brazilian real	3,902	–	–	3,902
Philippine peso	2,771	–	–	2,771
Malaysian ringgit	2,555	5	–	2,560
South African rand	2,512	–	–	2,512
Mexican peso	2,444	4	–	2,448
Euro	1,778	–	–	1,778
Turkish lira	1,545	–	–	1,545
Hungarian forint	1,193	–	–	1,193
Total	114,017	28	–	114,045
% of Net Assets	99.9	–	–	99.9

* Includes both monetary and non-monetary financial instruments

As at September 30, 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 \$6,285 or 5.0% of total net assets (March 31, 2018 – \$5,702 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at September 30, 2018 and March 31, 2018, the ETF did not have a significant exposure to interest rate risk.

iv. Other price risk

The ETF's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at September 30, 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 \$12,556 or 10.0% of total net assets (March 31, 2018 – \$11,402 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at September 30, 2018 and March 31, 2018, the ETF did not have a significant exposure to credit risk.

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

(g) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	124,837	721	–	125,558	104,259	9,692	–	113,951
Exchange-traded funds/notes	–	–	–	–	66	–	–	66
Total	124,837	721	–	125,558	104,325	9,692	–	114,017

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.

Financial instruments classified as Level 2 investments are valued through incorporating observable market data and using standard market convention prices.

During the period, there were no significant transfers between Level 1 and Level 2.



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