

Annual Management Report of Fund Performance

For the Year Ended March 31, 2023

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the exchange-traded fund ("ETF"). You may obtain a copy of the annual financial statements, 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. Unitholders may also contact us using one of these methods to request a copy of the ETF's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the ETF's Prospectus and ETF Facts, which may also be obtained, at no cost, using any of the methods outlined above.

For the ETF's current net asset value per unit and for more recent information on general market events, please visit our website.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.

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



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Management Discussion of Fund Performance

June 5, 2023

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the ETF's performance and outlook in the year ended March 31, 2023 (the "period"). If the ETF was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer to Mackenzie Financial Corporation, the manager of the ETF. In addition, net asset value ("NAV") refers to the value of the ETF as calculated for subscription and redemption purposes, on which the discussion of ETF performance is based.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

Investment Objective and Strategies

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification Developed Europe Index, or any successor thereto. It invests primarily in equity securities of developed European markets.

Risk

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

The ETF is suitable for medium- to long-term investors looking for a European equity fund to hold as part of their portfolio, who can handle the volatility of stock markets and who have a medium tolerance for risk.

Results of Operations

Investment Performance

During the period, the ETF returned 1.4% (after deducting fees and expenses). This compares with a return of 9.7% for the ETF's broad-based index, the MSCI Europe (Net) Index, and a return of 2.0% for the ETF's narrow index, the TOBAM Maximum Diversification Developed Europe Index. All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

European equities generated positive returns over the period despite significant challenges stemming from high inflation, rising interest rates, energy shortages and the Russia-Ukraine war. Currency movements increased returns in Canadian dollar terms. The European economy benefited from swift government action to build up energy supplies. In response to persistently high inflation, the European Central Bank and the Bank of England raised their policy rates significantly. By the end of the period, inflation expectations had dropped sharply across Europe, although they remained elevated.

The ETF's core investment philosophy is to seek enhanced diversification through a balanced exposure to all relevant risk factors in the European equity markets. As a result of this approach, the ETF may have less concentrated risk exposures than those of a market capitalization weighted index, such as the broad-based index.

The ETF underperformed the broad-based index, with stock selection in France, the United Kingdom, Germany and Denmark detracting from performance. In sector terms, stock selection in health care and consumer staples detracted from performance, as did underweight exposure to consumer discretionary.

Conversely, stock selection in Sweden and an underweight position and stock selection in Switzerland contributed to performance relative to the broad-based index. In sector terms, stock selection in financials contributed to performance.

Given the ETF's mandate, the return of the narrow index is a more meaningful comparison. The difference in performance between the ETF and the narrow index resulted primarily from management fees and other operating expenses.

Over the period, changes were made to the ETF's holdings to reflect changes in the composition of the narrow index.

Net Assets

The ETF's net assets decreased by 17.3% during the period to \$10.8 million. This change was composed primarily of \$0.003 million in net losses (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and a decrease of \$2.3 million due to net unitholder activity (including sales, redemptions and cash distributions).

At March 31, 2023, 31.5% of the ETF's NAV was held as inventory by the ETF's designated broker primarily for the purpose of sales to investors in the secondary market. As a result of these investments, the ETF is subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effect on the ETF or on its investors, through such processes as settling transactions in kind, charging creation and/or redemption fees for transactions settling in cash, and establishing appropriate order cut-off times for transactions.

Recent Developments

Because the ETF is an index fund, neither market expectations nor recent developments affect the composition of the portfolio.

Effective March 31, 2023, KPMG LLP was appointed as the auditor of the ETF.

Related Party Transactions

Management Fees

The management expense ratio ("MER") for the ETF during the year ended March 31, 2023, was similar to the MER for the year ended March 31, 2022. Total expenses paid vary from period to period mainly as a result of changes in average assets in the ETF. The MERs are presented in the *Financial Highlights* section of this report. The ETF paid management fees to the Manager at the annual rate of 0.50%.

The management fee for the ETF is calculated and accrued daily as a percentage of its NAV. The ETF's management fees were used by the Manager to pay for the costs of managing the investment portfolio of the ETF, including providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio, providing other services and licensing the index, and to pay for all costs and expenses (other than certain specified fund costs as more fully described in the Prospectus) required to operate the ETF.

Other Related Party Transactions

The Manager is wholly owned by IGM Financial Inc., which in turn is a subsidiary of Power Corp. of Canada. Companies related to Power Corp. of Canada are therefore considered affiliates of the Manager. At March 31, 2023, the ETF held the following investment(s) in companies affiliated with the Manager: \$0.05 million invested in securities issued by Pernod Ricard SA and \$0.01 million invested in securities issued by Umicore SA. The investment(s) represented 0.5% of the ETF's NAV. In making the investment(s), the Manager relied on the approval of the Mackenzie Funds' Independent Review Committee. The Independent Review Committee issued the approval on the basis that the investment(s) would be made in compliance with the Manager's policies. The Manager's policies are designed to ensure that any related party transaction (i) is made free from any influence by an entity related to the Manager and without taking into account any considerations relevant to an

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entity related to the Manager; (ii) represents the business judgment of the Manager, uninfluenced by considerations other than the best interests of the ETF; and (iii) achieves a fair and reasonable result for the ETF.

Investment funds managed by Mackenzie and its affiliates may invest in the ETF in accordance with the investment objectives of those funds. At March 31, 2023, funds managed by Mackenzie owned 17.2% of the ETF's NAV. All related party transactions are based on the current market price. As a result of these investments, the ETF may be subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effects on the ETF or on its investors, through such processes as settling transactions in kind, charging creation and/or redemption fees for transactions settling in cash, and establishing appropriate order cut-off times for transactions.

The Manager relied on an approval provided by the Mackenzie Funds' Independent Review Committee to appoint KPMG LLP as the auditor of the ETF, effective March 31, 2023.

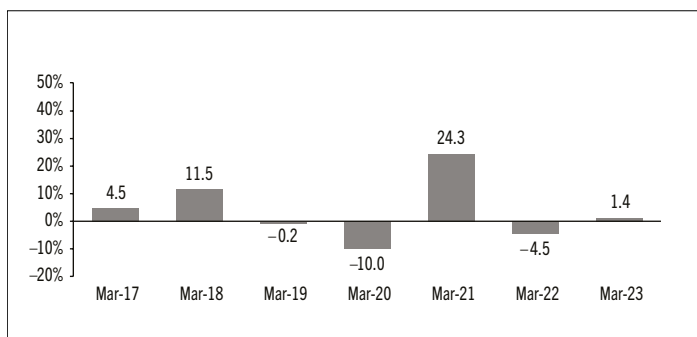
Past Performance

The ETF's past performance information is presented in the following chart and table. It assumes all distributions made by the ETF in the periods presented are reinvested in additional units of the ETF. The chart and table do not take into account brokerage commissions or income taxes payable by any investor that would have reduced returns. The past performance of the ETF is not necessarily an indication of how it will perform in the future.

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

Year-by-Year Returns

The following bar chart presents the performance of the ETF for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the ETF's inception date (September 7, 2016), as applicable, would have increased or decreased by the last day of the fiscal period presented.



Annual Compound Returns

The following table compares the historical annual compound total returns for the ETF with the relevant index or indices shown below for each of the periods ended March 31, 2023. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

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

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie Maximum Diversification Developed Europe Index ETF	1.4	6.4	1.6	n/a	3.6
MSCI Europe (Net) Index*	9.7	13.4	5.4	n/a	7.0
TOBAM Maximum Diversification Developed Europe Index	2.0	7.2	2.4	n/a	4.5

* Broad-based index

The MSCI Europe (Net) Index represents large- and mid-cap equity performance across 15 developed markets in Europe. Net total returns are calculated after the deduction of withholding tax from the foreign income and dividends of its constituents.

The TOBAM Maximum Diversification Developed Europe Index is designed to measure the performance of large- and mid-capitalization equity securities listed in developed European markets that have been selected and weighted to enhance diversification. For periods after February 28, 2019, the returns of the index take into account the deduction of withholding tax from the foreign income and dividends of its constituents. For periods before February 28, 2019, the returns do not take withholding tax into account.

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Summary of Investment Portfolio at March 31, 2023

PORTFOLIO ALLOCATION	% OF NAV
Equities	98.6
Other assets (liabilities)	0.9
Cash and short-term investments	0.5

REGIONAL ALLOCATION	% OF NAV
United Kingdom	20.3
Switzerland	15.9
France	14.1
Netherlands	9.9
Spain	7.8
Denmark	6.8
Germany	5.2
Finland	3.4
Sweden	3.3
Ireland	3.2
Belgium	2.9
Italy	1.8
Other	1.5
Norway	1.3
Luxembourg	1.2
Other assets (liabilities)	0.9
Cash and short-term investments	0.5

SECTOR ALLOCATION	% OF NAV
Health care	26.5
Financials	21.2
Consumer staples	13.5
Industrials	9.1
Communication services	9.0
Consumer discretionary	6.9
Materials	4.0
Utilities	3.3
Information technology	2.6
Real estate	2.5
Other assets (liabilities)	0.9
Cash and short-term investments	0.5

TOP 25 POSITIONS	% OF NAV
Issuer	
Novo Nordisk AS	1.6
Novartis AG	1.6
AstraZeneca PLC	1.6
Koninklijke Ahold Delhaize NV	1.6
Argenx SE	1.6
Sanofi	1.6
UCB SA	1.6
Swisscom AG Reg.	1.5
Telefonica SA	1.5
Nestlé SA	1.5
Roche Holding AG	1.4
Pearson PLC	1.4
Unilever PLC	1.4
Bank of Ireland Group PLC	1.4
Elisa OYJ	1.3
Teleperformance	1.3
HSBC Holdings PLC	1.3
London Stock Exchange Group PLC	1.3
Qiagen NV	1.3
Reckitt Benckiser Group PLC	1.2
Eurofins Scientific	1.2
Orange SA	1.1
Banco De Sabadell SA	1.1
Koninklijke (Royal) KPN NV	1.1
Tecan Group AG	1.1

Top long positions as a percentage of total net asset value

34.6

The ETF held no short positions at the end of the period.

The investments and percentages may have changed since March 31, 2023, due to the ongoing portfolio transactions of the ETF.

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Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. In the period when the ETF was established, "period" represents the period from inception to the end of that fiscal period. The inception date can be found under *Past Performance*.

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

CAD Units (Ticker: MEU)	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019
Net assets, beginning of period	21.83	23.46	19.11	22.57	23.07
Increase (decrease) from operations:					
Total revenue	0.59	0.70	0.50	1.04	0.85
Total expenses	(0.14)	(0.15)	(0.14)	(0.19)	(0.20)
Realized gains (losses) for the period	(1.87)	2.80	0.08	1.26	(0.69)
Unrealized gains (losses) for the period	1.41	(2.31)	3.66	(3.08)	(0.06)
Total increase (decrease) from operations²	(0.01)	1.04	4.10	(0.97)	(0.10)
Distributions:					
From net investment income (excluding Canadian dividends)	(0.41)	(0.79)	(0.25)	(1.37)	(0.76)
From Canadian dividends	-	-	-	-	-
From capital gains	-	(1.29)	-	-	(0.29)
Return of capital	-	-	(0.04)	-	-
Total annual distributions³	(0.41)	(2.08)	(0.29)	(1.37)	(1.05)
Net assets, end of period	21.67	21.83	23.46	19.11	22.57

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

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RATIOS AND SUPPLEMENTAL DATA

CAD Units (Ticker: MEU)	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020	Mar. 31 2019
Total net asset value (\$000)¹	10,834	13,099	32,850	17,199	56,413
Units outstanding (000)¹	500	600	1,400	900	2,500
Management expense ratio (%)²	0.57	0.56	0.56	0.55	0.61
Management expense ratio before waivers or absorptions (%)²	0.57	0.56	0.56	0.55	0.61
Trading expense ratio (%)³	0.22	0.17	0.13	0.13	0.15
Trading expense ratio before reimbursements (%)³	0.30	0.17	0.13	0.13	0.15
Portfolio turnover rate (%)⁴	40.89	39.37	74.26	74.12	73.05
Net asset value per unit (\$)	21.67	21.83	23.46	19.11	22.57
Closing market price (\$)⁵	21.64	21.71	23.46	18.89	22.65

- This information is provided as at the end of the fiscal period shown.
- Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. If the ETF was established in the period, the MER is annualized from the date of inception to the end of the period. Where the ETF directly invests in securities of another fund (including other ETFs), the MER presented for the ETF includes the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period. Where the ETF invests in securities of another fund (including other ETFs), the TER presented for the ETF includes the portion of TERs of the other fund(s) attributable to this investment. The Manager may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). The Manager may make these reimbursements at its discretion and stop these reimbursements at any time without notice.
- The ETF's portfolio turnover rate indicates how actively the ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher the ETF's portfolio turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF. The portfolio turnover rate is not provided when the ETF is less than one year old.
- Closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, on the last trading day of the period as reported on the Toronto Stock Exchange.