

Interim Management Report of Fund Performance

For the Period Ended September 30, 2018

This Interim Management Report of Fund Performance contains financial highlights but does not contain the interim financial report of the investment fund. You may obtain a copy of the interim financial report, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. Every effort has been made to ensure that the information contained in this report is accurate as of the dates indicated in the report; however, the Fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Fund's Simplified Prospectus, Annual Information Form and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.

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

A NOTE ON FORWARD-LOOKING STATEMENTS

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

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



MACKENZIE MULTI-STRATEGY ABSOLUTE RETURN FUND

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Management Discussion of Fund Performance

November 13, 2018

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments during the period ended September 30, 2018, that have affected the Fund's performance and outlook. If the Fund was established during the period, "period" represents the period from inception to the end of the fiscal period. For information on the Fund's longer-term performance, as applicable, please refer to the *Past Performance* section of the report. In this report, "Mackenzie" refers to Mackenzie Financial Corporation, the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

Investment Objective and Strategies

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

The Fund's aggregate gross exposure is calculated as the sum of the following, and must not exceed three times its net asset value: (i) the aggregate market value of the Fund's long positions; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes.

Risk

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

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

Results of Operations

Investment Performance

As with all new funds, in accordance with securities laws, performance can be discussed only when audited annual financial statements have been produced.

Leverage

Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested, and may not exceed 300% of the Fund's NAV. Notional exposure equals the total of the following: (i) the aggregate market value of the Fund's long positions; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes.

During the period from the Fund's inception to September 30, 2018, the Fund's leverage position ranged from 107.1% to 236.6% of the Fund's NAV. The low end of the range occurred at the time of the Fund's launch, when its strategies were first implemented. The high end of the range was reached in September, when the Fund increased its exposure to credit markets. The primary sources of leverage were short positions in equity and bond securities, and positions in long futures, short futures and total return swaps.

Net Assets

From its inception on May 23, 2018, to September 30, 2018, the Fund experienced \$0.9 million in net income (including dividend and interest income) from investment performance, after deducting fees and expenses, and \$276.2 million in net sales.

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

Recent Developments

The Mackenzie Multi-Asset Strategy team believes that positive and negative economic factors across the macroeconomic landscape are fairly balanced. Risks include the trade war between the United States and China, which could hinder the flow of global trade and disturb several supply chains. In addition, China's crackdown on shadow banking (unregulated financial products and institutions) and attempts to reduce leverage are slowing its growth, which poses risks to economies highly exposed to China.

Nevertheless, many economic indicators look healthy around the globe, particularly in the United States. The team believes the removal of uncertainty related to trade agreements between Canada, the United States and Mexico should also benefit North American growth.

In fixed income, the team believes global markets are responding to a confluence of factors that will continue to push yields higher. These include the strong performance of the U.S. economy, which has raised market expectations for further policy rate increases. U.S. inflationary pressures are also mounting, due to the tight labour market and an economy that is operating at or near potential. Finally, central banks around the world have begun to end accommodative monetary policy, albeit at varying paces.



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Related Party Transactions

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

Management and Administration Services

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

Other Related Party Transactions

Mackenzie is wholly owned by IGM Financial Inc. ("IGM"). IGM is a subsidiary of Power Financial Corp., which in turn is a subsidiary of Power Corp. of Canada. Companies related to Power Financial Corp. are therefore considered affiliates of Mackenzie. At September 30, 2018, the Fund held the following investment(s) in companies affiliated with Mackenzie: \$0.4 million invested in securities issued by Ontex Group NV. The investment(s) represented 0.1% of the Fund's NAV. In making the investment(s), Mackenzie relied on the approval of the Mackenzie Funds' Independent Review Committee. The Independent Review Committee issued the approval on the basis that the investment(s) would be made in compliance with Mackenzie's policies. Mackenzie's policies are designed to ensure that any related party transaction (i) is made free from any influence by an entity related to Mackenzie and without taking into account any considerations relevant to an entity related to Mackenzie; (ii) represents the business judgment of Mackenzie, uninfluenced by considerations other than the best interests of the Fund; and (iii) achieves a fair and reasonable result for the Fund.

Investment funds managed by Mackenzie invest in Series R securities of the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. At September 30, 2018, funds managed by Mackenzie owned 91.9% of the Fund's NAV. All related party transactions are based on the NAV per security on each transaction day.

At September 30, 2018, Mackenzie had an investment of \$6,997 in the Fund (less than 0.1% of the Fund's NAV).

Past Performance

Past performance has not been shown for the Fund because the Fund has not reached its first fiscal year-end.



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Summary of Investment Portfolio at September 30, 2018

<i>Effective Portfolio Allocation</i>	<i>% of NAV</i>
Long Portfolio	134.2
Bonds	55.4
<i>Bonds</i>	33.5
<i>Long futures*</i>	21.9
Equities	51.5
<i>Equities</i>	34.0
<i>Long futures**</i>	17.4
<i>Swaps†</i>	0.1
Cash and short-term investments	25.6
Other assets (liabilities)	1.7
Short Portfolio	(34.2)
Equities	(32.7)
<i>Equities</i>	(32.7)
<i>Short futures††</i>	(0.0)
Bonds	(1.5)
<i>Bonds</i>	(1.5)
<i>Short futures§</i>	0.0
Effective Regional Allocation	% of NAV
Long Portfolio	134.2
United States	72.9
Cash and short-term investments	25.6
Germany	8.0
United Kingdom	5.3
Australia	5.0
Japan	4.6
Other	3.1
Canada	2.7
Other assets (liabilities)	1.7
France	1.5
Netherlands	1.0
Sweden	0.8
Spain	0.8
Finland	0.5
Switzerland	0.4
Ireland	0.3
Short Portfolio	(34.2)
United States	(18.6)
Japan	(3.7)
United Kingdom	(3.2)
Australia	(1.7)
Canada	(1.7)
Germany	(1.4)
Switzerland	(1.1)
France	(0.8)
China	(0.4)
Other	(0.4)
Spain	(0.3)
Sweden	(0.3)
Netherlands	(0.2)
Belgium	(0.1)
Bermuda	(0.1)
Denmark	(0.1)
Hong Kong	(0.1)

<i>Effective Sector Allocation</i>	<i>% of NAV</i>
Long Portfolio	134.2
Foreign government bonds	26.0
Cash and short-term investments	25.6
Corporate bonds	24.4
Other	17.4
Consumer discretionary	6.0
Information technology	5.5
Term loans	5.1
Health care	3.2
Consumer staples	3.1
Industrials	3.1
Financials	2.8
Energy	2.7
Materials	2.5
Utilities	2.1
Other assets (liabilities)	1.7
Real estate	1.5
Telecommunication services	1.5
Short Portfolio	(34.2)
Consumer discretionary	(7.1)
Information technology	(6.4)
Health care	(3.7)
Industrials	(3.6)
Consumer staples	(2.5)
Financials	(2.4)
Materials	(1.8)
Telecommunication services	(1.5)
Corporate bonds	(1.5)
Energy	(1.3)
Real estate	(1.3)
Utilities	(1.1)
Effective Net Currency Exposure	% of NAV
Canadian dollar	95.5
U.S. dollar	6.6
Turkish lira	1.9
Japanese yen	1.3
Other	1.3
Mexican peso	1.1
New Zealand dollar	(1.2)
Swiss franc	(1.4)
Australian dollar	(1.4)
South Korean won	(1.7)
Israeli shekel	(2.0)

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

* , ** , † , †† , § see note 1



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Summary of Investment Portfolio at September 30, 2018 (cont'd)

Top 25 Long Holdings

Issuer/Underlying Fund	% of NAV
Cash and short-term investments	64.1
iShares iBoxx \$ Investment Grade Corporate Bond ETF	8.0
PowerShares Senior Loan Portfolio	5.8
iShares TIPS Bond ETF	4.0
SPDR Barclays Capital High Yield Bond ETF	3.7
Vanguard Short-Term Corporate Bond ETF	3.2
iShares iBoxx \$ High Yield Corporate Bond ETF	3.0
iShares 0-5 Year High Yield Corporate Bond ETF	2.5
VanEck Vectors Fallen Angel High Yield Bond ETF	2.0
iShares Short-Term Corporate Bond ETF	1.6
EDF SA (Electricite de France)	0.4
CBL & Associates Properties Inc.	0.4
NRG Yield Inc.	0.4
Amadeus IT Group SA	0.3
Fortum OYJ	0.3
Hakuhodo DY Holdings Inc.	0.3
Resource Capital Corp.	0.2
Koninklijke Ahold Delhaize NV	0.2
Sony Corp.	0.2
Allison Transmission Holdings Inc.	0.2
Fast Retailing Co. Ltd.	0.2
United Rentals Inc.	0.2
News Corp.	0.2
TDK Corp.	0.2
Walgreens Boots Alliance Inc.	0.2

Top long positions as a percentage of total net asset value

101.8

Top 25 Short Holdings

Issuer	% of NAV
Inmarsat PLC	(0.3)
Dufry Group	(0.3)
United Utilities Group PLC	(0.3)
Dollarama Inc.	(0.2)
Iliad SA	(0.2)
Micro Focus International PLC	(0.2)
Panasonic Corp.	(0.2)
Tempur Sealy International Inc.	(0.2)
Valeo SA	(0.2)
Thomas Cook Group PLC	(0.2)
Coherent Inc.	(0.2)
Square Inc.	(0.2)
Hennes & Mauritz AB	(0.2)
Yelp Inc.	(0.2)
Exact Sciences Corp.	(0.2)
Ionis Pharmaceuticals Inc.	(0.2)
Navistar International Corp.	(0.2)
Advanced Micro Devices Inc.	(0.2)
Intercept Pharmaceuticals Inc.	(0.2)
Chiyoda Corp.	(0.2)
Senseonics Holdings Inc.	(0.2)
Kratos Defense & Security Solutions Inc.	(0.2)
1&1 Drillisch AG	(0.2)
Brooks Automation Inc.	(0.2)
Ted Baker PLC	(0.2)

Top short positions as a percentage of total net asset value

(5.3)

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

The investments and percentages may have changed since September 30, 2018, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.



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Summary of Investment Portfolio at September 30, 2018 (cont'd)

Note 1

<i>Notional Principal Values for Futures</i>	<i>% of NAV</i>
* Bonds - Long futures	22.0
U.S. 5-Year Note Futures	9.8
Euro-Bund Futures	7.0
10-Year Commonwealth Treasury Bond Futures	4.0
Long Gilt Futures	1.2
** Equities - Long futures	17.1
S&P 500 E-mini Futures	7.2
Crude Oil WTI Futures	1.9
Euro STOXX 50 Futures	1.5
Mini MSCI Emerging Markets Index Futures	0.9
Yen-Denominated Nikkei 225 Futures	0.8
S&P/TSX 60 Index Futures	0.7
RBOB Gasoline Futures	0.7
Corn Futures	0.6
FTSE 100 Index Futures	0.5
Natural Gas Futures	0.5
LME Aluminum Futures	0.3
Nasdaq 100 E-mini Futures	0.3
Silver Futures	0.2
Russell 2000 Index Mini Futures	0.2
Wheat Futures	0.2
Hang Seng Index Futures	0.2
IBEX 35 Index Futures	0.2
SPI 200 Futures	0.1
OMXS30 Index Futures	0.1
Crude Oil Brent Futures	0.0
† Swaps	20.7
Total Return Swap Invesco Senior Loan ETF 10-09-2018	9.3
Total Return Swap iShares iBoxx \$ Investment Grade Corporate Bond ETF 10-09-2018	5.8
Total Return Swap iShares iBoxx \$ High Yield Corporate Bond ETF 10-09-2018	5.6
†† Equities - Short futures	(4.4)
Soybean Futures	(2.0)
ULSD NY Harbor Futures	(0.8)
Swiss Market Index Futures	(0.4)
KC HRW Wheat Futures	(0.4)
Sugar No. 11 Futures	(0.3)
DAX Index Futures	(0.2)
LME Nickel Futures	(0.1)
Soybean Oil Futures	(0.1)
Low Sulphur Gasoil Futures	(0.0)
CAC40 Index Future	(0.0)
§ Bonds - Short futures	(3.4)
U.S. Treasury Note 10-Year Futures	(2.3)
Japan 10-Year Government Bond Futures	(0.6)
Mini 10-Year Japanese Government Bond Futures	(0.3)
Canadian 10-Year Bond Futures	(0.2)



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Financial Highlights

Financial highlights have not been shown for the Fund because the Fund has not reached its first fiscal year-end.

Management Fees

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

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

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



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Fund Formation and Series Information

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

Date of Formation April 27, 2018

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

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

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

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

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

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

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

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

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

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

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

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$) Sep. 30, 2018
Series A	May 23, 2018	2.25%	0.28%	9.96
Series F	May 23, 2018	1.15%	0.15%	10.00
Series FB	May 23, 2018	1.25%	0.28%	10.00
Series O	May 23, 2018	— ⁽¹⁾	— *	10.05
Series PW	May 23, 2018	2.15%	0.15%	9.96
Series PWFB	May 23, 2018	1.15%	0.15%	10.01
Series PWX	May 23, 2018	— ⁽²⁾	— ⁽²⁾	10.05
Series R	May 23, 2018	— *	— *	9.97

* Not applicable.

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

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