

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2021

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, 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. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

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.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’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 Fund’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
Investments

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2021	Mar. 31 2021 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	22,930	25,857
Cash and cash equivalents	3,025	2,022
Accrued interest receivable	30	42
Accounts receivable for investments sold	–	–
Accounts receivable for securities issued	–	10
Margin on derivatives	17	14
Unrealized gains on derivative contracts	17	174
Total assets	26,019	28,119
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	93	206
Accounts payable for securities redeemed	28	129
Due to manager	1	1
Unrealized losses on derivative contracts	74	23
Total liabilities	196	359
Net assets attributable to securityholders	25,823	27,760

Net assets attributable to securityholders (note 3)

	per security		per series	
	Mar. 31		Mar. 31	
	Sep. 30 2021	(Audited) 2021	Sep. 30 2021	(Audited) 2021
Series A	9.96	9.99	767	788
Series AR	10.05	10.09	323	324
Series D	10.07	10.08	52	52
Series F	10.09	10.09	8,989	10,245
Series F5	10.84	11.10	10	11
Series FB	10.09	10.09	34	34
Series O	9.72	9.69	431	335
Series PW	9.97	9.99	11,527	11,970
Series PWFB	10.09	10.08	19	37
Series PWR	10.05	10.07	21	28
Series PWT5	12.24	12.58	40	41
Series PWX	9.72	9.69	126	126
Series SC	10.01	10.03	3,455	3,727
Series S5	10.35	10.65	29	42
			25,823	27,760

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021 \$	2020 \$		
Income				
Dividends	10	8		
Interest income	125	254		
Other changes in fair value of investments and other net assets				
Net realized gain (loss)	118	(66)		
Net unrealized gain (loss)	(126)	829		
Securities lending income	2	1		
Total income (loss)	128	1,026		
Expenses (note 6)				
Management fees	109	125		
Management fee rebates	–	(1)		
Administration fees	22	26		
Commissions and other portfolio transaction costs	17	1		
Independent Review Committee fees	–	–		
Expenses before amounts absorbed by Manager	147	151		
Expenses absorbed by Manager	–	–		
Net expenses	147	151		
Increase (decrease) in net assets attributable to securityholders from operations before tax	(19)	875		
Foreign withholding taxes	–	–		
Foreign income taxes paid (recovered)	–	–		
Increase (decrease) in net assets attributable to securityholders from operations	(19)	875		
Increase (decrease) in net assets attributable to securityholders from operations (note 3)				
	per security		per series	
	Mar. 31		Mar. 31	
	2021	2020	2021	2020
Series A	(0.04)	0.25	(4)	29
Series AR	(0.04)	0.23	(1)	8
Series D	–	0.28	–	2
Series F	0.01	0.30	13	352
Series F5	0.01	0.34	–	–
Series FB	–	0.28	–	1
Series FB5	–	0.34	–	–
Series O	0.04	0.29	2	9
Series PW	(0.02)	0.28	(20)	357
Series PWFB	0.01	0.22	–	1
Series PWFB5	–	0.40	–	–
Series PWR	(0.02)	0.24	–	–
Series PWT5	(0.02)	0.34	–	1
Series PWX	0.04	0.30	1	2
Series SC	(0.03)	0.26	(9)	112
Series S5	(0.03)	0.28	(1)	1
Series T5	–	0.26	–	–
			(19)	875

The accompanying notes are an integral part of these financial statements.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Series A		Series AR		Series D		Series F		Series F5	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	788	1,216	324	301	52	73	10,245	12,698	11	45
Increase (decrease) in net assets from operations	(4)	29	(1)	8	–	2	13	352	–	–
Distributions paid to securityholders:										
Investment income	–	(2)	–	–	–	–	(5)	(66)	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	(1)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	–	(2)	–	–	–	–	(5)	(66)	–	(1)
Security transactions:										
Proceeds from securities issued	330	102	11	19	202	2	579	699	–	–
Reinvested distributions	–	2	–	–	–	–	3	50	–	–
Payments on redemption of securities	(347)	(349)	(11)	(6)	(202)	(25)	(1,846)	(2,814)	(1)	(8)
Total security transactions	(17)	(245)	–	13	–	(23)	(1,264)	(2,065)	(1)	(8)
Total increase (decrease) in net assets	(21)	(218)	(1)	21	–	(21)	(1,256)	(1,779)	(1)	(9)
End of period	767	998	323	322	52	52	8,989	10,919	10	36

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	79	124	32	31	5	7	1,016	1,290	1	4
Issued	33	11	1	2	20	–	58	69	–	–
Reinvested distributions	–	–	–	–	–	–	–	5	–	–
Redeemed	(35)	(35)	(1)	(1)	(20)	(2)	(183)	(281)	–	(1)
Securities outstanding – end of period	77	100	32	32	5	5	891	1,083	1	3

	Series FB		Series O		Series PW		Series PWFB		Series PWR	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	34	39	335	272	11,970	14,507	37	16	28	4
Increase (decrease) in net assets from operations	–	1	2	9	(20)	357	–	1	–	–
Distributions paid to securityholders:										
Investment income	–	–	–	(3)	–	(42)	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	(1)	–	–	–	–
Total distributions paid to securityholders	–	–	–	(3)	–	(43)	–	–	–	–
Security transactions:										
Proceeds from securities issued	–	–	103	120	3,097	3,261	–	60	8	4
Reinvested distributions	–	–	–	3	–	37	–	–	–	–
Payments on redemption of securities	–	(6)	(9)	(2)	(3,520)	(6,634)	(18)	(22)	(15)	–
Total security transactions	–	(6)	94	121	(423)	(3,336)	(18)	38	(7)	4
Total increase (decrease) in net assets	–	(5)	96	127	(443)	(3,022)	(18)	39	(7)	4
End of period	34	34	431	399	11,527	11,485	19	55	21	8

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	3	4	35	29	1,198	1,487	4	2	3	–
Issued	–	–	10	12	310	327	–	5	–	1
Reinvested distributions	–	–	–	–	–	4	–	–	–	–
Redeemed	–	(1)	(1)	–	(352)	(668)	(2)	(2)	(1)	–
Securities outstanding – end of period	3	3	44	41	1,156	1,150	2	5	2	1

The accompanying notes are an integral part of these financial statements.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Series PWT5		Series PWX		Series SC		Series S5		Total	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	41	42	126	86	3,727	4,586	42	59	27,760	33,961
Increase (decrease) in net assets from operations	–	1	1	2	(9)	112	(1)	1	(19)	875
Distributions paid to securityholders:										
Investment income	–	–	–	(1)	–	(10)	–	–	(5)	(124)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(1)	(1)	–	–	–	–	(1)	(1)	(2)	(3)
Management fee rebates	–	–	–	–	–	–	–	–	–	(1)
Total distributions paid to securityholders	(1)	(1)	–	(1)	–	(10)	(1)	(1)	(7)	(128)
Security transactions:										
Proceeds from securities issued	–	–	–	13	777	732	–	–	5,107	5,012
Reinvested distributions	–	–	–	1	–	9	1	1	4	103
Payments on redemption of securities	–	–	(1)	(1)	(1,040)	(1,185)	(12)	(7)	(7,022)	(11,059)
Total security transactions	–	–	(1)	13	(263)	(444)	(11)	(6)	(1,911)	(5,944)
Total increase (decrease) in net assets	(1)	–	–	14	(272)	(342)	(13)	(6)	(1,937)	(5,197)
End of period	40	42	126	100	3,455	4,244	29	53	25,823	28,764
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	3	3	13	9	372	468	4	5		
Issued	–	–	–	1	77	73	–	–		
Reinvested distributions	–	–	–	–	–	1	–	–		
Redeemed	–	–	–	–	(104)	(119)	(1)	–		
Securities outstanding – end of period	3	3	13	10	345	423	3	5		

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MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

STATEMENTS OF CASH FLOWS

for the periods ended September 30 (in \$ 000 except per security amounts)

	2021	2020
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	(19)	875
Adjustments for:		
Net realized loss (gain) on investments	63	(105)
Change in net unrealized loss (gain) on investments	126	(829)
Purchase of investments	(1,800)	(4,673)
Proceeds from sale and maturity of investments	4,631	11,322
Change in accrued interest receivable	12	52
Change in margin on derivatives	(3)	11
Net cash from operating activities	3,010	6,653
Cash flows from financing activities		
Proceeds from securities issued	4,568	4,245
Payments on redemption of securities	(6,574)	(10,518)
Distributions paid net of reinvestments	(3)	(25)
Net cash from financing activities	(2,009)	(6,298)
Net increase (decrease) in cash and cash equivalents	1,001	355
Cash and cash equivalents at beginning of period	2,022	597
Effect of exchange rate fluctuations on cash and cash equivalents	2	9
Cash and cash equivalents at end of period	3,025	961
Cash	2,811	961
Cash equivalents	214	—
Cash and cash equivalents at end of period	3,025	961
Supplementary disclosures on cash flow from operating activities:		
Dividends received	10	8
Foreign taxes paid	—	—
Interest received	137	306
Interest paid	—	—

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MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF INVESTMENTS

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS					
A&V Holdings Midco LLC Term Loan B 1st Lien F/R 02-28-2027	United States	Term Loans	USD 9,367	11	12
ABG Intermediate Holdings 2 LLC Term Loan 1st Lien F/R 09-29-2024	United States	Term Loans	USD 9,549	12	12
ADS Tactical Inc. Term Loan B 1st Lien F/R 03-04-2028	United States	Term Loans	USD 9,750	12	12
Adtalem Global Education Inc. Term Loan B 1st Lien F/R 02-12-2028	United States	Term Loans	USD 20,000	25	25
Advantage Sales & Marketing Inc. Term Loan B 1st Lien F/R 10-31-2027	United States	Term Loans	USD 9,925	13	13
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 7,899	10	10
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 19,400	25	22
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 16,493	21	21
Alpine US Bidco LLC Term Loan 1st Lien F/R 04-13-2028	United States	Term Loans	USD 2,993	4	4
AltaLink LP 2.98% 11-28-2022	Canada	Corporate - Non Convertible	10,000	10	10
Amazon.com Inc. 0.25% 05-12-2023	United States	Corporate - Non Convertible	USD 22,000	27	28
Amentum Government Services Holdings LLC Term Loan B 1st Lien F/R 02-03-2027	United States	Term Loans	USD 9,950	13	13
AP Core Holdings II LLC Term Loan B2 1st Lien F/R 07-21-2027	United States	Term Loans	USD 4,000	5	5
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Term Loans	USD 9,775	13	12
APM Global Holdings Pty Ltd. Term Loan 1st Lien F/R 06-30-2026	Australia	Term Loans	USD 3,000	4	4
Aramark Services Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Term Loans	USD 26,306	33	33
Arc Falcon I Inc. Delay Draw Term Loan 1st Lien F/R 09-22-2028	United States	Term Loans	USD 637	1	1
Arc Falcon I Inc. Term Loan 1st Lien F/R 09-22-2028	United States	Term Loans	USD 4,363	6	6
ARC Resources Ltd. 2.35% 03-10-2026	Canada	Corporate - Non Convertible	6,000	6	6
Arterra Wines Canada Inc. Term Loan 1st Lien F/R 11-18-2027	Canada	Term Loans	USD 9,950	13	13
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-27-2026	United States	Term Loans	USD 9,801	13	13
Ascend Wellness Holdings Inc. Term Loan 1st Lien F/R 08-27-2025	United States	Term Loans	USD 3,000	4	4
AT&T Inc. F/R 03-25-2024	United States	Corporate - Non Convertible	USD 18,000	23	23
Athenahealth Inc. Term Loan B 1st Lien F/R 02-11-2026	United States	Term Loans	USD 19,330	25	25
Athene Global Funding F/R 04-09-2024	United States	Corporate - Non Convertible	78,000	78	78
Athene Global Funding 2.10% 09-24-2025	United States	Corporate - Non Convertible	10,000	10	10
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 9,675	13	12
Bank of America Corp. F/R 03-24-2026 Callable 2025	United States	Corporate - Non Convertible	10,000	10	11
Bank of America Corp. F/R 09-15-2027 (Floating)	United States	Corporate - Non Convertible	41,000	41	41
Bank of Montreal 2.37% 02-03-2025 Callable 2025	Canada	Corporate - Non Convertible	20,000	20	21
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	11,000	11	11
Bank of Montreal 1.55% 05-28-2026	Canada	Corporate - Non Convertible	19,000	19	19
Bank of Montreal F/R 07-22-2031	Canada	Corporate - Non Convertible	7,000	7	7
The Bank of Nova Scotia F/R 08-04-2026	Canada	Corporate - Non Convertible	65,000	65	65
bclMC Realty Corp. 1.06% 03-12-2024	Canada	Corporate - Non Convertible	7,000	7	7
bclMC Realty Corp. 1.07% 02-04-2026	Canada	Corporate - Non Convertible	5,000	5	5
Bell Canada Inc. 1.65% 08-16-2027 Callable 2027	Canada	Corporate - Non Convertible	110,000	110	107
BMW Canada Auto Trust 0.33% 07-20-2023	Canada	Mortgage Backed	3,472	3	3
Canada Housing Trust F/R 09-15-2023	Canada	Federal Government	1,790,000	1,797	1,796
Canada Housing Trust F/R 03-15-2024	Canada	Federal Government	3,540,000	3,548	3,556
Canada Housing Trust 1.95% 12-15-2025	Canada	Federal Government	20,000	21	21
Canada Housing Trust F/R 03-15-2026	Canada	Federal Government	100,000	100	100
Canada Mortgage & Housing Corp. F/R 09-15-2026	Canada	Federal Government	700,000	700	701

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Canadian Imperial Bank of Commerce F/R 06-10-2024	Canada	Corporate - Non Convertible	91,000	91	91
Canadian Imperial Bank of Commerce F/R 03-04-2025	Canada	Corporate - Non Convertible	87,000	87	87
Canadian Imperial Bank of Commerce 1.10% 01-19-2026	Canada	Corporate - Non Convertible	150,000	150	146
Canadian Imperial Bank of Commerce F/R 07-15-2026	Canada	Corporate - Non Convertible	54,000	54	54
Canadian Western Bank 1.57% 09-14-2023	Canada	Corporate - Non Convertible	10,000	10	10
Canadian Western Bank F/R 01-22-2024	Canada	Corporate - Non Convertible	19,000	19	19
Canadian Western Bank 1.93% 04-16-2026	Canada	Corporate - Non Convertible	15,000	15	15
Canadian Western Bank F/R 07-31-2081	Canada	Corporate - Non Convertible	2,000	2	2
Cascades Inc. 5.13% 01-15-2026 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 5,000	7	7
Castle US Holding Corp. Term Loan B 1st Lien F/R 01-31-2027	United States	Term Loans	USD 3,983	5	5
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 9,725	12	12
Charter Communications Operating LLC F/R 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 640,000	849	834
Citadel Securities LP Term Loan B 1st Lien F/R 02-27-2028	United States	Term Loans	USD 98,583	126	124
Corus Entertainment Inc. 5.00% 05-11-2028	Canada	Corporate - Non Convertible	2,000	2	2
Cowen Inc. Term Loan B 1st Lien F/R 03-12-2021	United States	Term Loans	USD 9,925	12	13
Creation Technologies Inc. Term Loan B 1st Lien F/R 09-24-2028	Canada	Term Loans	USD 4,000	5	5
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 04-20-2027	United States	Term Loans	USD 2,404	3	3
DEI Sales Inc. Term Loan B 1st Lien F/R 04-23-2028	United States	Term Loans	USD 4,969	6	6
Directv Financing LLC Term Loan 1st Lien F/R 07-22-2027	United States	Term Loans	USD 6,000	7	8
Dream Industrial Real Estate Investment Trust 1.66% 12-22-2025 (JUN)	Canada	Corporate - Non Convertible	3,000	3	3
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate - Non Convertible	10,000	10	10
EPCOR Utilities Inc. 1.30% 05-19-2023	Canada	Corporate - Non Convertible	10,000	10	10
Fédération des Caisses Desjardins du Québec 1.59% 09-10-2026	Canada	Corporate - Non Convertible	5,000	5	5
Flynn America LP Term Loan B 1st Lien F/R 07-23-2028	United States	Term Loans	USD 4,000	5	5
Ford Credit Canada Co. 2.96% 09-16-2026	United States	Corporate - Non Convertible	3,000	3	3
Fortified Trust 2.34% 01-23-2023	Canada	Corporate - Non Convertible	150,000	150	153
Frontier Communications Corp. Term Loan DIP B 1st Lien SuperP F/R 10-08-2027	United States	Term Loans	USD 9,975	12	13
Gannett Holdings LLC Term Loan B 1st Lien F/R 02-08-2026	United States	Term Loans	USD 9,526	12	12
Garrett LX I SARL Term Loan B 1st Lien F/R 03-05-2028	Luxembourg	Term Loans	EUR 10,000	15	15
Garrett LX I SARL Term Loan B 1st Lien F/R 03-05-2028 (USD)	Luxembourg	Term Loans	USD 10,000	13	13
Gateway Merger Sub Inc. Term Loan 1st Lien F/R 06-25-2028	United States	Term Loans	USD 4,000	5	5
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate - Non Convertible	15,000	15	15
The Goldman Sachs Group Inc. F/R 04-29-2025	United States	Corporate - Non Convertible	118,000	118	118
Grab Holdings Inc. Term Loan B 1st Lien F/R 01-20-2026	Singapore	Term Loans	USD 9,950	12	13
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	10,000	10	10
H&R Real Estate Investment Trust 4.07% 06-16-2025 Callable 2025	Canada	Corporate - Non Convertible	1,000	1	1
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 5,000	7	7
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 9,665	12	11
Honda Canada Finance Inc. F/R 02-26-2024	Canada	Corporate - Non Convertible	50,000	50	50
Horizon Therapeutics USA Inc. Term Loan B 1st Lien F/R 02-26-2028	United States	Term Loans	USD 9,950	13	13
Hudson River Trading LLC Term Loan B 1st Lien F/R 03-19-2028	United States	Term Loans	USD 9,950	12	13
Hydro One Inc. 0.71% 01-16-2023	Canada	Corporate - Non Convertible	30,000	30	30
Hyundai Capital Canada Inc. 2.01% 05-12-2026	South Korea	Corporate - Non Convertible	4,000	4	4
INEOS 226 Ltd. Term Loan B 1st Lien F/R 01-21-2026	United Kingdom	Term Loans	EUR 10,000	15	15
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 09-03-2026	United States	Term Loans	USD 8,054	10	10

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
INEOS US Petrochem LLC Term Loan B 1st Lien F/R 01-21-2026	United States	Term Loans	USD 9,975	13	13
Ingram Micro Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Term Loans	USD 9,975	12	13
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 9,750	12	12
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	2,000	2	2
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	20,000	20	22
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 19,450	25	25
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028	Ireland	Term Loans	EUR 9,975	15	15
ION Trading Finance Ltd. Term Loan B 1st Lien F/R 03-26-2028 (USD)	United States	Term Loans	USD 9,975	13	13
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 15,653	17	17
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	10,000	10	10
Jadex Inc. Term Loan 1st Lien F/R 02-12-2028	United States	Term Loans	USD 19,751	25	25
Jane Street Group LLC Term Loan B 1st Lien F/R 01-21-2027	United States	Term Loans	USD 9,925	13	12
Jazz Financing Lux Sarl Term Loan B 1st Lien F/R 04-22-2028	Luxembourg	Term Loans	USD 7,980	10	10
Journey Personal Care Corp. Term Loan 1st Lien F/R 02-19-2028	United States	Term Loans	USD 9,975	13	13
JPMorgan Chase & Co. F/R 07-23-2024	United States	Corporate - Non Convertible	USD 540,000	704	689
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 19,350	25	24
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Term Loans	USD 5,811	8	7
Kronos Acquisition Holdings Inc. Term Loan B 1st Lien F/R 12-22-2026	United States	Term Loans	USD 9,950	13	12
LABL Inc. Term Loan B 1st Lien F/R 07-02-2026	United States	Term Loans	USD 9,800	13	12
Laurentian Bank of Canada 2.55% 06-20-2022	Canada	Corporate - Non Convertible	40,000	40	41
Laurentian Bank of Canada 1.15% 06-03-2024	Canada	Corporate - Non Convertible	5,000	5	5
Laurentian Bank of Canada 1.60% 05-06-2026	Canada	Corporate - Non Convertible	2,000	2	2
LSF10 XL Bidco SCA Term Loan B 1st Lien F/R 03-30-2028	Luxembourg	Term Loans	EUR 10,000	15	15
LTR Intermediate Holdings Inc. Term Loan B 1st Lien F/R 04-23-2028	United States	Term Loans	USD 4,000	5	5
Magenta Buyer LLC Term Loan 1st Lien F/R 05-03-2028	United States	Term Loans	USD 7,000	9	9
Manulife Bank of Canada 1.54% 09-14-2026	Canada	Corporate - Non Convertible	7,000	7	7
Mav Acquisition Corp. Term Loan B 1st Lien F/R 07-21-2028	United States	Term Loans	USD 5,000	6	6
Mckissock Investment Holdings LLC Term Loan B 1st Lien F/R 06-17-2028	United States	Term Loans	USD 3,000	4	4
Meredith Corp. Term Loan B 1st Lien 01-31-2025	United States	Term Loans	USD 9,875	13	13
Morgan Stanley F/R 03-21-2025	United States	Corporate - Non Convertible	90,000	90	90
Mozart Borrower LP Term Loan B 1st Lien F/R 09-30-2028	United States	Term Loans	USD 5,000	6	6
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 8,000	10	10
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 3,000	4	4
Murphy USA Inc. Term Loan B 1st Lien F/R 01-29-2028	United States	Term Loans	USD 9,975	13	13
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate - Non Convertible	4,000	4	4
New York Life Global Funding F/R 10-21-2023 144A	United States	Corporate - Non Convertible	USD 540,000	696	686
Nielsen Holdings PLC Term Loan B 1st Lien F/R 02-05-2028	United States	Term Loans	USD 9,950	13	13
OneDigital Borrower LLC Term Loan B 1st Lien F/R 10-30-2027	United States	Term Loans	USD 9,639	13	12
OneDigital Borrower LLC Term Loan B Delayed Draw 1st Lien F/R 10-30-2027	United States	Term Loans	USD 313	—	—
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	3,000	3	3
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate - Non Convertible	280,000	314	298
Organon & Co. Term Loan B 1st Lien F/R 04-08-2028	United States	Term Loans	USD 9,975	12	13
Osmosis Debt Merger Sub Inc. Term Loan 1st Lien Delayed Draw F/R 06-17-2028	United States	Term Loans	USD 333	—	—

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Osmosis Debt Merger Sub Inc. Term Loan B 1st Lien F/R 06-17-2028	United States	Term Loans	USD 2,667	3	3
PACCAR Financial Corp. 0.99% 05-14-2024	United States	Corporate - Non Convertible	29,000	29	29
Parkland Corp. of Canada 3.88% 06-16-2026	Canada	Corporate - Non Convertible	16,000	16	16
PayPal Holdings Inc. 2.20% 09-26-2022	United States	Corporate - Non Convertible	USD 30,000	40	39
PayPal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 10,000	13	13
Pembina Pipeline Corp. 2.56% 06-01-2023	Canada	Corporate - Non Convertible	50,000	50	51
Plaze Inc. Term Loan 1st Lien F/R 08-03-2026	United States	Term Loans	USD 9,900	13	13
Pluto Acquisition I Inc. Term Loan B 1st Lien F/R 06-20-2026	United States	Term Loans	USD 3,990	5	5
Prime Securities Mortgage Trust 1.97% 02-15-2023	Canada	Corporate - Non Convertible	20,000	20	20
Project Sky Merger Sub Inc. Term Loan B 1st Lien F/R 08-10-2028	United States	Term Loans	USD 4,000	5	5
Province of British Columbia 2.85% 06-18-2025	Canada	Provincial Governments	90,000	98	96
Province of Ontario F/R 08-21-2023	Canada	Provincial Governments	3,000,000	3,002	3,014
Province of Quebec F/R 10-13-2024	Canada	Provincial Governments	4,420,000	4,498	4,502
PSP Capital Inc. 0.90% 06-15-2026	Canada	Federal Government	30,000	30	29
Rackspace Technology Global Inc. Term Loan B 1st Lien F/R 02-09-2028	United States	Term Loans	USD 9,950	13	13
Rogers Communications Inc. F/R 03-22-2022	Canada	Corporate - Non Convertible	USD 540,000	694	687
Royal Bank of Canada F/R 10-26-2023	Canada	Corporate - Non Convertible	USD 700,000	904	889
Royal Bank of Canada 1.59% 05-04-2026	Canada	Corporate - Non Convertible	12,000	12	12
Saputo Inc. 2.88% 11-19-2024 Callable 2024	Canada	Corporate - Non Convertible	10,000	10	10
Scotia Capital Inc. 1.74% 01-01-2025	Canada	Mortgage Backed	21,382	21	22
Scotia Capital Inc. 1.25% 03-01-2025	Canada	Mortgage Backed	8,321	8	8
Scotia Capital Inc. 0.55% 01-01-2026	Canada	Mortgage Backed	9,469	9	9
Sienna Senior Living Inc. 3.45% 02-27-2026 Callable 2026	Canada	Corporate - Non Convertible	10,000	10	10
Signal Parent Inc. Term Loan B 1st Lien F/R 04-01-2028	United States	Term Loans	USD 9,975	12	13
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 16,839	22	20
Sitel Worldwide Corp. Term Loan B 1st Lien F/R 07-28-2028	United States	Term Loans	USD 3,000	4	4
Sorenson Communications LLC Term Loan B 1st Lien F/R 03-12-2026	United States	Term Loans	USD 9,500	12	12
Spa US HoldCo Inc. Term Loan B 1st Lien F/R 03-12-2028	United States	Term Loans	USD 10,000	12	13
Specialty Pharma III Inc. Term Loan B 1st Lien F/R 02-24-2028	United States	Term Loans	USD 10,000	12	13
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 9,691	13	12
Stars Group Holdings BV Term Loan B 1st Lien F/R 07-10-2025	Canada	Term Loans	USD 7,000	9	9
Stitch Acquisition Corp. Term Loan B 1st Lien F/R 07-27-2028	United States	Term Loans	USD 3,000	4	4
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	20,000	20	20
Sun Life Financial Inc. F/R 06-30-2081	Canada	Corporate - Non Convertible	6,000	6	6
Sunset Debt Merger Inc. Term Loan B 1st Lien F/R 12-18-2021	United States	Term Loans	USD 19,000	–	–
Sunset Debt Merger Sub Inc. Term Loan B 1st Lien F/R 09-17-2028	United States	Term Loans	USD 8,000	10	10
Sylvamo Corp. Term Loan B 1st Lien F/R 08-20-2028	United States	Term Loans	USD 6,000	8	8
Target Corp. 2.25% 04-15-2025 Callable 2025	United States	Corporate - Non Convertible	USD 5,000	7	7
Terrier Media Buyer Inc. Term Loan B 1st Lien F/R 12-17-2026	United States	Term Loans	USD 9,826	13	12
Thor Industries Inc. Term Loan B 1st Lien F/R 02-01-2026	United States	Term Loans	USD 25,162	31	32
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Term Loans	USD 9,850	13	13
The Toronto-Dominion Bank F/R 01-06-2023	Canada	Corporate - Non Convertible	USD 700,000	895	887
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	20,000	21	21
The Toronto-Dominion Bank 1.13% 12-09-2025	Canada	Corporate - Non Convertible	20,000	20	20
The Toronto-Dominion Bank F/R 10-31-2081	Canada	Corporate - Non Convertible	7,000	7	7
Tory Burch LLC Term Loan B 1st Lien F/R 04-15-2028	United States	Term Loans	USD 4,988	6	6
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate - Non Convertible	USD 3,000	4	4

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
TransCanada PipeLines Ltd. F/R 06-09-2024	Canada	Corporate - Non Convertible	60,000	60	60
TransCanada PipeLines Ltd. 4.20% 03-04-2081	Canada	Corporate - Non Convertible	4,000	4	4
Transcontinental Inc. 2.28% 07-13-2026	Canada	Corporate - Non Convertible	2,000	2	2
Triton Water Holdings Inc. Term Loan B 1st Lien F/R 03-16-2028	United States	Term Loans	USD 9,975	12	13
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 24,543	31	31
Univision Communications Inc. Term Loan B 1st Lien F/R 05-07-2028	United States	Term Loans	USD 7,000	8	9
Ventas Inc. F/R 11-12-2021	United States	Corporate - Non Convertible	270,000	267	270
Ventas Inc. 2.80% 04-12-2024 Callable 2024	United States	Corporate - Non Convertible	10,000	10	10
Veregy Term Loan 1st Lien F/R 11-03-2027	United States	Term Loans	USD 9,925	13	13
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 9,725	13	12
Verizon Communications Inc. F/R 03-20-2026	United States	Corporate - Non Convertible	USD 20,000	25	26
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-29-2027	United States	Term Loans	USD 9,701	13	12
Videotron Ltd. 3.63% 06-15-2028	Canada	Corporate - Non Convertible	7,000	7	7
Wells Fargo & Co. 2.57% 05-01-2026 Callable 2025	United States	Corporate - Non Convertible	10,000	10	10
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	5,000	5	5
WildBrain Ltd. Term Loan B 1st Lien F/R 03-18-2028	Canada	Term Loans	USD 9,950	12	13
Xperi Holding Corp. Term Loan B 1st Lien F/R 06-01-2025	United States	Term Loans	USD 16,188	20	20
Zotec Partners LLC Term Loan Term B 1st Lien F/R 02-14-2024	United States	Term Loans	USD 37,676	47	48
Total bonds				22,378	22,316
EQUITIES					
AltaGas Ltd. Pfd. Series K	Canada	Utilities	2,235	56	57
BCE Inc. Pfd. Series AA	Canada	Communication Services	382	6	7
BCE Inc. Pfd. Series AI	Canada	Communication Services	182	3	3
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	1,489	37	38
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	1,209	30	31
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Real Estate	4,373	109	114
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Real Estate	177	4	5
Loblaw Companies Ltd. 5.30% Cum. Red. 2nd Pfd. Series B	Canada	Consumer Staples	20	1	1
TC Energy Corp. Pfd. Series 15	Canada	Energy	3,412	86	88
TransAlta Corp. Pfd. Series A	Canada	Utilities	4,746	62	69
Total equities				394	413
MUTUAL FUNDS					
¹ Mackenzie Floating Rate Income Fund Series R	Canada	Mutual Funds	22,424	200	201
Total mutual funds				200	201
Transaction costs				(1)	—
Total investments				22,971	22,930
Derivative instruments (see schedule of derivative instruments)					(57)
Cash and cash equivalents					3,025
Other assets less liabilities					(75)
Net assets attributable to securityholders					25,823

¹ This fund is managed by Mackenzie.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2021		March 31, 2021	
Portfolio Allocation	% of NAV	Portfolio Allocation	% of NAV
Bonds	86.4	Bonds	91.0
<i>Bonds</i>	86.4	<i>Bonds</i>	91.0
<i>Short futures</i>	0.0	<i>Short futures</i>	0.0
Cash and short-term investments	11.7	Cash and short-term investments	7.3
Equities	1.6	Equities	1.5
Mutual funds	0.8	Mutual funds	0.7
Other assets (liabilities)	(0.5)	Other assets (liabilities)	(0.5)
Regional Allocation	% of NAV	Regional Allocation	% of NAV
Canada	72.1	Canada	67.8
United States	16.3	United States	22.1
Cash and short-term investments	11.7	Cash and short-term investments	7.3
Luxembourg	0.2	United Kingdom	3.0
Ireland	0.1	Luxembourg	0.2
United Kingdom	0.1	Ireland	0.1
Other assets (liabilities)	(0.5)	Other assets (liabilities)	(0.5)
Sector Allocation	% of NAV	Sector Allocation	% of NAV
Provincial bonds	29.5	Corporate bonds	38.8
Corporate bonds	27.7	Provincial bonds	27.5
Federal bonds	24.0	Federal bonds	19.8
Cash and short-term investments	11.7	Cash and short-term investments	7.3
Term loans	5.0	Term loans	4.5
Financials	1.6	Financials	1.5
Mutual funds	0.8	Mutual funds	0.7
Mortgage backed	0.2	Mortgage backed	0.4
Other assets (liabilities)	(0.5)	Other assets (liabilities)	(0.5)

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2021

Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
5 Year United States Treasury Note Futures December 2021	(7)	Dec. 31, 2021	123.32 USD	(1,088)	5	–
Total futures contracts				(1,088)	5	–

* Notional value represents the exposure to the underlying instruments as at September 30, 2021

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	898 CAD	(718) USD	Oct. 15, 2021	(898)	(909)	–	(11)
AA	2,796 CAD	(2,235) USD	Oct. 15, 2021	(2,796)	(2,831)	–	(35)
A	15 CAD	(10) EUR	Oct. 22, 2021	(15)	(15)	–	–
A	2,571 CAD	(2,036) USD	Oct. 22, 2021	(2,571)	(2,579)	–	(8)
A	170 USD	(213) CAD	Nov. 5, 2021	213	215	2	–
A	186 CAD	(148) USD	Nov. 5, 2021	(186)	(188)	–	(2)
AA	1,476 CAD	(1,169) USD	Nov. 12, 2021	(1,476)	(1,481)	–	(5)
AA	30 CAD	(20) EUR	Nov. 19, 2021	(30)	(30)	–	–
A	1,175 CAD	(935) USD	Nov. 19, 2021	(1,175)	(1,185)	–	(10)
AA	890 USD	(1,118) CAD	Nov. 19, 2021	1,118	1,128	10	–
AA	45 CAD	(36) USD	Nov. 19, 2021	(45)	(45)	–	–
A	595 CAD	(473) USD	Jan. 14, 2022	(595)	(598)	–	(3)
Total forward currency contracts						12	(74)
Total derivative instruments at fair value						17	(74)

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

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, 2021 and 2020, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2021, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Where a series of a Fund was terminated during either period, the information for the series is provided up to close of business on the termination date. Refer to Note 10 for the formation date of the Fund and the inception date of each series.

The Fund 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 Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Corporation of Canada. Canada Life Investment Management Ltd. ("CLIML") is wholly owned by The Canada Life Assurance Company ("Canada Life"), a subsidiary of Power Corporation of Canada. Investments in companies within the Power Group of companies held by the Fund 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 Fund's most recent audited annual financial statements for the year ended March 31, 2021. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund'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 11, 2021.

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

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

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

The Fund 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 funds and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

The Fund's redeemable securities entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities meet the criteria for classification as financial liabilities under IAS 32, Financial Instruments: Presentation. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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

(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.

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 Fund 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 Fund 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 Fund 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 Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, 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 Fund are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund 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 derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

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, 2021.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(b) Fair value measurement (cont'd)

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

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. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; 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.

See Note 10 for the fair value classifications of the Fund.

(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, realized gains (losses) on sale of investments or fee rebate income, as appropriate, on the ex-dividend or distribution date.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(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, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, 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.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

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 included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (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.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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 Fund 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, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

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 Fund.

(g) Currency

The functional and presentation currency of the Fund 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 securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

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 securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 10.

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

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

(k) Mergers

In a fund merger, the Fund acquires all of the assets and assumes all of the liabilities of the terminating fund at fair value in exchange for securities of the Fund on the effective date of the merger.

(l) Future accounting changes

The Fund has determined there are no material implications to the Fund’s financial statements arising from IFRS issued but not yet effective.

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.

Ongoing uncertainty regarding the duration and long-term impact of the COVID-19 pandemic and the implementation of vaccination programs, as well as the efficacy of government and central bank monetary and fiscal interventions, may continue to affect the Fund’s performance in future periods.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

4. Critical Accounting Estimates and Judgments (cont'd)

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

Use of Estimates

Fair value of securities not quoted in an active market

The Fund 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 Fund.

Use of Judgments

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund'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 Fund's financial instruments.

Functional currency

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund 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 Fund does not have contracts or financing arrangements with these underlying funds and the Fund 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 Fund 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 securityholders as at the end of the taxation year. The Fund maintains a December year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund 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 Fund'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, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses (cont'd)

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 10 for the management fee and Administration Fee rates charged to each series of securities.

7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2021 and 2020 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 10.

8. Financial Instruments Risk

i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7, Financial Instruments: Disclosures ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2021, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund'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 Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold).

iii. Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iv. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 summarizes the Fund's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. The Fund's sensitivity to interest rate changes was estimated using weighted average duration. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to interest rate risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of 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 Fund continues to increase, theoretically 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 Fund. This risk is mitigated by ensuring that the Fund 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.

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 10 illustrates the potential increase or decrease in the Fund's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to other price risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts.

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 Fund. Note 10 summarizes the Fund's exposure, if applicable and significant, to credit risk.

If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by underlying funds and ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

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 Fund 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 funds

The Fund may invest in underlying funds 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 funds. Note 10 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

9. Other Information

Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HKD	Hong Kong dollars	PKR	Pakistani rupee
AED	United Arab Emirates Dirham	HUF	Hungarian forint	PLN	Polish zloty
BRL	Brazilian real	IDR	Indonesian rupiah	QAR	Qatar Rial
CAD	Canadian dollars	ILS	Israeli shekel	RON	Romanian leu
CHF	Swiss franc	INR	Indian rupee	RUB	Russian ruble
CKZ	Czech koruna	JPY	Japanese yen	SAR	Saudi riyal
CLP	Chilean peso	KOR	South Korean won	SEK	Swedish krona
CNY	Chinese yuan	MXN	Mexican peso	SGD	Singapore dollars
COP	Colombian peso	MYR	Malaysian ringgit	THB	Thailand baht
CZK	Czech koruna	NGN	Nigerian naira	TRL	Turkish lira
DKK	Danish krone	NOK	Norwegian krona	USD	United States dollars
EGP	Egyptian pound	NTD	New Taiwan dollar	VND	Vietnamese dong
EUR	Euro	NZD	New Zealand dollars	ZAR	South African rand
GBP	United Kingdom pounds	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha
GHS	Ghana Cedi	PHP	Philippine peso		

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information *(in '000 except for (a))*

(a) Fund Formation and Series Information

Date of Formation April 8, 2014

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 the Statements of Changes in Financial Position.

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

Series A securities are offered to retail investors investing a minimum of \$500 under the redemption charge and low-load purchase options.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F securities are offered to 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; investors in a qualified group plan, 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 PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

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 SC securities are offered to retail investors investing a minimum of \$500 under the sales charge purchase option.

Series F5, Series FB5, Series PWFB5, Series PWT5, Series S5 and Series T5 securities are no longer available for sale.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option and various low-load purchase options. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. All deferred sales charge purchase options will cease on or prior to June 2022. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees
Series A	April 23, 2014	1.25%	0.17%
Series AR	November 13, 2014	1.25%	0.20%
Series D	April 23, 2014	0.80%	0.15%
Series F	April 23, 2014	0.40%	0.15%
Series F5	May 22, 2014	0.40%	0.15%
Series FB	October 26, 2015	0.55%	0.17%
Series FB5	None issued ⁽³⁾	0.55%	0.17%
Series O	April 28, 2014	— ⁽¹⁾	— *
Series PW	April 25, 2014	0.90%	0.15%
Series PWFB	April 3, 2017	0.40%	0.15%
Series PWFB5	None issued ⁽⁴⁾	0.40%	0.15%
Series PWR	April 1, 2019	0.90%	0.15%
Series PWT5	April 3, 2017	0.90%	0.15%
Series PWX	June 4, 2014	— ⁽²⁾	— ⁽²⁾
Series SC	April 23, 2014	1.05%	0.17%
Series S5	May 13, 2014	1.05%	0.17%
Series T5	None issued ⁽⁵⁾	1.25%	0.17%

* 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.

(3) The series' original start date was October 26, 2015. All securities in the series were redeemed on March 12, 2021.

(4) The series' original start date was April 3, 2017. All securities in the series were redeemed on March 12, 2021.

(5) The series' original start date was April 25, 2014. All securities in the series were redeemed on March 12, 2021.

(b) Investments by Mackenzie and Affiliates

As at September 30, 2021, Mackenzie had an investment of \$10 (March 31, 2021 – \$10) in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$1,462 which may be carried forward indefinitely to reduce future realized capital gains. There were no 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, 2021 and March 31, 2021, were as follows:

	September 30, 2021	March 31, 2021
	(\$)	(\$)
Value of securities loaned	3,518	8,394
Value of collateral received	3,694	8,823

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

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

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NOTES TO FINANCIAL STATEMENTS

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

(d) Securities Lending (cont'd)

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2021 and 2020 is as follows:

	2021		2020	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	2	100.0	1	100.0
Tax withheld	–	–	–	–
	2	100.0	1	100.0
Payments to Securities Lending Agent	–	–	–	–
Securities lending income	2	100.0	1	100.0

(e) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility (“Commitment Amount”) during an agreed upon period of time (“Commitment Period”). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee (“Commitment Fee”) from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at September 30, 2021, none of the Commitment Amounts were funded (March 31, 2021 – \$Nil). The unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
September 30, 2021	48	2	7 - 41	0.500 - 0.750	February 10, 2022 - May 3, 2022
March 31, 2021	48	1	48	0.500	July 8, 2021

(f) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	7	–	–	7
Unrealized losses on derivative contracts	(42)	–	17	(25)
Liability for options written	–	–	–	–
Total	(35)	–	17	(18)

	March 31, 2021			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	88	–	–	88
Unrealized losses on derivative contracts	(2)	–	14	12
Liability for options written	–	–	–	–
Total	86	–	14	100

MACKENZIE INVESTMENT GRADE FLOATING RATE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2021

NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(g) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks current income by investing primarily in investment grade floating-rate debt obligations of issuers anywhere in the world, as well as investment grade debt obligations and other debt instruments. The Fund may hold up to 30% of its assets in foreign investments.

ii. Currency risk

The tables below summarize the Fund's exposure to currency risk.

Currency	September 30, 2021			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
USD	6,089	2,703	(8,468)	324
EUR	60	–	(45)	15
Total	6,149	2,703	(8,513)	339
% of Net Assets	23.8	10.5	(33.0)	1.3

Currency	March 31, 2021			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
USD	7,437	1,728	(8,907)	258
EUR	60	–	(15)	45
Total	7,497	1,728	(8,922)	303
% of Net Assets	27.0	6.2	(32.1)	1.1

* Includes both monetary and non-monetary financial instruments

As at September 30, 2021, 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 \$17 or 0.1% of total net assets (March 31, 2021 – \$15 or 0.1%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds by term to maturity.

Term to Maturity	September 30, 2021 (\$)		March 31, 2021 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	1,037	(1,088)	2,631	(1,085)
1-5 years	19,964	–	21,407	–
5-10 years	1,257	–	1,158	–
Greater than 10 years	58	–	60	–
Total	22,316	(1,088)	25,256	(1,085)

As at September 30, 2021, had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased or increased by approximately \$768 or 3.0% (March 31, 2021 – \$66 or 0.2%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

iv. Other price risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to price risk.

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NOTES TO FINANCIAL STATEMENTS

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

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

v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2021, was 24.0% of the net assets of the Fund (March 31, 2021 – 19.8%).

As at September 30, 2021 and March 31, 2021, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2021	March 31, 2021
	% of Net Assets	% of Net Assets
AAA	24.2	20.6
AA	20.6	18.7
A	22.8	29.6
BBB	12.4	13.4
Less than BBB	4.6	3.9
Unrated	1.8	4.8
Total	86.4	91.0

* Credit ratings and rating categories are based on ratings issued by a designated rating organization

(h) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the fair value hierarchy described in note 3.

	September 30, 2021				March 31, 2021			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	22,316	–	22,316	–	25,256	–	25,256
Equities	413	–	–	413	401	–	–	401
Mutual funds	201	–	–	201	200	–	–	200
Derivative assets	5	12	–	17	12	162	–	174
Derivative liabilities	–	(74)	–	(74)	–	(23)	–	(23)
Short-term investments	–	214	–	214	–	307	–	307
Total	619	22,468	–	23,087	613	25,702	–	26,315

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

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