
Mawer Canadian Equity Fund

Annual Management Report of Fund Performance

For the Year Ended December 31, 2022

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at no cost by calling 1-844-395-0747, by writing us at Suite 600, 517 – 10th Avenue SW, Calgary, Alberta T2R 0A8, or by visiting our website at www.mawer.com or SEDAR at www.sedar.com.

Unitholders may also contact us using one of the above noted methods to request a copy of the investment fund's proxy voting policies and procedures, interim financial reports, proxy voting disclosure record, or quarterly portfolio disclosure.

This Annual Management Report of Fund Performance includes certain statements that are "forward looking statements". All statements, other than statements of historical fact, included in this report that address activities, events or developments that the portfolio advisor, Mawer Investment Management Ltd. (the "Manager"), expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward looking statements. These forward looking statements are subject to various risks and uncertainties, including the risks described in the Simplified Prospectus of the Fund, uncertainties and assumptions about the Fund, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

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Management Discussion of Fund Performance

Investment Objectives and Strategies

The investment objective of the Mawer Canadian Equity Fund (the "Fund") is to invest for above average long-term returns in equity securities of Canadian companies, principally those with market capitalizations greater than \$500 million. This objective is to be achieved by focusing on companies that can translate a competitive advantage into a return on capital; and by purchasing these companies at a discount to intrinsic value, as measured by a discounted cash flow model.

Risk

The Fund is suitable for investors seeking long-term growth and who have a medium tolerance for risk. General risks of investing in the Fund are outlined in the Prospectus and include the possibility of reduction in value of any given stock, liquidity risk, interest rate risk and currency risk, among others.

The Manager reduces the exposure to these risks by not concentrating more than 20% of the net assets of the Fund in a particular industry (i.e., sub-sector) as defined by the Global Industry Classification Standards (GICS). It is also the Manager's policy to have no more than 10% of the net assets in any one common share of a corporation, at the time of purchase. It is the Manager's policy to be fully invested (less than 5% in cash).

Results of Operations

The Fund's net assets decreased 10.6% to \$3,872.6 million from \$4,330.0 million at December 31, 2022. Of this change, -\$211.2 million is attributable to negative investment performance and -\$246.2 million was due to net redemptions to the Fund.

The Manager assesses the Fund's underlying securities for liquidity on a quarterly basis. During the period the Fund has remained in compliance with National Instrument 81-102 and has maintained an illiquid concentration of less than 10% of the Fund's Net Asset Value. During the period there were no notable redemptions to the Fund that affected its liquidity.

Over the past twelve months, the Fund's Series A units return was -5.6% versus -5.8% for the S&P/TSX Composite Index. The Fund's return is after management fees.

Equity markets attempted to add a bit of polish in the fourth quarter to an otherwise brutal year, the worst calendar year since 2008 for many global markets. In contrast, Canadian equities fared better during the year in part due to its resources-heavy market. It was a mixed picture for Canada's economy, however, as ongoing inflationary pressures clashed with growing recessionary concerns. In Q4, markets were bolstered by signs that inflation may finally be peaking and the hope that central banks may not need to be as aggressive as feared in tightening monetary policy, potentially softening the negative impact on the global economy. The S&P/TSX Composite Index saw strong broad-based advances in every sector except Health Care and Utilities, although Canadian equities did lag their global peers.

Mawer Canadian Equity Fund

Companies that contributed to the relative strength of the Fund include convenience store operator Alimentation Couche-Tard that reported strong results in the face of heightened inflationary conditions and fuel prices. Dairy processor Saputo also performed relatively well as the company posted higher revenues driven by a combination of positive pricing initiatives, productivity improvements, and cost containment strategies that helped to mitigate the impact of inflationary pressures. Industrial equipment dealer Finning International which reported strong results, driven by continued healthy demand in both Western Canada and Chile, that led to a record order backlog. The company's strong execution and supply chain management enables them to capitalize on continued momentum in their end markets and meet growing demand from their customers. Oil and gas producer Canadian Natural Resources saw its shares advance as the company posted higher revenues driven by a focus on continuous improvement, cost control and a disciplined approach to capital allocation. Additionally, Canadian Pacific Railway performed well as the company posted solid results supported by volume growth, and strong pricing, that more than offset increased fuel costs. The company remains well positioned to benefit from grain and potash bulk volume increases, coupled with resilient pricing.

Companies that detracted from relative performance included names held within the Information Technology and Materials sectors. As an example, Telus International declined despite strong operational and financial results across their business lines in the face of a challenging macroeconomic environment. Potash producer Nutrien's shares fell during Q4 as revenues were lower than expected on the back of reduced demand, due to higher fertilizer prices and a shortened application season as a result of weather patterns. Label maker and specialty packaging company CCL Industries experienced some bearishness following a period of healthy performance, despite posting strong results driven by organic growth, as concerns around weaker economic growth and the potential for reduced demand set in.

We increased our exposure to Suncor Energy as the company continues to post strong results and management continues to pay down debt and ramp up share buybacks. We added to Manulife Financial Corp, as we came away more positive on the business after a recent management meeting— the valuation was attractive and capital levels remain healthy. We also added to iA Financial as the valuation was undemanding and the company has been executing well paired with their excess capital positioning.

Conversely, we reduced our position in Nutrien due to concerns around reduced potash demand, in conjunction with management's guidance towards a large production increase in 2023, as well as weakness in nitrogen pricing. We trimmed Saputo as fundamentals have been improving but the valuation was at the higher end of our fair value range. In a similar vein, we also reduced our positions in both Finning International, and Thomson Reuters, as they have performed well and the valuations climbed.

Looking ahead to 2023, given the delay between the implementation of monetary policy and the ultimate impact on the broader economy, the path forward for inflation, central bank resolve in continuing to tighten policy, and the associated earnings and economic impacts remain hotly debated topics. All signs point to a global recession, with higher real rates, inverted yield curves, and contracting PMIs occurring in many of the world's major economies. However, the consensus view—reinforced late in the year by moderating inflation data—currently anticipates a softer landing and a milder recession.

Of course, the world could evolve in different ways. Inflation may prove to be more stubborn, or central banks misjudge those policy lags prompting a deeper recession. Geopolitical flare-ups are always a risk. On the other hand, inflation might temper more quickly than anticipated: incredibly, natural gas prices in Europe are currently lower than prior to Russia's invasion of Ukraine.

Activity in the Fund in 2022 broadly focused on three key themes that we believe will continue to be important as we look forward to 2023:

- Ensuring diversification, most notably with respect to interest rate sensitivity.
- Improving resilience, including adding to steady well-run businesses, while reducing the Fund's exposures to areas with higher risks (e.g. poor management execution, companies with higher debt).
- Continuing to ensure a robust inventory list of investment options focused on all three tenets of our investment philosophy, and taking advantage of the opportunities that volatility presents.

Recent Developments

There are no recent developments to report related to the strategic positioning of the Fund, the Manager, or the policies of the Independent Review Committee.

Related Party Transactions – Management Fees

The Portfolio Advisor receives management fees, which are calculated for Series A Units as 1.0% per annum of the net asset value of the Fund calculated on a daily basis. Management fees for Series O Units are payable directly to the Manager by Series O investors and not by the Fund.

The terms of the Management Agreement were amended January 4, 1994, to grant the Manager of the Fund the ability, at their discretion, to reduce the management fees for large investors. This reduction is effected by means of a management fee distribution and will be automatically reinvested in additional units of the Fund at the net asset value of the Fund on the date of distribution. Mawer also receives fees for performing administrative services. As at December 31, 2022 the Fund owes Mawer \$0 related to these administrative services.

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's audited annual financial statements which are prepared in accordance with IFRS.

The Fund's Net Asset Value (NAV) per Unit¹

SERIES A	2022	2021	2020	2019	2018
Net Assets, beginning of year	88.12	72.02	71.28	60.10	67.63
Increase (decrease) from operations:					
Total revenue	2.26	1.95	1.91	1.99	1.83
Total expenses	(0.97)	(0.94)	(0.79)	(0.80)	(0.78)
Realized gains (losses) for the year	5.56	3.34	2.90	0.87	1.47
Unrealized gains (losses) for the year	(11.95)	12.79	(2.92)	10.62	(9.13)
Total increase (decrease) from operations²	(5.10)	17.14	1.10	12.68	(6.61)
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(1.32)	(0.96)	(1.17)	(1.27)	(0.89)
From capital gains	(2.12)	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions ³	(3.44)	(0.96)	(1.17)	(1.27)	(0.89)
Net Assets, end of year	79.74	88.12	72.02	71.28	60.10

SERIES O	2022	2021	2020	2019	2018
Net Assets, beginning of year	86.02	71.30	72.36	60.91	68.72
Increase (decrease) from operations:					
Total revenue	2.22	1.94	1.95	2.03	1.88
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the year	5.44	3.27	3.02	0.87	1.50
Unrealized gains (losses) for the year	(11.72)	12.67	(2.05)	10.53	(9.46)
Total increase (decrease) from operations²	(4.07)	17.87	2.91	13.42	(6.09)
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(2.28)	(1.84)	(1.89)	(2.01)	(1.67)
From capital gains	(3.64)	(1.26)	(2.00)	-	(0.11)
Return of capital	-	-	-	-	-
Total Annual Distributions ³	(5.92)	(3.10)	(3.89)	(2.01)	(1.78)
Net Assets, end of year	76.19	86.02	71.30	72.36	60.91

⁽¹⁾ This information is derived from the Fund's audited financial statements.

⁽²⁾ Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial year.

⁽³⁾ Distributions were reinvested in additional units of the Fund and/or paid in cash.

Ratios and Supplemental Data

SERIES A	2022	2021	2020	2019	2018
Total net asset value (000's) ¹	810,199	922,281	773,261	853,148	778,437
Number of units outstanding (000's) ¹	10,161	10,466	10,737	11,970	12,952
Management expense ratio ²	1.15%	1.14%	1.17%	1.16%	1.17%
Management expense ratio before waivers or absorptions	1.15%	1.14%	1.17%	1.16%	1.17%
Trading expense ratio ³	0.02%	0.01%	0.02%	0.02%	0.01%
Portfolio turnover rate ⁴	24.79%	19.32%	23.47%	13.78%	14.14%
Net asset value per unit¹	79.74	88.12	72.02	71.28	60.10

SERIES O	2022	2021	2020	2019	2018
Total net asset value (000's) ¹	3,062,426	3,407,718	2,585,026	2,390,483	1,909,785
Number of units outstanding (000's) ¹	40,197	39,615	36,258	33,036	31,355
Management expense ratio ²	0.01%	0.01%	0.01%	0.01%	0.01%
Management expense ratio before waivers or absorptions	0.01%	0.01%	0.01%	0.01%	0.01%
Trading expense ratio ³	0.02%	0.01%	0.02%	0.02%	0.01%
Portfolio turnover rate ⁴	24.79%	19.32%	23.47%	13.78%	14.14%
Net asset value per unit¹	76.19	86.02	71.30	72.36	60.91

⁽¹⁾ This information is provided as at December 31 of the year shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses for the stated year and is expressed as an annualized percentage of daily average net assets during the year.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Advisors manage its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Past Performance

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any investor that would have reduced returns. Mutual funds are not guaranteed. Their value changes frequently and past performance may not be repeated.

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

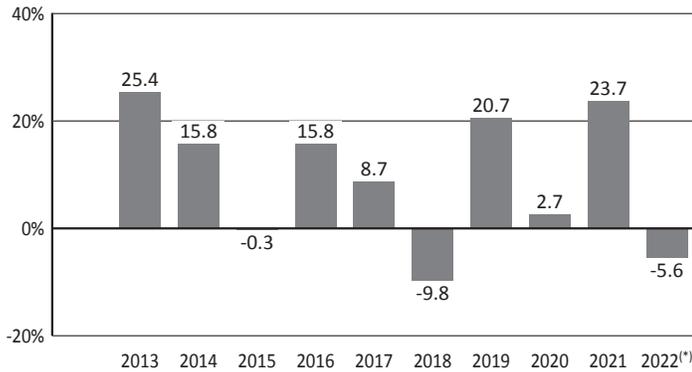
The past performance of the Fund is set out in the following charts.

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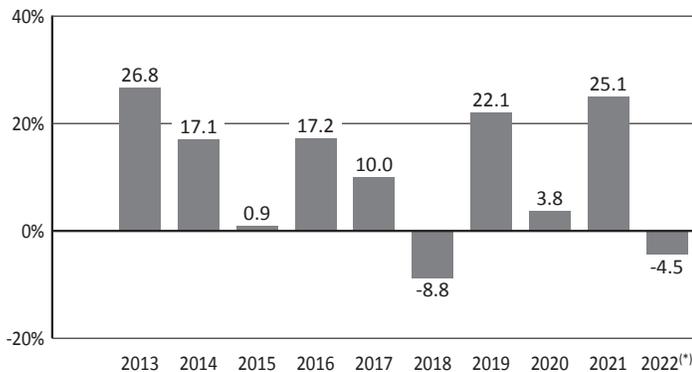
Year-by-Year Returns

The bar charts below show the Fund's annual performance in each of the past 10 years, if applicable, to December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Series A



Series O



^(*) Series A start date was June 21, 1991; Series O start date was December 1, 2004.

Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on December 31, 2022. The annual compound total return is also compared to the S&P/TSX Composite Index calculated on the same compound basis. This index is a capitalization-weighted index designed to measure the broad Canadian equity market. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

	1 Year	3 Year	5 Year	10 Year	Since Inception
Mawer Canadian Equity Fund – Series A	(5.6)%	6.2%	5.5%	9.1%	9.1%
S&P/TSX Composite Index	(5.8)%	7.5%	6.8%	7.7%	8.3%
Mawer Canadian Equity Fund – Series O	(4.5)%	7.5%	6.7%	10.3%	9.7%
S&P/TSX Composite Index	(5.8)%	7.5%	6.8%	7.7%	7.2%

^(*) Series A start date was June 21, 1991; Series O start date was December 1, 2004.

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2022 is as follows:

	% of Portfolio
Treasury Bills	3.8
Total Short-Term Investments	3.8
Equities	
Communication Services	4.8
Consumer Discretionary	2.9
Consumer Staples	9.5
Energy	10.5
Financials	27.1
Industrials	16.7
Information Technology	9.9
Materials	6.2
Real Estate	4.8
Utilities	3.8
Total Equities	96.2
Total Portfolio	100.0

Totals may not add to 100% due to rounding.

The following table lists the 25 largest holdings of the Fund as at December 31, 2022.

Issuer	Percentage of Net Asset Value
Canadian Natural Resources Limited	5.3%
Royal Bank of Canada	5.1%
The Toronto-Dominion Bank	4.7%
Canadian Pacific Railway Limited	3.9%
Finning International Inc.	3.8%
Loblaw Companies Limited	3.7%
Suncor Energy Inc.	3.7%
Bank of Montreal	3.6%
Alimentation Couche-Tard Inc.	3.6%
CGI Inc.	3.5%
Canadian National Railway Company	2.8%
TMX Group Limited	2.8%
iA Financial Corporation Inc.	2.6%
Brookfield Corporation	2.6%
Hydro One Limited	2.5%
BCE Inc.	2.5%
TELUS Corporation	2.4%
Nutrien Ltd.	2.4%
CCL Industries Inc. Cl. B	2.3%
Saputo Inc.	2.2%
The Bank of Nova Scotia	2.2%
Thomson Reuters Corporation	2.1%
Dollarama Inc.	1.8%
Granite Real Estate Investment Trust	1.8%
Enghouse Systems Limited	1.8%
Total	75.7%

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The investments and percentages may have changed by the time you purchase units of this fund. The top 25 holdings are made available quarterly, 60 days after quarter-end and may be obtained by contacting your registered representative or by contacting the Manager toll-free at 1-844-395-0747 or by e-mail at info@mawer.com. The Prospectus and other information about the underlying mutual fund(s) are available online at www.sedar.com and www.mawer.com.