
Mawer U.S. Mid Cap Equity Fund

Annual Management Report of Fund Performance

For the Year Ended December 31, 2023

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.sedarplus.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 information" or "forward looking statements" (collectively, "forward looking information") within the meaning of applicable securities legislation. 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., expects or anticipates will or may occur in the future, including such things as anticipated financial performance, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations, are forward looking information. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective", "will" and similar expressions are intended to identify forward looking information. Undue reliance should not be placed on forward looking information. Forward looking information is subject to various risks described in the Simplified Prospectus, uncertainties, and assumptions about the Fund, capital markets and economic factors, which could cause actual results to vary and in some instances to differ materially from those anticipated by the portfolio advisor and expressed in this report. Material risk 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. The foregoing list of risk factors is not exhaustive.

All opinions contained in forward looking information are subject to change without notice and are provided in good faith and are based on the estimates and opinions of the portfolio advisor at the time the information is presented. The portfolio advisor has no specific intention of updating any forward looking information whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but cannot be guaranteed to be current, accurate or complete and is subject to change without notice.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The investment objective of the Mawer U.S. Mid Cap Equity Fund (the "Fund") is to provide above-average long-term, risk-adjusted returns by investing primarily in equities and equity-related securities of U.S. mid-capitalization entities. Treasury bills or short-term investments, not exceeding three years to maturity, may also be used from time to time.

Risk

This Fund is suitable for investors seeking long-term growth and who have a medium to high tolerance for risk. General risks of investing in this Fund are outlined in the Prospectus and include the possibility of reduction in value of any given investment, liquidity risk, interest rate risk, and currency risk amongst 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 as defined by the Global Industry Classification Standards (GICS). The Fund owns positions in U.S. companies and is generally fully invested (less than 5% in cash).

Results of Operations

The Fund's net assets increased 27.1% to \$58.6 million from \$46.1 million at December 31, 2023. Of this change, \$8.9 million is attributable to investment performance and \$3.6 million was due to net contributions 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.

Over the twelve-month period, the Fund's Series A units' return was 17.7% (after deducting fees and expenses paid by the series) in comparison to the Russell Mid Cap Index return of 14.1%. All performance values provided are in Canadian dollar terms.

U.S. mid cap equities, as measured by the Russell Mid Cap Index, posted strong gains in the 12-month period. Investor sentiment shifted dramatically towards the view that central banks are not only done with interest rate hikes this cycle but are also on the verge of meaningful easing starting in early 2024.

The Fund's relative outperformance was due to both positive sector allocation and security selection. At the security level, strong fundamentals, organic growth, and strong management helped to boost holdings like pre-owned store franchisor Winmark and industrial products manufacturer CSW Industrials to all-time highs. The Funds' investments in the financials sector represented another bright spot with financial compliance firm Donnelley Financial Solutions and commercial payment solutions company Fleetcor Technologies bouncing back after a difficult 2022. Conversely, shares of life science company Bio-Rad Laboratories declined because of high inflation and inventory challenges, and lower demand from pharmaceutical customers. Shares of Moderna also declined given its persistently weaker sales tied to COVID-19 vaccines, the main source of its revenue now.

Mawer U.S. Mid Cap Equity Fund

Over the past 12 months, prominent initiations included Dollar General and SharkNinja. Dollar General came under pressure during the year as results revealed that inflation has taken its toll on the business model resulting in lower operating margins. We took advantage of the subsequent stock price weakness to initiate a position as we believe it has a very strong long-term record of execution. SharkNinja is a floor cleaning and kitchen appliance designer. The company boasts a broad suite of high-quality, reasonably priced household products, and it has steadily gained market share thanks to best-in-class R&D and marketing efforts. The company was recently spun-out of a Hong Kong-listed entity and has little sell-side coverage, which in our view provided an opportunity to buy an excellent company at an undemanding valuation. Meanwhile, the Fund exited IT hardware and software company PC Connection on valuation concerns after its strong performance. The Fund also exited video game publisher Take-Two Interactive Software in favour of better risk-reward opportunities elsewhere.

Now, a very simple model is that equity markets are driven in the short-term by four factors: earnings, rates, events, and investor sentiment. Looking ahead to 2024, we know that war, regulatory actions, geopolitics, and new technologies have the potential to move markets. Investors seem hyper-focused on how central banks will manage rates and whether economic demand will remain as resilient as it has so far. Seven of the world's ten most populous countries are headed to the polls in 2024. And to borrow from Benjamin Graham, Mr. Market's notoriously fickle sentiment can change quickly.

Thankfully, our investment process doesn't rely on such broad-based macro assessments. Its focus is much longer-term and more bottom-up in nature. More precisely: identifying companies that can create wealth by generating returns on capital in excess of their cost of capital for many years by virtue of sustainable competitive advantages. When led by excellent management teams, the wealth-creating nature of these business models can be enhanced and extended. By focusing on companies whose goods and services provide genuine value to their customers, the risk (though can never eliminate) is reduced that events or shocks fatally impair their business models.

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 1.30% 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 Manager of the Fund has 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, 2023 the Fund owes Mawer \$0 related to these administrative services.

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 since inception. The Fund was launched on September 16, 2021 and opened to investors on September 27, 2021. 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	2023	2022	2021
Net Assets, beginning of year	8.83	10.32	10.00
Increase (decrease) from operations:			
Total revenue	0.09	0.07	0.04
Total expenses	(0.15)	(0.14)	(0.04)
Realized gains (losses) for the year	0.38	(0.51)	0.03
Unrealized gains (losses) for the year	1.23	(0.79)	0.41
Total increase (decrease) from operations²	1.55	(1.37)	0.44
Distributions:			
From net investment income (excluding dividends)	-	-	-
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total Annual Distributions ³	-	-	-
Net Assets, end of year	10.39	8.83	10.32

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SERIES O	2023	2022	2021
Net Assets, beginning of year	8.93	10.34	10.00
Increase (decrease) from operations:			
Total revenue	0.09	0.08	0.04
Total expenses	(0.02)	(0.02)	(0.01)
Realized gains (losses) for the year	0.38	(0.51)	(0.01)
Unrealized gains (losses) for the year	1.28	(0.62)	0.48
Total increase (decrease) from operations²	1.73	(1.07)	0.50
Distributions:			
From net investment income (excluding dividends)	(0.05)	(0.03)	(0.01)
From dividends	-	-	-
From capital gains	-	-	-
Return of capital	-	-	-
Total Annual Distributions ³	(0.05)	(0.03)	(0.01)
Net Assets, end of year	10.61	8.93	10.34

⁽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	2023	2022	2021
Total net asset value (000's) ¹	12,130	10,060	9,961
Number of units outstanding (000's) ¹	1,167	1,139	965
Management expense ratio ²	1.45%	1.45%	1.45%
Management expense ratio before waivers or absorptions	1.77%	1.70%	1.53%
Trading expense ratio ³	0.02%	0.03%	0.12%
Portfolio turnover rate ⁴	50.42%	45.11%	7.97%
Net asset value per unit¹	10.39	8.83	10.32

SERIES O	2023	2022	2021
Total net asset value (000's) ¹	46,510	36,036	29,310
Number of units outstanding (000's) ¹	4,384	4,033	2,834
Management expense ratio ²	0.10%	0.10%	0.10%
Management expense ratio before waivers or absorptions	0.24%	0.19%	0.10%
Trading expense ratio ³	0.02%	0.03%	0.12%
Portfolio turnover rate ⁴	50.42%	45.11%	7.97%
Net asset value per unit¹	10.61	8.93	10.34

⁽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. The Manager, at its discretion, absorbed certain expenses otherwise payable by each Series. The Manager may change the amount absorbed or discontinue absorbing these expenses at any time without notice.

⁽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.

Year-by-Year Returns

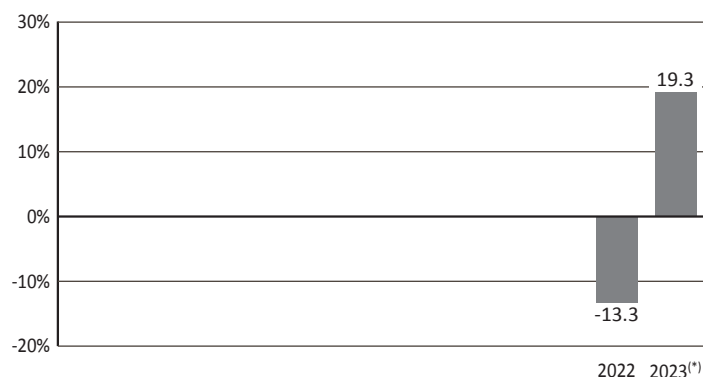
The bar charts below show the Fund's annual performance in each of the past 10 years, if applicable, to December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Series A



Mawer U.S. Mid Cap Equity Fund

Series O



^(*) Series A start date was September 27, 2021; Series O start date was September 27, 2021.

Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on December 31, 2023. The annual compound total return is also compared to the Russell Midcap Index calculated on the same compound basis. The Russell Midcap Index measures the performance of the mid-cap segment of the US equity universe. The Russell Midcap Index is a subset of the Russell 1000 Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Index represents approximately 27% of the total market capitalization of the Russell 1000 companies, as of the most recent reconstitution. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

	1 Year	Since Inception ^(*)
Mawer U.S. Mid Cap Equity Fund – Series A	17.7%	1.7%
Russell Midcap Gross	14.1%	1.9%
Mawer U.S. Mid Cap Equity Fund – Series O	19.3%	3.1%
Russell Midcap Gross	14.1%	1.9%

^(*) Series A start date was September 27, 2021; Series O start date was September 27, 2021.

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2023 is as follows:

	% of Portfolio
Cash	0.4
Total Cash	0.4
Treasury Bills	3.4
Total Short-Term Investments	3.4
Equities	
Communication Services	3.6
Consumer Discretionary	12.2
Financials	13.1
Healthcare	14.8
Industrials	22.3
Information Technology	24.1
Materials	3.6
Real Estate	2.5
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 (or all holdings if the total number of holdings is less than 25) as at December 31, 2023.

Issuer	Percentage of Net Asset Value
FLEETCOR Technologies, Inc.	5.0%
Charles River Laboratories International, Inc.	3.9%
Valvoline Inc.	3.6%
Humana Inc.	3.5%
Amphenol Corporation Cl. A	3.4%
CDW Corporation	3.4%
Concentrix Corporation	3.3%
SharkNinja, Inc.	3.1%
Euronet Worldwide, Inc.	3.0%
Donnelley Financial Solutions, Inc.	2.9%
Dollar General Corporation	2.9%
Ulta Beauty, Inc.	2.8%
FTI Consulting, Inc. Cl. A	2.6%
First Citizens BancShares, Inc. Cl. A	2.6%
Waters Corporation	2.6%
SS&C Technologies Holdings, Inc.	2.6%
Global Industrial Company	2.5%
Insperty, Inc.	2.5%
CBRE Group, Inc. Cl. A	2.5%
RB Global, Inc.	2.4%
ResMed Inc.	2.4%
KLA Corporation	2.4%
Bio-Rad Laboratories, Inc. Cl. A	2.3%
Tradeweb Markets Inc. Cl. A	2.2%
CACI International Inc. Cl. A	2.2%
Total	72.6%

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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.sedarplus.com and www.mawer.com.
