

Annual Management Report of Fund Performance

For the Year Ended December 31, 2017

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 1-888-549-6248, 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, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective 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 superior 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 moderate to high 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).

The Fund was invested in 10 of the 11 Global Industry Classification (GICS) sectors as of December 31, 2017. The Fund's largest sector weightings were in Financials (36%), Industrials (19%), and Energy (11%).

Combined, the weight in the three largest sectors represented 65% of the portfolio which was up modestly from the beginning of the period. In aggregate, the ten largest individual holdings accounted for 37% of the portfolio which is in line with this value as of December 31, 2016.

Results of Operations

The Fund's net assets increased 15.0% to \$2,909.7 million from \$2,529.7 million at the end of 2016. Of this change, \$252.8 million

is attributable to positive investment performance, while \$127.2 million was due to net contributions to the Fund.

Over the past 12 months, the Fund's Series A units posted a 8.75% return versus 9.10% for the S&P/TSX Composite Index. The Fund's return is after management fees.

The Fund's detracted value in security selection within the Fund's holdings in Energy, Consumer Discretionary and Consumer Staples, which unperformed relative to their sector peers in the TSX. The Fund benefitted from favourable sector allocation across most sectors except for Health Care. An underweight exposure in Energy and an overweight exposure in Industrials contributed to the positive sector allocation. Positive security selection in Industrials and Telecommunication Services partially offset the negative security selection overall.

Positive allocation within Energy was offset by negative stock selection within the sector, which was also the largest drag on the Fund's relative return over the period. Underperformance within the Consumer Discretionary sector was primarily attributable to our holding in Cineplex Inc. Within Consumer Staples, dairy product manufacturer Saputo Inc. stood out as a bottom contributor. Outperformance within the Industrials sector was driven by our investments in Toromont Industries Ltd. and Richelieu Hardware Ltd., returning 32% and 35% respectively. The positive security selection within Telecommunication Services was attributable to a 28% return of Rogers Communications Inc.

We added three new names to the portfolio over the year: Descartes Systems Group Inc., Kinder Morgan Canada Ltd. and Shopify Inc. No holdings were eliminated from the portfolio over the year.

Recent Developments

Synchronized growth in advanced economies and a tepid inflation environment contributed to another year of mostly stellar performance in global asset markets. Despite steps that central banks continue to take to gradually tighten monetary policy, as well as risks in the system, volatility was low overall. Central bankers in many advanced economies managed to prepare investors for a tightening path. In December, the Federal Reserve increased its benchmark rate from 1.25% to 1.50% as widely anticipated. Meanwhile, the Bank of Canada maintained the benchmark rate at 1.00%, having already hiked interest rates twice in the summer.

Sovereign yield curves in both Canada and the U.S. flattened through the quarter, which may limit the ability for policymakers to continue hiking rates next year. Without greater inflation or growth expectations, long-term yields are unlikely to move significantly higher, which may put market expectations in conflict with policymaker plans. Targeted inflation measures in both countries have remained persistently below the target of 2%.

As always, we continue to fortify the portfolio by diversifying across wealth generating companies, with excellent management teams, trading at what we estimate to be attractive valuations.

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This, in our view, builds a level of resiliency into the portfolio in the face of many different scenarios.

Related Party Transactions – Management Fees

As Portfolio Advisors to the Fund, Mawer Investment Management Ltd. (“Mawer”) 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, 2017 the Fund owes Mawer \$35,836 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 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 Unit

| SERIES A | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|---------------|---------------|---------------|---------------|---------------|
| Net Assets, beginning of year | 62.94 | 55.00 | 58.32 | 50.90 | 41.14 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | 1.66 | 1.59 | 1.51 | 1.34 | 1.27 |
| Total expenses | (0.76) | (0.69) | (0.73) | (0.68) | (0.56) |
| Realized gains (losses) for the year | 1.39 | 1.23 | 4.31 | 1.85 | 1.58 |
| Unrealized gains (losses) for the year | 3.21 | 6.84 | (5.58) | 5.49 | 8.18 |
| Total increase (decrease) from operations¹ | 5.50 | 8.97 | (0.49) | 8.00 | 10.47 |
| Distributions: | | | | | |
| From income (excluding dividends) | - | - | - | (0.63) | (0.68) |
| From dividends | (0.82) | (0.73) | (0.68) | - | - |
| From capital gains | - | - | (2.51) | - | - |
| Return of capital | - | - | - | - | - |
| Total Distributions² | (0.82) | (0.73) | (3.19) | (0.63) | (0.68) |
| Net Assets, end of year | 67.63 | 62.94 | 55.00 | 58.32 | 50.90 |

| SERIES O | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|--------|--------|--------|--------|--------|
| Net Assets, beginning of year | 63.89 | 55.80 | 58.60 | 51.10 | 41.26 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | 1.70 | 1.61 | 1.51 | 1.34 | 1.26 |
| Total expenses | (0.01) | (0.01) | (0.01) | (0.03) | (0.02) |
| Realized gains (losses) for the year | 1.42 | 1.26 | 4.19 | 1.83 | 1.55 |

| SERIES O | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|---------------|---------------|---------------|---------------|---------------|
| Unrealized gains (losses) for the year | 3.31 | 6.73 | (4.88) | 5.61 | 8.35 |
| Total increase (decrease) from operations¹ | 6.42 | 9.59 | 0.81 | 8.75 | 11.14 |
| Distributions: | | | | | |
| From income (excluding dividends) | - | - | - | (1.23) | (1.16) |
| From dividends | (1.57) | (1.47) | (1.44) | - | - |
| From capital gains | - | - | (1.91) | - | - |
| Return of capital | - | - | - | - | - |
| Total Distributions² | (1.57) | (1.47) | (3.35) | (1.23) | (1.16) |
| Net Assets, end of year | 68.72 | 63.89 | 55.80 | 58.60 | 51.10 |

(1) 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.

(2) Distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data

| SERIES A | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|---------|---------|---------|---------|---------|
| Net Assets (000's) ¹ | 872,854 | 747,283 | 506,128 | 430,196 | 315,141 |
| Number of units outstanding (000's) ¹ | 12,905 | 11,872 | 9,203 | 7,376 | 6,192 |
| Management expense ratio ² | 1.17% | 1.19% | 1.22% | 1.21% | 1.21% |
| Management expense ratio before waivers or absorptions | 1.17% | 1.19% | 1.22% | 1.21% | 1.21% |
| Portfolio turnover rate ³ | 10.50% | 11.63% | 14.28% | 11.73% | 12.00% |
| Trading expense ratio ⁴ | 0.01% | 0.02% | 0.01% | 0.02% | 0.01% |
| Closing market price or pricing NAV, (if applicable) | 67.63 | 62.94 | 55.00 | 58.32 | 50.90 |

| SERIES O | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-----------|-----------|-----------|-----------|-----------|
| Net Assets (000's) ¹ | 2,036,802 | 1,782,381 | 1,455,148 | 1,600,914 | 1,330,689 |
| Number of units outstanding (000's) ¹ | 29,639 | 27,896 | 26,078 | 27,321 | 26,042 |
| Management expense ratio ² | 0.01% | 0.01% | 0.02% | 0.03% | 0.04% |
| Management expense ratio before waivers or absorptions | 0.01% | 0.01% | 0.02% | 0.03% | 0.04% |
| Portfolio turnover rate ³ | 10.50% | 11.63% | 14.28% | 11.73% | 12.00% |
| Trading expense ratio ⁴ | 0.01% | 0.02% | 0.01% | 0.02% | 0.01% |
| Closing market price or pricing NAV, (if applicable) | 68.72 | 63.89 | 55.80 | 58.60 | 51.10 |

(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 Fund’s portfolio turnover rate indicates how actively the Fund’s portfolio adviser manages 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

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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.

- (4) 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.

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.

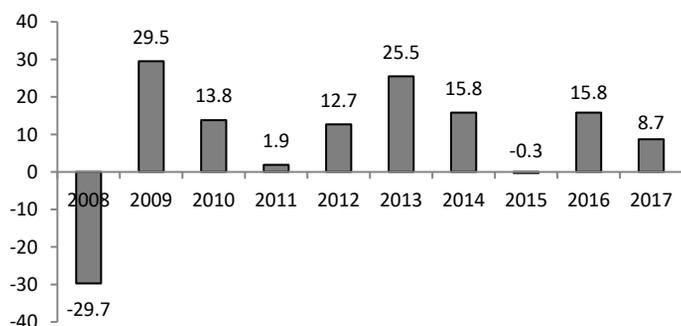
The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested 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.

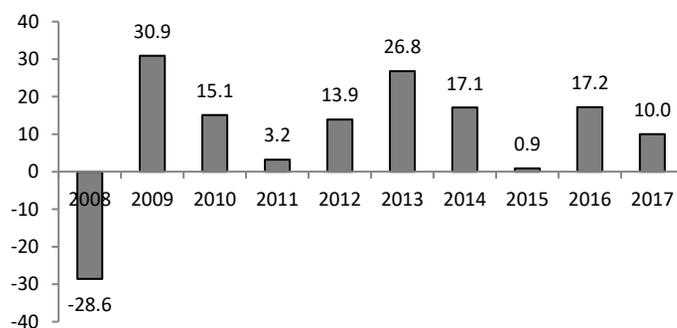
Year-by-Year Returns

The bar charts below show the Fund's annual performance in each of the past 10 years to December 31, 2017. 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 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, 2017. 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 benchmark used to measure the price performance of the broad Canadian equity market. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

| | Series A units (%) | Series O units (%) | S&P/TSX Composite Index (%) |
|-------------|--------------------|--------------------|-----------------------------|
| One Year | 8.7 | 10.0 | 9.1 |
| Three Years | 7.9 | 9.2 | 6.6 |
| Five Years | 12.8 | 14.1 | 8.6 |
| Ten Years | 8.1 | 9.3 | 4.6 |

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2017 is as follows:

| | % |
|----------------------------|--------------|
| Cash | 0.0 |
| Total Cash | 0.0 |
| Treasury bills | 4.6 |
| Total Short-Term | 4.6 |
| Canadian Equities | |
| Consumer discretionary | 4.8 |
| Consumer staples | 4.4 |
| Energy | 11.0 |
| Financials | 35.9 |
| Industrials | 18.6 |
| Information technology | 4.4 |
| Materials | 3.6 |
| Real Estate | 3.6 |
| Telecommunication services | 7.3 |
| Utilities | 1.8 |
| Total Equities | 95.4 |
| Total Portfolio | 100.0 |

Totals may not add to 100% due to rounding.

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The following table lists the 25 largest holdings of the Fund as at December 31, 2017.

| Issuer | Percentage of Transactional Net Asset Value |
|---|---|
| Royal Bank of Canada | 5.2% |
| The Toronto-Dominion Bank | 5.1% |
| Brookfield Asset Management Inc. Cl. A | 4.0% |
| The Bank of Nova Scotia | 4.0% |
| Canadian National Railway Company | 3.6% |
| Bank of Montreal | 3.3% |
| Manulife Financial Corporation | 3.2% |
| Canadian Pacific Railway Company | 3.1% |
| Rogers Communications Inc. Cl. B | 3.0% |
| Constellation Software Inc. | 3.0% |
| Toromont Industries, Ltd. | 3.0% |
| Canadian Natural Resources, Ltd. | 2.8% |
| Shaw Communications Inc. Cl. B | 2.8% |
| Suncor Energy Inc. | 2.7% |
| Richelieu Hardware, Ltd. | 2.6% |
| TELUS Corporation | 2.5% |
| First Capital Realty Inc. | 2.4% |
| Finning International Inc. | 2.3% |
| Industrial Alliance Insurance and Financial Services Inc. | 2.3% |
| Loblaw Companies Limited | 2.3% |
| Saputo Inc. | 2.2% |
| ATS Automation Tooling Systems Inc. | 2.2% |
| CCL Industries Inc. Cl. B | 2.1% |
| TMX Group Limited | 2.1% |
| Onex Corporation | 2.1% |

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 Mawer toll-free at 1-888-549-6248 or by e-mail at info@mawer.com.