

Interim Management Report of Fund Performance

For the period ended June 30, 2017

This interim management report of fund performance contains financial highlights but does not contain either interim or annual financial statements of the investment fund. You may obtain a copy of the interim or annual financial statements at no cost, by calling 1-888-889-6248, 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 Mawer Balanced Fund (the "Fund") aims to protect and grow investors' capital through capital appreciation and the receipt of dividend and interest income. The Fund invests in treasury bills and commercial paper, corporate and government bonds, Canadian large and small capitalization stocks, and US and international equities.

The Manager examines current market statistics and makes an assessment of future outcomes based upon a probability-based scenario analysis. Using these techniques the Manager constructs the asset mix. Bonds are chosen with a view to the appropriate term, credit quality, and issuer depending upon the expected direction of interest rates, the interest rate spreads between different sectors of bonds, and the expected state of financial conditions for the issuer. In equities we search for wealth-creating companies that can be purchased at a discount to their intrinsic value.

Risk

This Fund is suitable for investors seeking long-term growth and who have a moderate 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. Since this Fund invests primarily in Series O units of other Mawer Mutual Funds there are two additional risks: multi-class risk and fund on fund risk.

The Manager limits the risk of investing in a single asset class by limiting the amount invested in equities in any one particular industry, and by limiting the percentage of the Fund that can be shifted in a single move from one asset class to another.

Given the difficulty in consistently predicting interest rate moves, we limit exposure to this risk factor. In setting policy, the Canadian bond portfolio's duration is set within 0.5 years on either side of the index, while the duration for the global bond portfolio has a maximum limit of 8 years. As of June 30, 2017, the Mawer Canadian Bond Fund's duration was 7.39 years compared

to the FTSE TMX Canada Universe Bond Index duration of 7.56 years. The duration of the Mawer Global Bond Fund was 3.82 years as of June 30, 2017. From an exposure perspective, the weight of the Canadian fixed income allocation within the Mawer Balanced Fund, increased from 35.6%, at the start of the year, to 35.8%, at the end of June (these numbers include the Canadian treasury-bills held in other Mawer Funds). In contrast, the weight of the global fixed income allocation within the Mawer Balanced Fund decreased to 2.4% at the end of June from 3.8% at the end of 2016 (these numbers include the US treasury-bills held in other Mawer Funds).

The Fund's exposure to foreign equities (outside of Canada) increased to 43.7% from 42.9%. The Fund's equity holdings are in all 11 GICS sectors and are most heavily weighted to Financials (24.0% of the equity weight), Industrials (16.8%), and Information Technology (14.5%). The combined exposure of 55.3% of the equity weight to the top three sectors is slightly up from the weight at the end of 2016.

Results of Operations

The Fund's net assets increased by 11.82% to \$2,860.8 million at the end of June 2017, up from \$2,558.4 million at the end of 2016. Of this change, \$155.1 million is attributable to positive investment performance and \$149.7 million was due to net contributions to the Fund.

The Fund's Series A units gained 5.9% (CAD, after management fees) through the first half of 2017 versus 3.5% for a blended benchmark that (at the beginning of 2017) consisted of: 5% FTSE TMX 91-day Treasury Bill Index; 30% FTSE TMX Canada Universe Bond Index, 5% Citi WGBI, 15% S&P/TSX Composite Index, 7.5% S&P/TSX Small Cap Index, 15% S&P 500 Index (CAD), 15% MSCI AWCI ex. USA Index (Net, CAD), and 7.5% MSCI AWCI Small Cap Total Return Index (CAD).

From an absolute return perspective, for the first six months of 2017, all asset classes, excluding Canadian Small Cap equities, posted positive returns. The Fund's total return was primarily driven by foreign equities, with International Equities and US Equities being particularly beneficial.

The Fund's relative return is attributable mainly to security selection. Specifically, all equity asset classes outperformed their corresponding benchmarks with the largest relative outperformances coming in Global Small Cap equities and International equities. For Global Small Cap equities, security selection in Consumer Staples, Financials, and Industrials drove relative performance with Amsterdam Commodities, Cembra Money Bank and XP Power being the top contributors in their respective sectors. Security selection also drove relative performance in International equities, most notably in Financials and Materials. However, International equities also benefitted from having no exposure to Energy, which was the weakest performing sector in the MSCI AWCI ex. USA Index (Net).

The Fund's distribution across asset classes relative to the blended benchmark also contributed to relative performance

Mawer Balanced Fund

over the period, but to a lesser degree. The Fund benefitted from its overweight exposure to International equities, which was the top performing asset class in the blended benchmark. Additionally, the Fund's underweight exposure to Canadian Small Cap equities was beneficial over the period as this was the weakest performing sector in the benchmark.

Recent Developments

Two big, competing, and intersecting themes over the period were inflation expectations and the monetary environment. Inflation expectations came down during the second quarter, driven in particular by market participants re-examining the likelihood of Trump's proposed policies being enacted. This had the result of pushing bond yields lower. Meanwhile, investors received indications that global monetary conditions seem to be on a tightening path. In the final days of June in particular, investors reacted to indications from the Bank of England, the Bank of Canada, and the European Central Bank that the special monetary loosening measures implemented since 2015 would likely be unwound.

In the U.S., the Federal Reserve announced a quarter-point interest rate hike, bringing the benchmark rate in the U.S. to 1 – 1.25%. The Fed also provided more details on reducing its \$4.5 trillion balance sheet. Both of these moves amount to monetary tightening.

The French election also played a major role in markets. Emmanuel Macron was elected as the President of France, who was then able to secure a parliamentary majority. Macron is a centrist, Europhile and globalist. Some of his proposed reforms could improve France's labour force. Notably, many saw the election of Macron as a rejection of the Marine Le Pen and her more anti-Euro and populist agenda. Following the Macron victory in early May, there was a rally in the Euro and European equities.

In the United Kingdom, the Conservative Party and Prime Minister Theresa May called an early election with the expectation to win a Parliamentary majority to help strengthen her party's negotiating position relating to Brexit. However, this action did not go as planned and May ended up losing thirteen seats. Following the results, the Conservatives entered discussions with the Democratic Unionist Party (DUP) to form a minority Government. This may have ended up changing her negotiating position, which could potentially mean a softer Brexit and could be a positive for global markets.

From an asset mix perspective, we are maintaining a fairly neutral weight across cash, bonds and equities. We continue to monitor the market and re-allocate capital to where we are seeing better opportunities. Currently, we have a slight overweight allocation to equities. Within equities we have been trimming U.S. equities and deploying capital to International and Canadian equities. As long-term investors, it is important that we keep our focus on the long-run and maintain broadly diversified portfolios.

Related Party Transactions – Management Fees

As Portfolio Advisor to the Fund, Mawer Investment Management Ltd. ("Mawer") receives management fees which are calculated for the Series A Units as 0.78% 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 June 30, 2017 the Fund owes Mawer \$7,482 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 six-month period ended June 30, and for each of the past five years ended December 31 as applicable. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements which are prepared in accordance with IFRS for years commencing January 1, 2013. The financial statements for the year ended December 31, 2012 were prepared in accordance with previous Canadian GAAP which resulted in a difference between transactional NAV and GAAP NAV as disclosed in the 2012 audited financial statements.

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

SERIES A	2017	2016	2015	2014	2013	2012
Net Assets, beginning of period	25.89	25.38	23.42	21.14	17.79	16.17
Increase (decrease) from operations:						
Total revenue	0.12	0.55	1.30	0.50	0.46	0.40
Total expenses	(0.12)	(0.23)	(0.23)	(0.21)	(0.18)	(0.16)
Realized gains (losses) for the period	0.09	0.41	0.08	0.62	0.11	0.27
Unrealized gains (losses) for the period	1.42	0.12	1.16	1.64	3.26	1.34
Total increase (decrease) from operations¹	1.51	0.85	2.31	2.55	3.65	1.85
Distributions:						
From income (excluding dividends)	-	(0.20)	(0.14)	(0.27)	(0.24)	(0.22)
From dividends	-	(0.08)	(0.13)	-	-	-
From capital gains	-	-	(0.24)	-	-	(0.01)
Return of capital	-	-	-	-	-	-
Total Distributions²	-	(0.28)	(0.51)	(0.27)	(0.24)	(0.23)
Net Assets, end of period	27.42	25.89	25.38	23.42	21.14	17.79

Mawer Balanced Fund

SERIES O	2017	2016	2015	2014	2013	2012
Net Assets, beginning of period	25.63	25.14	23.35	21.06	17.72	16.11
Increase (decrease) from operations:						
Total revenue	0.12	0.52	1.13	0.47	0.42	0.42
Total expenses	-	-	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	0.09	0.39	0.08	0.59	0.10	0.28
Unrealized gains (losses) for the period	1.42	0.15	1.46	1.69	3.26	1.42
Total increase (decrease) from operations¹	1.63	1.06	2.66	2.74	3.77	2.11
Distributions:						
From income (excluding dividends)	(0.10)	(0.38)	(0.28)	(0.46)	(0.40)	(0.37)
From dividends	-	(0.15)	(0.26)	-	-	-
From capital gains	-	-	(0.36)	-	-	(0.01)
Return of capital	-	-	-	-	-	-
Total Distributions²	(0.10)	(0.53)	(0.90)	(0.46)	(0.40)	(0.38)
Net Assets, end of period	27.18	25.63	25.14	23.35	21.06	17.72

- (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 period (June 30th).
- (2) Distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data

SERIES A	2017	2016	2015	2014	2013	2012
Net Assets (000's) ¹	2,183,321	1,944,875	1,501,477	969,299	657,466	355,236
Number of units outstanding (000's) ¹	79,611	75,107	59,167	41,379	31,107	19,970
Management expense ratio ²	0.93%	0.94%	0.94%	0.96%	0.96%	0.98%
Management expense ratio before waivers or absorptions	0.93%	0.94%	0.94%	0.96%	0.96%	0.98%
Portfolio turnover rate ³	1.89%	0.23%	0.89%	6.17%	0.62%	6.62%
Trading expense ratio ⁴	0.04%	0.03%	0.03%	0.04%	0.03%	0.05%
Closing market price or pricing NAV, (if applicable)	27.42	25.89	25.38	23.42	21.14	17.79

SERIES O	2017	2016	2015	2014	2013	2012
Net Assets (000's) ¹	677,510	613,552	542,413	490,849	423,246	317,028
Number of units outstanding (000's) ¹	24,928	23,937	21,576	21,019	20,095	17,894
Management expense ratio ²	0.04%	0.04%	0.05%	0.07%	0.08%	0.09%
Management expense ratio before waivers or absorptions	0.04%	0.04%	0.05%	0.07%	0.08%	0.09%
Portfolio turnover rate ³	1.89%	0.23%	0.89%	6.17%	0.62%	6.20%

SERIES O	2017	2016	2015	2014	2013	2012
Trading expense ratio ⁴	0.04%	0.03%	0.03%	0.04%	0.03%	0.05%
Closing market price or pricing NAV, (if applicable)	27.18	25.63	25.14	23.35	21.06	17.72

- (1) This information is for the period ended June 30, 2017 and December 31 of any other period(s) shown.
- (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 period. 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 Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor 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 period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. 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 period.

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.

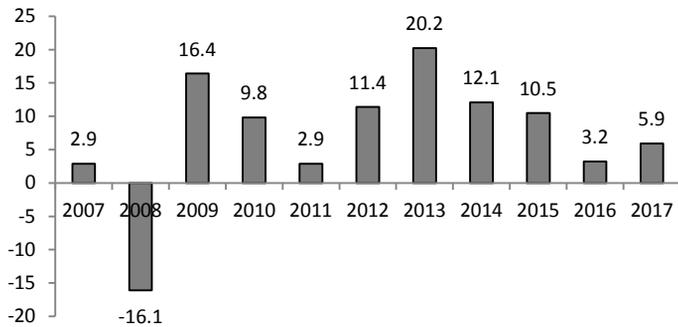
The past performance of the Fund is set out in the following charts.

Year-by-Year Returns

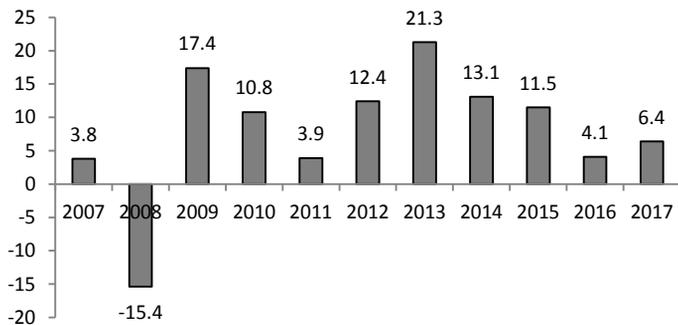
The bar charts below show the Fund's annual performance in each of the past 10 years to June 30, 2017. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Mawer Balanced Fund

Series A



Series O



(1) This information is for the period ended June 30, 2017 and December 31 of any other period(s) shown.

Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on June 30, 2017. The annual compound total return is also compared to the Internal Balanced Benchmark (IB Benchmark) calculated on the same compound basis. 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 (%)	Internal Balanced Benchmark (%)
One Year	8.4	9.4	9.0
Three Years	8.3	9.3	6.4
Five Years	11.7	12.7	9.3
Ten Years	7.2	8.2	5.6

(1) Series O start date was July 4, 2006.

The IB Benchmark is a benchmark prepared by the Manager and is designed to reflect the average asset mix of a universe of balanced fund managers which consists of the FTSE TMX 91-day T-Bill Index (5%); FTSE TMX Canada Universe Bond Index (35%), index designed to reflect the Canadian bond market; S&P/TSX Composite Index (15%), index designed to represent the Canadian mid-large cap equity market; S&P/TSX Small Cap Index (7.5%), index designed to represent the Canadian small cap equity market; S&P 500 Index (15%), index designed to represent the US

equity market; Morgan Stanley Capital International All Country World ex. USA Index (Net) (15%), index designed to reflect international stock markets; and Morgan Stanley Capital International All Country World Small Cap Index (Net) (7.5%), index designed to represent the global small cap equity market.

Summary of Investment Portfolio

A summary of the Fund as at June 30, 2017 is as follows:

	%
Cash	0.0
Total cash	0.0
Treasury bills	3.0
Mutual Funds	0.1
Total short-term	3.1
Mutual Funds	33.3
Total Fixed Income	33.3
Equities	
Canadian equities (large cap)	14.5
Canadian equities (small cap)	3.5
U.S. Equities	19.4
International equities	19.1
Global equities (small cap)	7.1
Total equities	63.6
Total portfolio	100.0

Totals may not add to 100% due to rounding.

The following table lists the largest holdings of the Fund as at June 30, 2017

Issuer	Percentage of Transactional Net Asset Value
Mawer Canadian Bond Fund 'O'	30.8%
Mawer U.S. Equity Fund 'O'	19.3%
Mawer International Equity Fund 'O'	19.0%
Mawer Canadian Equity Fund 'O'	14.4%
Mawer Global Small Cap Fund 'O'	7.1%
Mawer New Canada Fund 'O'	3.5%
Mawer Global Bond Fund 'O'	2.3%

The investments and percentages may have changed by the time you purchase units of this fund. The top 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 1-888-889-6248 or by email at info@mawer.com.