

# Mawer Canadian Equity Fund

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## Annual Management Report of Fund Performance

For the Year Ended December 31, 2025

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](http://www.mawer.com) or SEDAR+ at [www.sedarplus.com](http://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 Canadian Equity Fund (the "Fund") is to invest for above average long-term returns in equity securities of Canadian companies. In order to achieve its investment objectives, the Manager systematically creates a broadly diversified portfolio of wealth-creating companies with excellent management teams bought at discounts to their intrinsic values. The Manager employs a highly disciplined, research-driven, bottom-up process and long-term holding period to allow for investor recognition or corporate growth, and to minimize transaction costs.

### Risk

The risk level of the Fund did not change during the year. 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).

### Results of Operations

The Fund's net assets increased 7.6% to \$4,042.0 million from \$3,756.3 million at December 31, 2025. Of this change, \$678.4 million is attributable to positive investment performance and -\$392.7 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.

### Performance Overview

Over the twelve-month period, the Fund's Series A Units' return was 17.8% (after fees and expenses) compared to the S&P/TSX Composite Index (Gross) return of 31.7%. All performance values provided are in Canadian dollar terms. Equity markets were supported by strong performance within Materials, reflecting robust precious metal prices.

### Key Contributors and Detractors

Security selection was primarily responsible for the relative underperformance. Sector allocation was also negative over the period. With yield curves steepening across several jurisdictions, a more favourable environment emerged for banking as a business model. Canadian bank holdings, including The Toronto-Dominion Bank, Royal Bank of Canada, The Bank of Nova Scotia, and The Bank of Montreal, were among the top contributors to performance.

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Finning International Inc., a Caterpillar equipment dealer, also contributed positively following strong earnings results and continued Canadian government support for infrastructure spending.

On the negative side, TFI International Inc. detracted from performance as its U.S. segment experienced a slowdown in volumes, while tariff-related uncertainty weighed on sentiment. The position was subsequently eliminated. Exposure to Constellation Software Inc. also detracted from returns as the stock re-rated lower amid concerns regarding the potential impact of artificial intelligence on software business models. Despite these concerns, the company's mission-critical offerings and long acquisition runway continued to support its long-term investment case.

## Portfolio Activity

During the period, notable initiations included Franco-Nevada Corporation, Agnico Eagle Mines Limited, and Fairfax Financial Holdings Limited. Franco-Nevada and Agnico Eagle were added to increase the Fund's exposure to precious metals, benefiting from favourable commodity price dynamics, while Fairfax Financial was initiated based on its ability to generate strong returns on equity at an attractive valuation.

Notable eliminations included Brookfield Asset Management Ltd., as exposure was consolidated within Brookfield Corporation, and Boyd Group Services Inc., which was exited due to concerns regarding execution and to manage overall portfolio risk.

## Market Outlook

At the end of 2025, investors were navigating a complex mix of optimism and uncertainty. The combination of artificial intelligence innovation, continued fiscal support, and gradually easing monetary policy had supported growth and market confidence longer than many anticipated.

Beneath the surface, however, the contours of the global expansion were evolving. Shifting geopolitical alliances, increased policy intervention, and a growing emphasis on economic security accelerated the transition toward a more fragmented and multipolar world. Trade was increasingly being rerouted through trusted corridors, and supply chains were being redesigned with greater emphasis on resilience.

In such an environment, differences in management quality, balance-sheet discipline, governance, and capital allocation were expected to play an increasingly important role in determining long-term outcomes. The Fund remained focused on businesses capable of sustaining value creation while guarding against the permanent impairment of capital.

## 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 of 1.00% per annum for Series A Units of the Fund. The management fee is calculated daily at the rate of 1/365 (or 1/366 in a leap year) as the percentage of aggregate net asset value of the Series A Units of the Fund as of the last Valuation Date. The fee accrues daily and is paid monthly in arrears. 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, 2025 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 for the past five years. This information is derived from the Fund's audited annual financial statements which are prepared in accordance with IFRS Accounting Standards.

### The Fund's Net Asset Value (NAV) per Unit<sup>1</sup>

SERIES A	2025	2024	2023	2022	2021
Net Assets, beginning of year	98.39	85.10	79.74	88.12	72.02
<b>Increase (decrease) from operations:</b>					
Total revenue	2.41	2.60	2.46	2.26	1.95
Total expenses	(1.21)	(1.07)	(0.96)	(0.97)	(0.94)
Realized gains (losses) for the year	13.51	7.09	4.18	5.56	3.34
Unrealized gains (losses) for the year	2.68	6.44	1.73	(11.95)	12.79
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>17.39</b>	<b>15.06</b>	<b>7.41</b>	<b>(5.10)</b>	<b>17.14</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	(0.02)	-	-
From dividends	(1.34)	(1.60)	(1.55)	(1.32)	(0.96)
From capital gains	(8.03)	(0.14)	(0.54)	(2.12)	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>3</sup>	(9.37)	(1.74)	(2.11)	(3.44)	(0.96)
<b>Net Assets, end of year</b>	<b>106.52</b>	<b>98.39</b>	<b>85.10</b>	<b>79.74</b>	<b>88.12</b>

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SERIES O	2025	2024	2023	2022	2021
Net Assets, beginning of year	93.83	81.15	76.19	86.02	71.30
<b>Increase (decrease) from operations:</b>					
Total revenue	2.32	2.49	2.36	2.22	1.94
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the year	13.06	6.79	4.02	5.44	3.27
Unrealized gains (losses) for the year	2.56	6.25	1.47	(11.72)	12.67
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>17.93</b>	<b>15.52</b>	<b>7.84</b>	<b>(4.07)</b>	<b>17.87</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	(0.04)	-	-
From dividends	(2.42)	(2.62)	(2.53)	(2.28)	(1.84)
From capital gains	(7.43)	(0.12)	(0.56)	(3.64)	(1.26)
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>3</sup>	(9.85)	(2.74)	(3.13)	(5.92)	(3.10)
<b>Net Assets, end of year</b>	<b>101.93</b>	<b>93.83</b>	<b>81.15</b>	<b>76.19</b>	<b>86.02</b>

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

<sup>(2)</sup> 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.

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

## Ratios and Supplemental Data

SERIES A	2025	2024	2023	2022	2021
Total net asset value (000's) <sup>1</sup>	784,956	796,306	784,450	810,199	922,281
Number of units outstanding (000's) <sup>1</sup>	7,369	8,093	9,218	10,161	10,466
Management expense ratio <sup>2</sup>	1.15%	1.15%	1.15%	1.15%	1.14%
Management expense ratio before waivers or absorptions	1.15%	1.15%	1.15%	1.15%	1.14%
Trading expense ratio <sup>3</sup>	0.01%	0.01%	0.02%	0.02%	0.01%
Portfolio turnover rate <sup>4</sup>	39.09%	20.42%	25.92%	24.79%	19.32%
<b>Net asset value per unit<sup>4</sup></b>	<b>106.52</b>	<b>98.39</b>	<b>85.10</b>	<b>79.74</b>	<b>88.12</b>

SERIES O	2025	2024	2023	2022	2021
Total net asset value (000's) <sup>1</sup>	3,257,080	2,960,129	2,919,651	3,062,426	3,407,718
Number of units outstanding (000's) <sup>1</sup>	31,955	31,547	35,980	40,197	39,615
Management expense ratio <sup>2</sup>	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 <sup>3</sup>	0.01%	0.01%	0.02%	0.02%	0.01%
Portfolio turnover rate <sup>4</sup>	39.09%	20.42%	25.92%	24.79%	19.32%
<b>Net asset value per unit<sup>4</sup></b>	<b>101.93</b>	<b>93.83</b>	<b>81.15</b>	<b>76.19</b>	<b>86.02</b>

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

<sup>(2)</sup> 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.

<sup>(3)</sup> 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.

<sup>(4)</sup> 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.

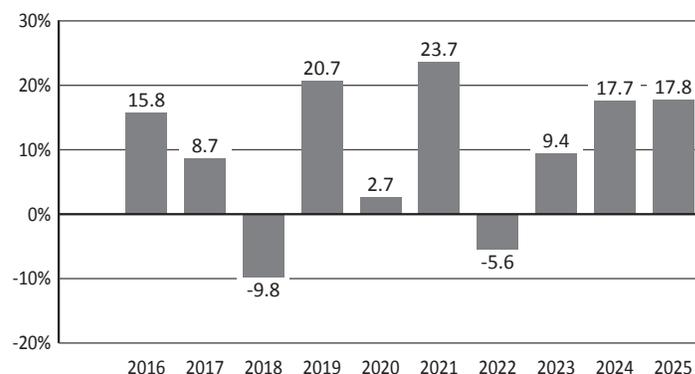
The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested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

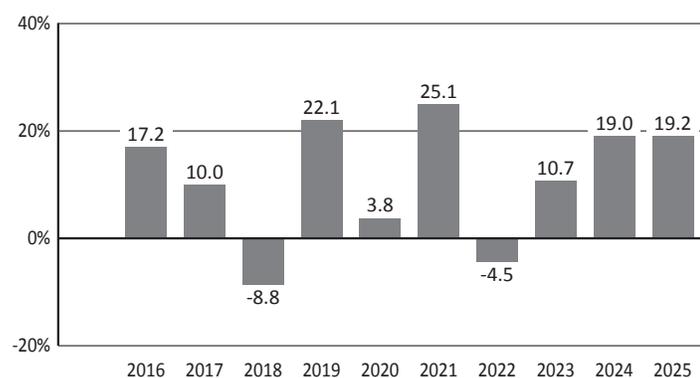
The bar charts below show the Fund's annual performance in each of the past 10 years, if applicable, to December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Series A<sup>(\*)</sup>



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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, 2025. The annual compound total return is also compared to the S&P/TSX Composite Index calculated on the same compound basis.

	1 Year	3 Year	5 Year	10 Year	Since Inception
Mawer Canadian Equity Fund – Series A	17.8%	14.9%	12.1%	9.6%	9.5%
S&P/TSX COMPOSITE INDEX Gross	31.7%	21.4%	16.1%	12.7%	9.3%
Mawer Canadian Equity Fund – Series O	19.2%	16.2%	13.4%	10.8%	10.8%
S&P/TSX COMPOSITE INDEX Gross	31.7%	21.4%	16.1%	12.7%	9.2%

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

The S&P/TSX Composite 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.

## Summary of Investment Portfolio

A summary of the Fund as at December 31, 2025 is as follows:

Sector Allocation	% of Net Assets
Equities	
Consumer Discretionary	2.57%
Consumer Staples	2.97%
Energy	9.43%
Financials	36.57%
Industrials	14.41%
Information Technology	9.94%
Materials	11.86%
Real Estate	3.85%
Utilities	6.49%
Cash Equivalents	2.02%
Other Net Assets (Liabilities)	(0.11)%
<b>Total</b>	<b>100.00%</b>

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, 2025.

Issuer	% of Net Assets
Royal Bank of Canada	5.93%
The Toronto-Dominion Bank	5.80%
Brookfield Corporation Cl. A	4.36%
Shopify Inc. Cl. A	4.10%
AltaGas Ltd.	3.34%
Canadian Natural Resources Limited	3.29%
The Bank of Nova Scotia	3.29%
iA Financial Corporation Inc.	3.21%
Franco-Nevada Corporation	3.11%
Bank of Montreal	3.11%
Finning International Inc.	2.93%
Canadian Pacific Kansas City Limited	2.74%
Suncor Energy Inc.	2.74%
Agnico Eagle Mines Limited	2.65%
Manulife Financial Corporation	2.60%
Granite Real Estate Investment Trust	2.43%
Fairfax Financial Holdings Limited	2.43%
Gibson Energy Inc.	2.36%
Cash Equivalents	2.02%
Topicus.com, Inc. Sub. Voting	1.97%
Loblaw Companies Limited	1.95%
CCL Industries Inc. Cl. B	1.91%
Toromont Industries Ltd.	1.88%
Fortis Inc.	1.84%
Constellation Software Inc.	1.81%
<b>Total</b>	<b>73.80%</b>

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](mailto:info@mawer.com). The Prospectus and other information about the underlying mutual fund(s) are available online at [www.sedarplus.com](http://www.sedarplus.com) and [www.mawer.com](http://www.mawer.com).