
Mawer Tax Effective Balanced Fund

Interim Management Report of Fund Performance

For the Period Ended June 30, 2026

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 1-844-395-0747, 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, annual financial reports, proxy voting disclosure record, or quarterly portfolio disclosure.

This Interim 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 Tax Effective Balanced Fund (the "Fund") is to invest for above-average long-term, tax effective rates of return. We intend to achieve this objective by investing up to all of the assets of the Fund in other Mawer Funds as well as by investing directly in equity and equity-related securities and, when appropriate, treasury bills, short-term notes, debentures and bonds.

For asset mix, the Manager analyzes which combination of asset classes is most likely to offer the most attractive risk/return characteristics within a medium to long-term time frame, and carries out asset mix changes gradually to reduce risk.

Risk

The risk level of the Fund did not change during the year. This Fund is suitable for investors seeking long-term growth and who have a low-to-medium 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 risk by imposing several constraints. The Fund requires a minimum of 25% in fixed income, which reduces the exposure to equity risk. The Manager also has an internal constraint of no more than 20% of its net assets to any one industry (i.e., sub-sector) as classified by the GICS to reduce concentration risk.

In addition, the pre-tax performance of the Fund may be affected by tax-effective trading. While this risk is minimized through our correlation analysis that attempts to harvest capital losses by switching into a highly correlated substitute, the correlation between securities can shift through time due to security-specific risk.

Results of Operations

The Fund's net assets increased 1.3% to \$1,636.6 million from \$1,615.5 million at June 30, 2026. Of this change, \$115.6 million is attributable to positive investment performance and -\$94.5 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 six-month period, the Fund's Series F units (formerly Series A) returned 7.2% after fees and expenses, compared to Internal Tax Effective Balanced benchmark of 10.2%. All performance figures are presented in Canadian dollars.

Mawer Tax Effective Balanced Fund

The Fund's absolute performance was driven by positive contributions from all strategies, especially international and Canadian large cap equities. From a relative performance perspective, the Fund underperformed its benchmark primarily due to negative security selection within US and Global Small Cap equities as compared to the S&P 500 and MSCI ACWI Small Cap indices. Asset mix allocation offset underperformance slightly, mainly due to an allocation to Emerging Market and U.S. Mid Cap equities.

Key Contributors and Detractors

Taiwan Semiconductor, Samsung Electronics, SK Hynix and Kioxia, a manufacturer of flash memory and solid-state drives, were among the strongest contributors as demand for advanced logic, high bandwidth memory, and data center hardware surged. Financial holdings in The Toronto-Dominion Bank, Royal Bank of Canada, and Bank of Montreal gained particularly in the second quarter due to expanding net interest margins, strong capital markets activity, good wealth management results from higher stock markets, and resilient credit quality. Several of the portfolio's other standouts were companies tied to the building of artificial intelligence.

The primary underperforming stocks in the portfolio have been software business models which are being pressured by AI enthusiasm. These include Tencent Holdings on a perception of being an AI loser, Shopify Inc., an e-commerce software provider; Constellation Software Inc. and Topicus.com Inc., vertical market software providers; and CGI Inc., an IT consulting firm.

Market Outlook

With the World Cup capturing attention, a soccer analogy feels timely. A winning team does not field eleven of the same position; each player has a role, and teamwork matters as much as individual brilliance. A championship squad needs goal scorers, but also midfielders to control play and defenders to protect the net.

Since ChatGPT's launch in November 2022, the market's "strickers" have dominated. Artificial intelligence has become the primary force pulling markets higher, leaving portfolios without heavy AI exposure looking outpaced. Growth and profit momentum are highly concentrated, rewarding explosive winners over steady performers. Markets have always operated this way: finance professor Hendrik Bessembinder's century-long research shows a small fraction of companies drive the vast majority of long-term wealth creation.

The lesson is not to chase every winner blindly. The underlying portfolios do hold strikers, memory being a prime recent example, but entries are deliberate, taken when odds are favorable and sized carefully afterward.

Equally important is the rest of the team. Businesses that seem dull lately, distributors passing through costs, exchange and payments firms benefiting from network effects, compounding insurers and credit card issuers, are on the pitch intentionally. While they underperform in a market shaped by extraordinary outliers, the portfolio manager views this drag as essential ballast. In investing, matches aren't won by attacking recklessly or playing defensively forever; both are required.

Recent Developments

Mawer's Series A mutual funds have been renamed to Series F effective May 27th, 2026. Fund codes and all other fund attributes, including terms, conditions, and fees will remain unchanged.

Related Party Transactions – Management Fees

The Portfolio Advisor receives management fees of 0.78% per annum for Series F (formerly 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 F (formerly 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 June 30, 2026 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 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 Accounting Standards.

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

Series F (formerly Series A)	2026	2025	2024	2023	2022	2021
Net Assets, beginning of period	47.67	46.02	42.58	39.41	45.62	42.20
Increase (decrease) from operations:						
Total revenue	0.60	1.21	1.25	1.16	0.95	0.83
Total expenses	(0.23)	(0.46)	(0.43)	(0.39)	(0.39)	(0.42)
Realized gains (losses) for the period	2.62	3.56	2.06	0.75	0.35	1.54
Unrealized gains (losses) for the period	0.43	0.01	1.80	2.38	(6.78)	1.92
Total increase (decrease) from operations²	3.42	4.32	4.68	3.90	(5.87)	3.87
Distributions:						
From net investment income (excluding dividends)	(0.39)	(0.59)	(0.64)	(0.59)	(0.39)	(0.27)
From dividends	-	(0.18)	(0.19)	(0.18)	(0.16)	(0.12)
From capital gains	-	(1.85)	(0.39)	-	-	(0.04)
Return of capital	-	-	-	-	-	-
Total Distributions for the period³	(0.39)	(2.62)	(1.22)	(0.77)	(0.55)	(0.43)
Net Assets, end of period	50.72	47.67	46.02	42.58	39.41	45.62

Mawer Tax Effective Balanced Fund

SERIES O	2026	2025	2024	2023	2022	2021
Net Assets, beginning of period	46.26	44.51	41.15	38.08	44.08	41.49
Increase (decrease) from operations:						
Total revenue	0.59	1.17	1.21	1.12	0.92	0.82
Total expenses	(0.02)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Realized gains (losses) for the period	2.55	3.43	1.97	0.73	0.33	1.51
Unrealized gains (losses) for the period	0.42	(0.09)	1.73	2.31	(6.27)	1.91
Total increase (decrease) from operations²	3.54	4.47	4.87	4.12	(5.06)	4.20
Distributions:						
From net investment income (excluding dividends)	(0.60)	(0.86)	(0.90)	(0.83)	(0.62)	(0.52)
From dividends	-	(0.27)	(0.27)	(0.25)	(0.26)	(0.24)
From capital gains	-	(1.65)	(0.34)	-	-	(0.80)
Return of capital	-	-	-	-	-	-
Total Distributions for the period³	(0.60)	(2.78)	(1.51)	(1.08)	(0.88)	(1.56)
Net Assets, end of period	49.20	46.26	44.51	41.15	38.08	44.08

- ⁽¹⁾ This information is derived from the Fund's interim financial statements for the period ended June 30, 2026 and audited financial statements for the December 31 of any other period(s) shown.
- ⁽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 period (June 30th).
- ⁽³⁾ Distributions were reinvested in additional units of the Fund and/or paid in cash.

Ratios and Supplemental Data

Series F (formerly Series A)	2026	2025	2024	2023	2022	2021
Total net asset value (000's) ¹	1,075,072	1,090,599	1,133,459	1,171,756	1,182,742	1,442,710
Number of units outstanding (000's) ¹	21,196	22,879	24,630	27,516	30,014	31,625
Management expense ratio ²	0.90%	0.89%	0.89%	0.89%	0.89%	0.89%
Management expense ratio before waivers or absorptions	0.90%	0.89%	0.89%	0.89%	0.89%	0.89%
Trading expense ratio ³	0.05%	0.03%	0.02%	0.02%	0.03%	0.02%
Portfolio turnover rate ⁴	33.80%	53.43%	45.87%	57.62%	64.17%	61.26%
Net asset value per unit¹	50.72	47.67	46.02	42.58	39.41	45.62

SERIES O	2026	2025	2024	2023	2022	2021
Total net asset value (000's) ¹	561,493	524,902	461,847	422,337	418,590	458,540
Number of units outstanding (000's) ¹	11,412	11,346	10,376	10,263	10,993	10,402
Management expense ratio ²	0.03%	0.03%	0.02%	0.02%	0.02%	0.03%
Management expense ratio before waivers or absorptions	0.03%	0.03%	0.02%	0.02%	0.02%	0.03%
Trading expense ratio ³	0.05%	0.03%	0.02%	0.02%	0.03%	0.02%
Portfolio turnover rate ⁴	33.80%	53.43%	45.87%	57.62%	64.17%	61.26%
Net asset value per unit¹	49.20	46.26	44.51	41.15	38.08	44.08

- ⁽¹⁾ This information is for the period ended June 30, 2026 and December 31 of any other period(s) shown.
- ⁽²⁾ Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.
- ⁽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 period.
- ⁽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 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.

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.

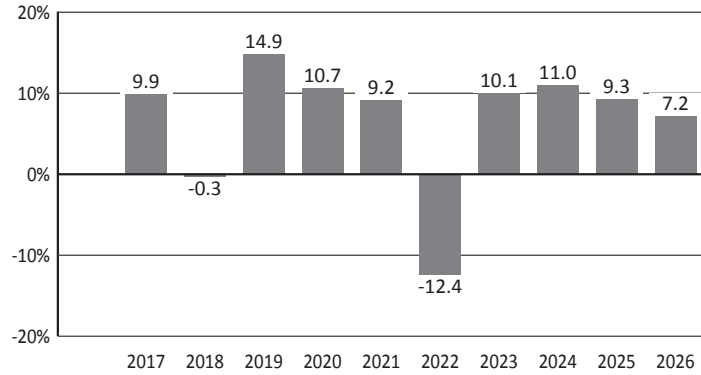
The past performance of the Fund is set out in the following charts.

Mawer Tax Effective Balanced Fund

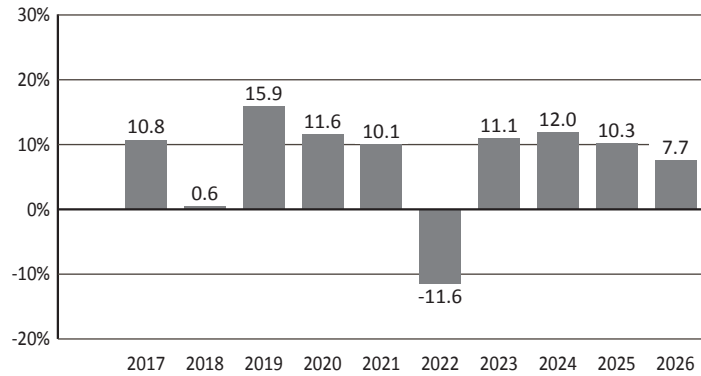
Year-by-Year Returns

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 F (formerly Series A)^{(1)(*)}



Series O^{(1)(*)}



⁽¹⁾ This information is for the period ended June 30, 2026 and December 31 of any other period(s) shown.

^(*) Series F (formerly Series A) start date was February 26, 1988; Series O start date was July 31, 2006.

Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on June 30, 2026. The annual compound total return is also compared to the Internal Tax Effective Balanced Benchmark ("TEB Benchmark") calculated on the same compound basis.

	1 Year	3 Year	5 Year	10 Year	Since Inception
Mawer Tax Effective Balanced Fund – Series F (formerly Series A)	10.6%	11.0%	5.8%	6.9%	7.8%
Internal Tax Effective Balanced Benchmark	21.4%	15.8%	9.0%	8.6%	8.2%
Mawer Tax Effective Balanced Fund – Series O	11.6%	12.0%	6.7%	7.9%	8.3%
Internal Tax Effective Balanced Benchmark	21.4%	15.8%	9.0%	8.6%	7.3%

^(*) Series F (formerly Series A) start date was February 26, 1988; Series O start date was July 31, 2006.

The Internal TEB Benchmark is composed of the FTSE Canada 91 day T-Bill Index (5%); FTSE Canada Universe Bond Index (35%), designed to reflect the Canadian bond market; S&P/TSX Composite Index (15%), designed to represent the Canadian mid-large cap equity market; S&P/TSX Small Cap Index (7.5%), designed to represent the Canadian small cap equity market; S&P 500 Index (15%), designed to represent the US equity market; MSCI ACWI ex-USA Index (net) (15%), designed to reflect international stock markets; and MSCI ACWI Small Cap Index (net) (7.5%), designed to represent the global small cap equity market from May 31, 2021 onwards. Please refer to www.mawer.com for benchmark history. 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 June 30, 2026 is as follows (For the Balanced Funds Asset Allocation, Sector Allocation and Fixed Income by Credit Rating are presented on a look-through basis to the underlying funds.):

Asset Allocation	% of Net Assets
Equities	54.10%
Fixed Income	28.47%
Mutual Funds	
Equities	8.40%
Fixed Income	5.47%
Cash Equivalents	3.56%
Total	100.00%

Regional Allocation	% of Net Assets
Asia Pacific Ex. Japan	9.35%
Canada	50.54%
Europe Ex. United Kingdom	6.41%
Japan	2.83%
Latin America	0.88%
Middle East/Africa	0.51%
United Kingdom	5.05%
United States	20.34%
Derivative Instruments	
Forward Currency Contracts	(0.07)%
Cash Equivalents	4.01%
Other Net Assets (Liabilities)	0.15%
Total	100.00%

Mawer Tax Effective Balanced Fund

Sector Allocation	% of Net Assets
Equities	
Communication Services	2.10%
Consumer Discretionary	2.77%
Consumer Staples	1.55%
Energy	3.97%
Financials	15.41%
Healthcare	4.99%
Industrials	12.66%
Information Technology	12.12%
Materials	4.09%
Real Estate	0.81%
Utilities	1.82%
Fixed Income	
Corporate	
Asset Backed	0.21%
Automotive	0.10%
Banking	1.91%
Basic Industry	0.37%
Capital Goods	0.22%
Communication	0.41%
Consumer Goods	0.50%
Energy	2.30%
Entertainment	0.12%
Financial	7.96%
Healthcare	0.14%
Industrial	1.52%
Infrastructure	1.76%
Insurance	0.02%
Media	0.14%
Retail	0.42%
Technology & Electronics	0.20%
Telecommunications	0.23%
Federal	6.05%
Municipal	0.64%
Provincial	8.40%
Forward Currency Contracts	(0.07)%
Cash Equivalents	4.01%
Other Net Assets (Liabilities)	0.15%
Total	100.00%

Fixed Income by Credit Rating	% of Fixed Income
AAA	19.95%
AA	27.59%
A	41.57%
BBB	8.37%
BB	1.30%
B	1.22%
Total	100.00%

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 June 30, 2026.

Issuer	% of Net Assets
Mawer Global Small Cap Fund Series O	5.94%
Mawer Global Credit Opportunities Fund Series O	5.47%
Cash Equivalents	3.56%
Mawer Emerging Markets Equity Fund Series O	2.46%
Canada Housing Trust No. 1 2.15% Dec 15/31	2.24%
Government of Canada 2.00% Dec 01/51	1.70%
Taiwan Semiconductor Manufacturing Company Limited	1.18%
Royal Bank of Canada	1.03%
The Toronto-Dominion Bank	1.03%
Province of Ontario 2.90% Dec 02/46	0.87%
Province of Ontario 3.65% Jun 02/33	0.84%
Province of Quebec 4.00% Sep 01/35	0.82%
The Bank of Nova Scotia 3.62% Jan 30/32	0.82%
Canadian Imperial Bank of Commerce 3.65% Jan 13/32	0.80%
North West Redwater Partnership / NWR Financing Company Ltd. 2.80% Jun 01/31	0.78%
Brookfield Corporation Cl. A	0.77%
Kioxia Holdings Corporation	0.77%
Province of Ontario 3.80% Dec 02/34	0.74%
Alphabet Inc. Cl. C	0.67%
iA Financial Corporation Inc.	0.67%
Province of Alberta 3.10% Jun 01/50	0.64%
Amazon.com, Inc. 3.70% Jun 12/31	0.64%
Franco-Nevada Corporation	0.62%
Canadian Pacific Kansas City Limited	0.62%
Amphenol Corporation Cl. A	0.62%
Total	36.30%

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.