

High Interest Savings Account Fund

December 31, 2021

Annual Management Report of Fund Performance

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-844-370-4884, by writing to us at Evolve Funds, 40 King Street West, Suite 3404, Toronto, ON, M5H 3Y2 or by visiting our website at www.evolveetfs.com or SEDAR at www.sedar.com. You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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Investment Objective and Strategies

The High Interest Savings Account Fund (the "Fund") seeks to maximize monthly income while preserving capital and liquidity by investing primarily in high interest deposit accounts.

Risk

There were no changes to the Fund over the period of this report that materially affected the level of risk associated with an investment in the Fund. Prospective investors should read the Fund's most recent prospectus and consider the description of risks contained therein.

Results of Operations

For the year ended December 31, 2021, the Unhedged ETF Units returned 0.6%, the Unhedged Class A Mutual Fund Units returned 0.3% and the Unhedged Class F Mutual Fund Units returned 0.6% after fees and expenses, versus the Bank of Canada Treasury Bills One Month Index return of 0.1%. Overall, the Fund outperformed its benchmark during the period. The Fund invested solely in bank deposits with Schedule 1 Canadian banks. The Fund's net assets were \$517.4MM as at December 31, 2021.

Portfolio Manager Commentary

Cash is an important component of a well-diversified portfolio. The cash portion of a portfolio helps preserve capital during market downturns, and may act as a temporary hold until new investment opportunities become available. HISA preserves clients' capital and liquidity by investing in high-interest deposit accounts.

During 2021, there were no changes to the key Bank of Canada overnight target rate. The rate remained at 0.25%, where it has been since the end of March 2020 when it was lowered in response to the economic stresses of the COVID-19 pandemic.

At its last policy meeting in December, the Bank of Canada left rates unchanged, holding its target for the overnight rate at the effective lower bound of $\frac{1}{4}$ of a percent, with the Bank Rate at $\frac{1}{2}$ of a percent and the deposit rate at $\frac{1}{4}$ of a percent.

However, rising inflation could very well influence the Central Bank to raise interest rates as early as January 26, 2022, when it holds its next policy meeting. Statistics Canada reported that the annual pace of inflation climbed in December to 4.8 per cent, a pace that hasn't been seen since September 1991.

Notwithstanding, the Governing Council of the Bank of Canada holds the view that despite ongoing excess capacity, the economy continues to require considerable monetary policy support. In a statement, the Bank of Canada said that it remains "committed to holding the policy interest rate at the effective lower bound until economic slack is absorbed so that the 2% inflation target is sustainably achieved." In the Bank's October projection, this happens sometime in the middle quarters of 2022.⁽ⁱ⁾

(i) <https://www.bankofcanada.ca/2021/12/fad-press-release-2021-12-08/>

Recent Developments

In the year 2021, the COVID-19 pandemic persisted and continued to result in unprecedented actions by governments around the world to curtail the spread of the disease. These events have resulted in a high level of uncertainty and volatility in the financial markets and have had an enormous impact on businesses and consumers in all sectors. The duration and impact of these developments is unknown at this time and as such, the financial impact to investments cannot be estimated.

Related Party Transactions

Evolve Funds Group Inc. (the "Manager") complies with its current policy and procedures regarding investments in related issuers and reports periodically to the Investment Review Committee.

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Management Fees

The Manager is entitled to an annual management fee of 0.15% of the net asset value of the Unhedged ETF Units and the Unhedged Class F Mutual Fund Units and 0.40% of the Unhedged Class A Mutual Fund Units of the Fund, accrued daily and generally paid monthly in arrears. For the year ended December 31, 2021, the Fund incurred \$1,128,361 in management fees. These management fees were received by the Manager for the day-to-day operations of the fund, including managing the portfolio, maintaining portfolio systems used to manage the Fund, maintaining the www.evolveetfs.com website, and providing all other services including marketing and promotion.

Operating Expenses

Operating expenses are covered by Manager that are including but not limited to: mailing and printing expenses for periodic reports to unitholders; Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Fund; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Fund; regulatory filing, stock exchange and licensing fees and CDS fees; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and fees and expenses of the Trustee, Custodian and Manager.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the period indicated.

The Fund's Net Assets Per Unit¹

	December 31, 2021 (\$)	December 31, 2020 (\$)	December 31, 2019 (\$)
For the periods ended:			
Unhedged ETF Units - Net Assets per Unit			
Net Assets per Unit, beginning of period	50.00	50.01	50.00
Increase (decrease) from operations:			
Total revenue	0.37	0.45	0.13
Total expenses	(0.09)	(0.08)	(0.01)
Total increase (decrease) from operations²	0.28	0.37	0.12
Distributions:			
From income (excluding dividends)	(0.28)	(0.44)	(0.06)
Return of capital	-	(0.01)	(0.05)
Total annual distributions³	(0.28)	(0.45)	(0.11)
Net Assets per Unit, end of period	50.00	50.00	50.01
Unhedged Class A - Net Assets per Unit			
Net Assets per Unit, beginning of period	10.00	10.00	N/A
Increase (decrease) from operations:			
Total revenue	0.07	0.08	N/A
Total expenses	(0.04)	(0.04)	N/A
Total increase (decrease) from operations²	0.03	0.04	N/A
Distributions:			
From income (excluding dividends)	(0.03)	(0.06)	N/A
Total annual distributions³	(0.03)	(0.06)	N/A
Net Assets per Unit, end of period	10.00	10.00	N/A

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The Fund's Net Assets Per Unit¹ (cont'd)

	December 31, 2021 (\$)	December 31, 2020 (\$)	December 31, 2019 (\$)
For the periods ended:			
Unhedged Class F - Net Assets per Unit			
Net Assets per Unit, beginning of period	10.00	10.00	N/A
Increase (decrease) from operations:			
Total revenue	0.07	0.08	N/A
Total expenses	(0.01)	(0.02)	N/A
Total increase (decrease) from operations²	0.06	0.06	N/A
Distributions:			
From income (excluding dividends)	(0.06)	(0.07)	N/A
Total annual distributions³	(0.06)	(0.07)	N/A
Net Assets per Unit, end of period	10.00	10.00	N/A

- 1 This information is derived from the Fund's audited annual financial statements as at December 31, 2021, 2020, and 2019. The Unhedged ETF Units effectively began operations on November 19, 2019. The Unhedged Class A and F Mutual Fund Units effectively began operations on January 16, 2020.
- 2 Net assets 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 period.
- 3 Distributions were paid in cash or reinvested in additional units of the Fund, or both. Actual distributions may vary slightly owing to rounding.

The Fund's Ratios/Supplemental Data

	December 31, 2021	December 31, 2020	December 31, 2019
For the periods ended:			
Unhedged ETF Units - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	262,503,743	527,508,646	80,009,210
Number of units outstanding ⁴	5,250,000	10,550,000	1,600,000
Management expense ratio ⁵	0.17%	0.17%	0.17%
Trading expense ratio ⁶	0.00%	0.00%	0.00%
Portfolio turnover rate ⁷	0.00%	0.00%	0.00%
Net Asset Value per unit (\$)	50.00	50.00	50.01
Closing market price (\$)	50.00	50.00	50.01
Unhedged Class A - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	69,240,875	66,136,309	N/A
Number of units outstanding ⁴	6,924,088	6,613,625	N/A
Management expense ratio ⁵	0.45%	0.44%	N/A
Trading expense ratio ⁶	0.00%	0.00%	N/A
Portfolio turnover rate ⁷	0.00%	0.00%	N/A
Net Asset Value per unit (\$)	10.00	10.00	N/A

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The Fund's Ratios/Supplemental Data (cont'd)

For the periods ended:	December 31, 2021	December 31, 2020	December 31, 2019
Unhedged Class F - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	185,678,433	119,646,534	N/A
Number of units outstanding ⁴	18,567,844	11,964,655	N/A
Management expense ratio ⁵	0.17%	0.16%	N/A
Trading expense ratio ⁶	0.00%	0.00%	N/A
Portfolio turnover rate ⁷	0.00%	0.00%	N/A
Net Asset Value per unit (\$)	10.00	10.00	N/A

4 This information is provided as at December 31, 2021, 2020, and 2019.

5 Management expense ratio ("MER") is based on total expenses plus harmonized sales tax (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

6 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average daily net assets during the period.

7 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager trades 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 the 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.

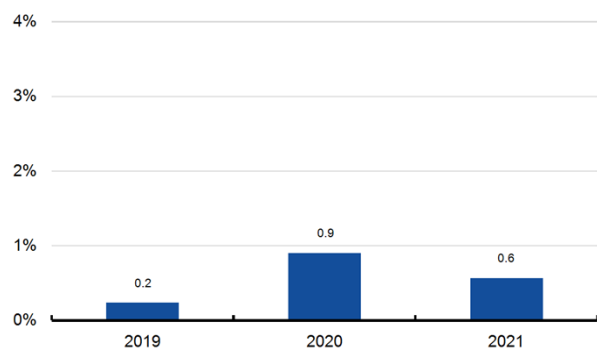
Past Performance

The performance information does not take into account sales, redemption, distribution, income taxes payable by any unitholder or other optional charges that, if applicable, would have reduced returns or performance. The performance information shown assumes that all distributions made by the investment Fund in the periods shown were reinvested in additional securities of the investment fund. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

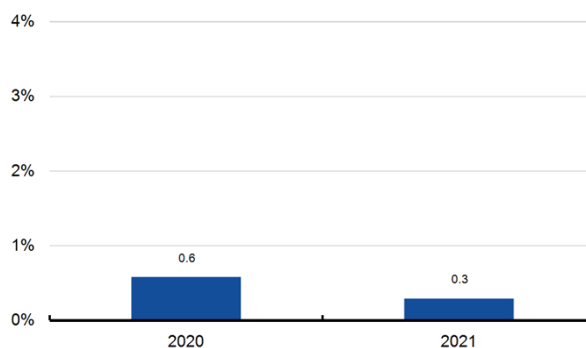
Year-by-Year Returns

The bar chart below shows the Unhedged ETF Units' and the Unhedged Class A and F Mutual Fund Units' performance for each of the financial years shown. The chart shows, in percentage terms, how much an investment made in the Fund on the first day of each financial year would have grown or decreased by the last day of each financial year.

HISA Unhedged ETF Units¹



Unhedged Class A Mutual Fund Units²



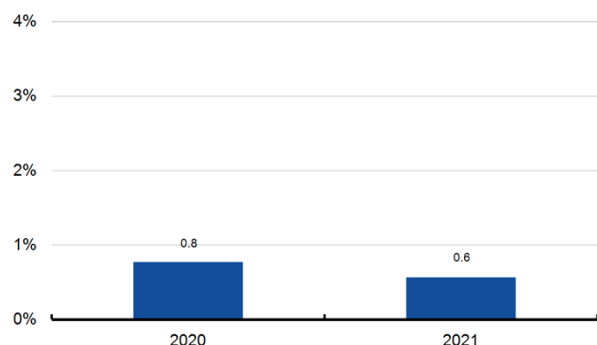
1 The Unhedged ETF Units of the Fund effectively began operations on November 19, 2019.

2 The Unhedged Class A Mutual Fund Units of the Fund effectively began operations on January 16, 2020.

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Unhedged Class F Mutual Fund Units³



³ The Unhedged Class F Mutual Fund Units of the Fund effectively began operations on January 16, 2020.

Annual Compound Return

The table below shows the historical annual compound total return of the Unhedged ETF Units and the Hedged Class A and F Mutual Fund Units. The returns are for period ended December 31, 2021. For a discussion of the relative performance of the Fund as compared to the index, please refer to the "Results of Operations" section in the "Management Discussion of Fund Performance".

	Since Inception ¹ (%)	1 Year (%)
Unhedged ETF Units	0.8	0.6
Bank of Canada Treasury Bills One Month Index	0.4	0.1
Unhedged Class A Mutual Fund Units	0.4	0.3
Bank of Canada Treasury Bills One Month Index	0.3	0.1
Unhedged Class F Mutual Fund Units	0.7	0.6
Bank of Canada Treasury Bills One Month Index	0.3	0.1

¹ From inception date of November 19, 2019 for the Unhedged ETF Units and from inception date of January 16, 2020 for the Unhedged Class A and F Mutual Fund Units.

Summary of Investment Portfolio

All Positions

	Percentage of Net Asset Value (%)
Security	
CIBC Cash Account, 0.70%	37.7
National Bank of Canada Cash Account, 0.70%	27.2
BMO Cash Account, 0.75%	24.2
Scotia Bank Cash Account, 0.65%	10.6
Total	99.7

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Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Debt Instruments	
Money Markets	99.7
Other Assets, less Liabilities	0.3
Total	100.0

The summary of Investment Portfolio may change due to the ongoing portfolio transactions of the Fund. Updates are available quarterly by visiting our website at www.evolveetfs.com.



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