

Evolve Cloud Computing Index Fund

June 30, 2022

Interim Management Report of Fund Performance

This interim management report of fund performance contains financial highlights but does not contain the complete interim financial statements of the investment fund. You can get a copy of the interim 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.

Evolve Cloud Computing Index Fund

June 30, 2022

Investment Objective and Strategies

The Evolve Cloud Computing Index Fund (the "Fund") seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Cloud Computing Index Canadian Dollar Hedged, or any successor thereto. The Fund invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

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 six-month period ended June 30, 2022, the Hedged ETF Units returned -36.6% versus the Solactive Global Cloud Computing Index return of -35.5%. The Unhedged ETF Units returned -35.7% versus the Solactive Global Cloud Computing Index return of -35.5%. The difference in performance of the hedged units relative to its benchmark can be attributed primarily to management and administration fees plus applicable sales taxes, to portfolio trading and hedging strategies and to the assumption that all distributions made by the investment fund were reinvested in additional securities whereas the index performance is of price return only. The difference in performance of the unhedged units relative to its benchmark can be attributed primarily to management and administration fees plus applicable sales taxes, to portfolio trading and to the assumption that all distributions made by the investment fund were reinvested in additional securities whereas the index performance is of price return only. The Fund's net assets were \$20.9MM as at June 30, 2022.

Portfolio Manager Commentary

In an increasingly digital world, the demand for the cloud continued to grow during the first half of 2022. According to predictions from Gartner, global spending on cloud services is expected to reach over \$482 billion in 2022, up from \$313 billion in 2020.(i)

The three biggest cloud companies accounted for 61% of the total spending at the end of last year, with Amazon Web Services (AWS) accounting for 33%, Microsoft Azure with 22%, and Google Cloud with 9%.(ii)

The industry is dynamically evolving to meet to varying needs of businesses, with hybrid cloud, edge computing, and other cloud computing concepts beginning to take hold. According to Flexera 2022 State of the Cloud Report, the consumption of cloud—whether public, private or a hybrid approach—continued to expand across all industry verticals and disrupt the ways in which IT provisions, manages and orchestrates resources.(iii)

Edge computing, which brings the cloud closer to the end user, also gained traction in the first half of the year. As part of its distributed cloud strategy, Google has entered into the competitive fray with AWS Wavelength, AWS Outposts, Azure Edge Zones, and Azure Stack with the launch of its' GDC Edge Appliance. It targets enterprises from manufacturing, supply chain, healthcare, and automotive verticals with low-latency and high throughput requirements.(iv)

The North American banking sector has been slowly increasing its usage of cloud computing. According to the consulting firm Accenture, banks currently handle only 12% of their tasks on the cloud, but that number is expected to double in the next two years. Goldman Sachs recently announced the launch of Goldman Sachs Financial Cloud for Data in partnership with Amazon Web Services, while Bank of America is saving \$2.0 billion a year by building its own cloud infrastructure. Wells Fargo, on the other hand, plans to move to data centers operated by Microsoft and Google in the coming years, while Morgan Stanley is working with Microsoft.(v)

In corporate news, Microsoft, a holding in the Fund, reported quarterly sales and earnings that topped analysts' projections, fueled by robust growth in cloud-services demand, with Azure revenue rising by 46%. Total revenue in the third quarter ending March 31, rose 18% to \$49.4 billion. Net income rose to \$16.7 billion, or \$2.22 per share, compared with average analyst projections of \$49 billion in sales and \$2.19 per share in earnings, according to a Bloomberg survey.(vi)

AWS, the cloud computing unit of Amazon (a holding in the Fund), grew 36.5% year over year in the first quarter. However, Amazon incurred a \$3.8 billion loss in the quarter, meaning that the overall business would have incurred an even deeper loss were it not for the profitable AWS.(vii)

In June, Amazon announced a 20-for-1 spilt, the fourth since the company did an initial public offering (IPO) in 1997. Furthermore, the board of directors of Amazon has also authorized a share buyback plan worth \$10.0 billion.(viii)

Evolve Cloud Computing Index Fund

June 30, 2022

SAP SE, a holding in the fund, reported operating profit on an adjusted basis of €1.7 billion (\$1.8 billion) in the first three months of 2022 on total revenue of €7.1 billion, delivering earnings per share of €1.00. Revenue grew 7% from the year previous when adjusted for currency rates.(ix)

Oracle, a holding in the Fund, reported financial results for the third quarter of fiscal year 2022 ended on February 28. On a constant currency basis, Oracle's revenue increased 7% year-over-year. This was the highest quarterly organic revenue growth since the company began transitioning to the cloud.(x)

In May, Broadcom announced plans to acquire VMware, a holding in the Fund, in a \$61 Billion Enterprise Computing Deal. The resulting combination of chip company and software maker would make it one of the most important suppliers of technology to the cloud computing market.(xi)

In March, Adobe reported fiscal first quarter revenue and profit results that both topped Wall Street's expectations, but gave a less optimistic future outlook as the company halted sales to Russia. Revenue over the three-month period ending in February rose 9% year over year, to \$4.26 billion, generating a net profit of \$3.37 per share.

Performance Attribution

For the six-month period ended June 30, 2022, Citrix Systems Inc. made the largest contribution to the Fund's performance, followed by Checkpoint Software. The largest holding by weight in the Fund was Microsoft Corp., followed by Alphabet Inc.

(i) <https://www.forbes.com/sites/bernardmarr/2021/10/25/the-5-biggest-cloud-computing-trends-in-2022/?sh=7c4478e42267>

(ii) https://evolveetfs.com/2022/03/cloud-investments-in-the-banking-sector/?utm_source=newsletter&utm_medium=email&utm_campaign=weekly+newsletter

(iii) <https://info.flexera.com/CM-REPORT-State-of-the-Cloud>

(iv) <https://www.forbes.com/sites/janakirammsv/2022/04/08/google-finally-gets-the-edge-computing-strategy-right-with-distributed-cloud-edge/?sh=3c7e8a5d4a01>

(v) https://evolveetfs.com/2022/04/cloud-is-well-positioned-for-the-metaverse/?utm_source=newsletter&utm_medium=email&utm_campaign=weekly_newsletter

(vi) <https://www.bloomberg.com/news/articles/2022-04-26/microsoft-cloud-growth-propels-higher-quarterly-sales-earnings#xj4y7vzkg>

(vii) <https://www.cnbc.com/2022/04/28/aws-earnings-q1-2022.html>

(viii) https://evolveetfs.com/2022/04/cloud-is-well-positioned-for-the-metaverse/?utm_source=newsletter&utm_medium=email&utm_campaign=weekly_newsletter

(ix) <https://www.barrons.com/articles/sap-stock-earnings-russia-exit-51650616243>

(x) https://evolveetfs.com/2022/04/cloud-is-well-positioned-for-the-metaverse/?utm_source=newsletter&utm_medium=email&utm_campaign=weekly_newsletter

(xi) <https://www.nytimes.com/2022/05/26/technology/broadcom-vmware-deal.html>

Recent Developments

In the six-month period ended June 30, 2022, 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.

Evolve Cloud Computing Index Fund

June 30, 2022

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.

Management Fees

The management fees are calculated based on 0.60% per annum of the average daily net asset value of the Fund. The fees are accrued daily and generally paid monthly. For the six-month period ended June 30, 2022, the Fund incurred \$94,698 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.

Administration Fees

The administration fees are calculated based on 0.15% per annum of the average daily net asset value of the Fund. The fees are accrued daily and are generally paid monthly. For the six-month period ended June 30, 2022, the Fund incurred \$23,674 in administration fees. These administration fees were received by the Manager for the following operating expenses of the Fund 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 which are incurred in respect of matters not in the normal course of the Fund's activities. The administration fee paid to the Manager by the Fund may, in any particular period, be less than or exceed the operating expenses that the Manager incurs for the Fund.

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

	June 30, 2022 (\$)	December 31, 2021 (\$)
For the periods ended:		
Unhedged ETF Units - Net Assets per Unit		
Net Assets per Unit, beginning of period ²	24.34	20.00
Increase (decrease) from operations:		
Total revenue	0.06	0.13
Total expenses	(0.10)	(0.24)
Realized gains (losses)	(2.49)	1.40
Unrealized gains (losses)	(6.24)	0.02
Total increase (decrease) from operations³	(8.77)	1.31
Distributions:		
From income (excluding dividends)	(0.06)	-
From capital gains	-	(0.09)
Return of capital	-	(0.02)
Total annual distributions⁴	(0.06)	(0.11)
Net Assets per Unit, end of period	15.60	24.34

Evolve Cloud Computing Index Fund

June 30, 2022

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

	June 30, 2022	December 31, 2021
	(\$)	(\$)
For the periods ended:		
Hedged ETF Units - Net Assets per Unit		
Net Assets per Unit, beginning of period ²	24.42	20.00
Increase (decrease) from operations:		
Total revenue	0.06	0.12
Total expenses	(0.10)	(0.24)
Realized gains (losses)	(2.12)	0.22
Unrealized gains (losses)	(6.81)	3.47
Total increase (decrease) from operations³	(8.97)	3.57
Distributions:		
From income (excluding dividends)	(0.06)	-
From capital gains	-	(0.10)
Return of capital	-	(0.01)
Total annual distributions⁴	(0.06)	(0.11)
Net Assets per Unit, end of period	15.44	24.42

- This information is derived from the Fund's unaudited interim financial statements as at June 30, 2022 and the audited annual financial statements as at December 31, 2021. The Hedged and Unhedged ETF Units effectively began operations on January 6, 2021.
- This amount represents the initial launch price.
- 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.
- 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

	June 30, 2022	December 31, 2021
For the periods ended:		
Unhedged ETF Units - Ratios/Supplemental Data		
Total Net Asset Value (\$) ⁵	3,898,772	5,476,295
Number of units outstanding ⁵	250,000	225,000
Management expense ratio ⁶	0.85%	0.85%
Trading expense ratio ⁷	0.08%	0.10%
Portfolio turnover rate ⁸	28.71%	43.23%
Net Asset Value per unit (\$)	15.60	24.34
Closing market price (\$)	15.59	24.35
Hedged ETF Units - Ratios/Supplemental Data		
Total Net Asset Value (\$) ⁵	16,979,557	32,362,616
Number of units outstanding ⁵	1,100,000	1,325,000
Management expense ratio ⁶	0.85%	0.85%
Trading expense ratio ⁷	0.08%	0.10%
Portfolio turnover rate ⁸	28.71%	43.23%
Net Asset Value per unit (\$)	15.44	24.42
Closing market price (\$)	15.45	24.55

- This information is provided as at June 30, 2022 and December 31, 2021.
- 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.
- 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.
- 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.

Evolve Cloud Computing Index Fund

June 30, 2022

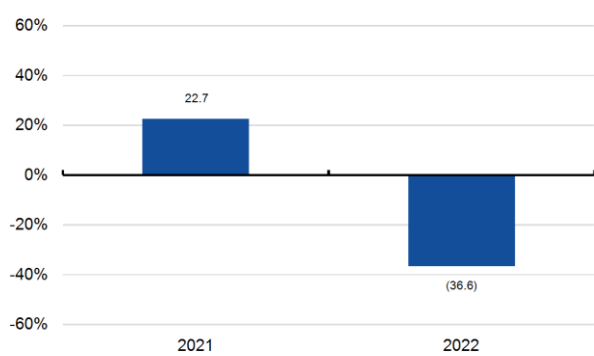
Past Performance

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.

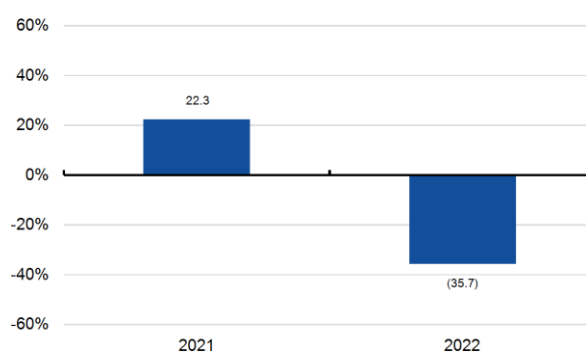
Year-by-Year Returns

The bar chart below shows the Hedged and Unhedged ETF Units' performance for each of the financial years shown and for the six-month period ended June 30, 2022. 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.

DATA Hedged ETF Units¹



DATA/B Unhedged ETF Units²



1 The Hedged ETF Units of the Fund effectively began operations on January 6, 2021.

2 The Unhedged ETF Units of the Fund effectively began operations on January 6, 2021.

Summary of Investment Portfolio

Top 25 Positions

Security	Percentage of Net Asset Value (%)
Microsoft Corporation	7.9
Oracle Corporation	7.9
Salesforce Inc.	7.7
Alphabet Inc., Class 'A'	7.5
SAP SE, ADR	7.3
Intuit Inc.	7.1
Amazon.com Inc.	6.3
ServiceNow Inc.	6.2
VMware Inc.	3.1
Snowflake Inc.	2.9
CrowdStrike Holdings Inc.	2.3
Workday Inc.	1.8
Zoom Video Communications Inc.	1.7
Datadog Inc.	1.7
Zscaler Inc.	1.4
MongoDB Inc.	1.1

Evolve Cloud Computing Index Fund

June 30, 2022

Top 25 Positions (cont'd)

	Percentage of Net Asset Value (%)
Security	
Paycom Software Inc.	1.1
OBIC Company Limited	1.1
Check Point Software Technologies Limited	1.1
Seagate Technology Holdings PLC	1.0
Akamai Technologies Inc.	1.0
NetApp Inc.	1.0
HubSpot Inc.	0.9
Splunk Inc.	0.9
Western Digital Corporation	0.9
Total	82.9

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Equities	
Communication Services	8.4
Consumer Discretionary	6.3
Industrials	0.6
Information Technology	82.6
Derivative Assets	0.3
Derivative Liabilities	(0.0)
Cash and Cash Equivalents	1.9
Other Assets, less Liabilities	(0.1)
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.



Evolve Cloud Computing Index Fund