

Evolve Innovation Index Fund

EDGE provides investors with access to global companies that are involved in innovative or disruptive trends across a broad range of industries.

EDGE

ETF TICKERS: EDGE (HEDGED); EDGE.U (USD)
MUTUAL FUND FUNDSERV CODE: EVF160 (CLASS F); EVF161 (CLASS A)

Investment Thesis: Innovation is a long-term, key driver of global economic growth. Access 8 themes that are reshaping our world. Data and AI are at the center of technological innovation.

8 Themes

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| <p>1. Automobile Innovation: The car is becoming digital: Autonomous, Connected & Electric</p> <p>2. Cybersecurity: Non-discretionary need to protect our data infrastructure</p> <p>3. Cloud Computing: Store and access data through the internet</p> <p>4. E-Gaming: Largest and fastest-growing entertainment sector</p> | <p>5. 5G: Increasing wireless delivery speeds and efficiencies to connect the world</p> <p>6. Robotics and Automation: The rise of robots will boost productivity and economic growth</p> <p>7. Fintech: Transforming how financial services are delivered and consumed</p> <p>8. Genomics: Better drugs, developed in a fraction of the time at lower costs</p> |
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GENERAL INDUSTRY UPDATE

Automobile Innovation



Source: Tesla.com

Demand for electric vehicles remains resilient. Even with fears of an economic slowdown, car manufacturers are focusing on keeping production unchanged.

While Tesla Inc. recently cut its full-year growth forecast, the company brushed off worries of a recession and weakening demand. Instead, CEO Elon Musk said that Tesla expects to sell every car it makes and, regardless of whether or not a recession is on the horizon, they are not reducing their production.

Furthermore, Tesla's board could be pursuing a share buyback in 2023, worth between \$5 billion to \$10 billion.¹

Cybersecurity



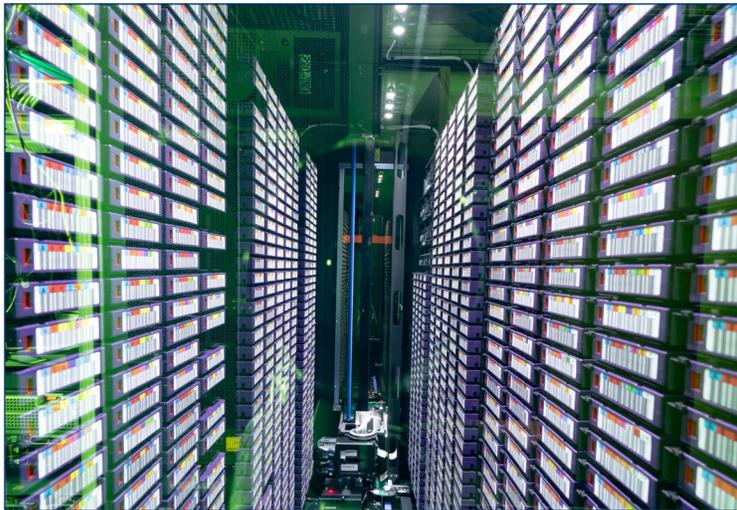
Source: Pcmag.com/ gettyimages

Businesses and organizations continue to report data breaches and cyberattacks worldwide. In Australia, Medibank—an insurance company with 3.7 million customers—had a major privacy breach where customers' data, including names, addresses, birth dates, national health care identification numbers, phone numbers, diagnoses, and treatments, were held for ransom by a cybercriminal.

Cybersecurity Minister, Clare O'Neil, said that it's concerning that records of medical diagnoses and procedures has also been part of the data breach and deemed it a dog act.

The cybercriminal behind the data breach threatened to sell the data to third parties and identified 1,000 politicians, media personalities, actors, LGBTQ activists, and drug addicts within the data for exposure.²

Cloud Computing



Source: Wavebreakmedia

The cloud computing market continues to gain traction as more businesses and organizations are opting for cloud services and cloud solutions.

Recently, Microsoft reported that its Azure cloud business had increased by 35% in the quarter ending in September. Adjusted for currency, the cloud business grew 42%.

Microsoft isn't the only cloud services company reporting growth. Last month, Amazon.com, Inc. reported that its cloud computing business, Amazon Web Services (AWS), had grown by 27% for the quarter ending in September.

Amazon's Chief Financial Officer, Brian Olsavsky said that due to current macroeconomic pressures, customers are focusing on controlling cloud-related costs and the company is working to help customers optimize those costs. Similar comments were made by Microsoft, as well.³

E-Gaming



Source: Invisioncommunity.co.uk

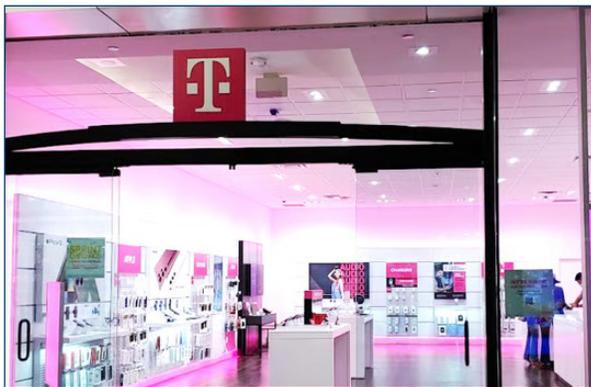
Roblox Corp., an interactive social gaming platform, said that its active daily users (ADUs) increased from 47.3 million in the second quarter of the fiscal year 2021 to 52.2 million in the second quarter of the fiscal year 2022. This represents a 10% increase in ADUs.

Furthermore, the company also provided some insights into the third quarter of fiscal year 2022. It said that for July 2022, its daily active users jumped 26% year-over-year to 58.5 million—a record high. Also, bookings for the month spiked between eight and 10% year-over-year in July to between \$243 million and \$247 million.⁴

It's worth noting that parameters like active daily users are critical in measuring the success of a video game or application in the tech industry. A growing active daily users suggests that there's more interaction, which could ultimately lead to higher revenues.



Source: Rawpixel.com



Source: T-Mobile

5G

T-Mobile US Inc., held by the fund, saw strong 5G-fuelled growth in the third quarter of this year, and this is making the company shrug off macroeconomic concerns. It expects momentum built in the recent quarter to continue into the next year.

T-Mobile's 5G footprint increased in the third quarter, its customers growth was ahead of expectations, and it strengthened its 5G-based fixed-wireless access (FWA) service. In addition to this, the carrier continues to release its spectrum resources to feed 5G capacity and coverage needs.

CEO of T-Mobile, Mike Sievert, said that the carrier ended the quarter covering 250 million potential customers with its 5G network.⁵

Robotics & Automation

According to a report by Data Bridge Market Research, the global indoor robot market was valued at \$11.65 billion in 2021, and it's expected to increase to \$100.37 billion by 2029. This amounts to an impressive compounded annual growth rate of 25.50% between 2022 and 2029.⁶

Indoor robots are robotic systems used in enclosed environments that are independent and do certain tasks. These robots are increasingly being used in industries like defence, retail, domestic, healthcare, and others.

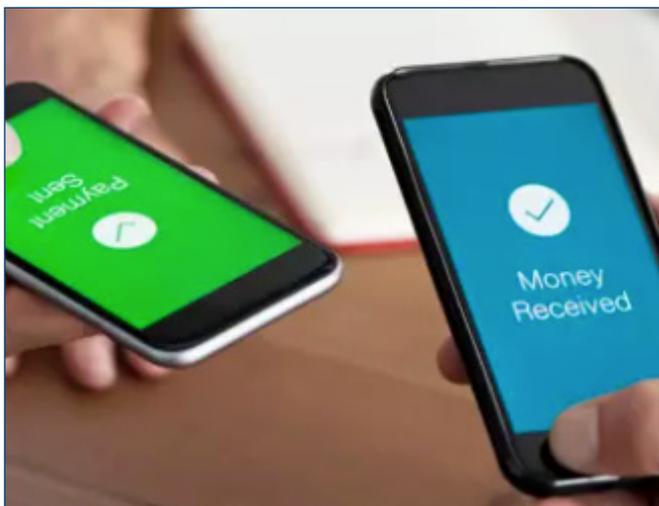
Tesla Inc., for instance, recently launched its humanoid robot, named Optimus, with hopes that this bet on artificial intelligence will reshape the future of physical work.

The robot runs on a Tesla computer chip, a 2.3 kilowatt-hour battery pack, and has Wi-Fi and LTE (long-term evolution) capabilities similar to a cellphone. It also comes with audio and cybersecurity features, and its hands have 11 degrees of freedom.

Once manufactured at scale, Optimus could be sold for less than \$20,000.⁷



Source: Automation.com



Source: Einvestingforbeginners.com

Fintech

In the fintech sector, real-time payments could be the next big thing. At their core, real-time payments are payments that are made between bank accounts and cleared within seconds, regardless of holidays and weekends. Real-time payments could increase transparency and help consumers and businesses manage their finances better.

Mastercard Inc. is working to improve its real-time payment capabilities. In 2016, the company launched its real-time payment service named PromptPay in Thailand. That year, consumers in the country completed 48 digital transactions per year on average using PromptPay. In 2021, this figure was up to 200 transactions per year on average. PromptPay is gaining traction globally, as well.

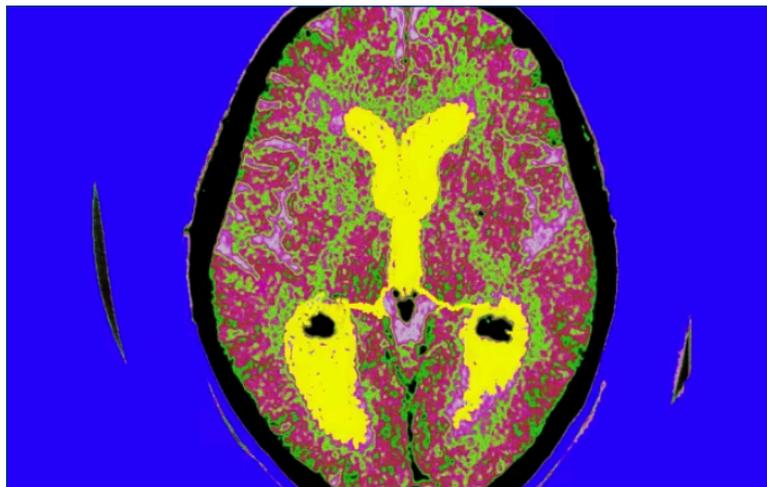
Furthermore, Mastercard is developing real-time payment infrastructure for P27 Nordic Payments, a platform owned by Danske Bank, Handelsbanken, Nordea, OP Financial Group, SEB, and Swedbank. This will make payments across four different currencies easier and reduce inefficiencies across borders.⁸

Genomics

In recent months, Wall Street focused its attention on Biogen Inc and Eisai after they announced that their potential treatment for Alzheimer's, Lecanemab, slowed cognitive decline by 27%, compared to a placebo, after an 18-month Phase 3 clinical trial.⁹

Eisai is expected to share additional data on the drug in late November at the Clinical Trials on Alzheimer's Congress in San Francisco, after which, the drug will be filed for full approval in the U.S. by March of 2023.¹⁰

Biogen, which has a 50/50 profit sharing stake in Lecanemab, is preparing its commercial and manufacturing facilities in Switzerland for launch should the drug be prepared.



Source: Ft.com/Getty Images

PORTFOLIO STRATEGY AND ACTIVITY

For the month, Evolve Cloud Computing Index made the largest contribution to the Fund, followed by Intuitive Surgical Inc. and Softbank Group Corp. The largest detractor to performance for the month was Marvell Technology Inc. On last rebalance, these securities were added to the portfolio: Danaher Corp., Thermo Fisher Scientific Inc., Fortinet Inc., Marvell Technology Inc. By weight, the Fund's largest geographic exposure was to the United States, followed by Japan and Canada.

PERFORMANCE (%)

TOTAL RETURNS*	1 MTH	YTD	1 YR	2 YR	3 YR	4 YR	SI**
EDGE (HEDGED)	4.92	-29.77	-30.95	-1.67	10.04	10.92	8.05
EDGE.U (USD)	5.57	-33.91	-35.81	-	-	-	-16.39

Source: Bloomberg, as at October 31, 2022.

** Performance of EDGE since inception on April 30, 2018.

Performance of EDGE.U since inception on January 7, 2021.

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*The indicated rates of return are the historical annual compound total returns net of fees (except for figures of one year or less, which are simple total returns) including changes in per unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The rates of return shown in the table are not intended to reflect future values of the ETF or returns on investment in the ETF. ETFs are not guaranteed, their values change frequently, and past performance may not be repeated.

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