

Evolve Cloud Computing Index Fund

DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

TSX

DATA

ETF TICKERS: DATA (HEDGED); DATA.B (UNHEDGED)

Investment Thesis: Cloud computing is revolutionizing every industry. Data is our most precious resource - the new oil.

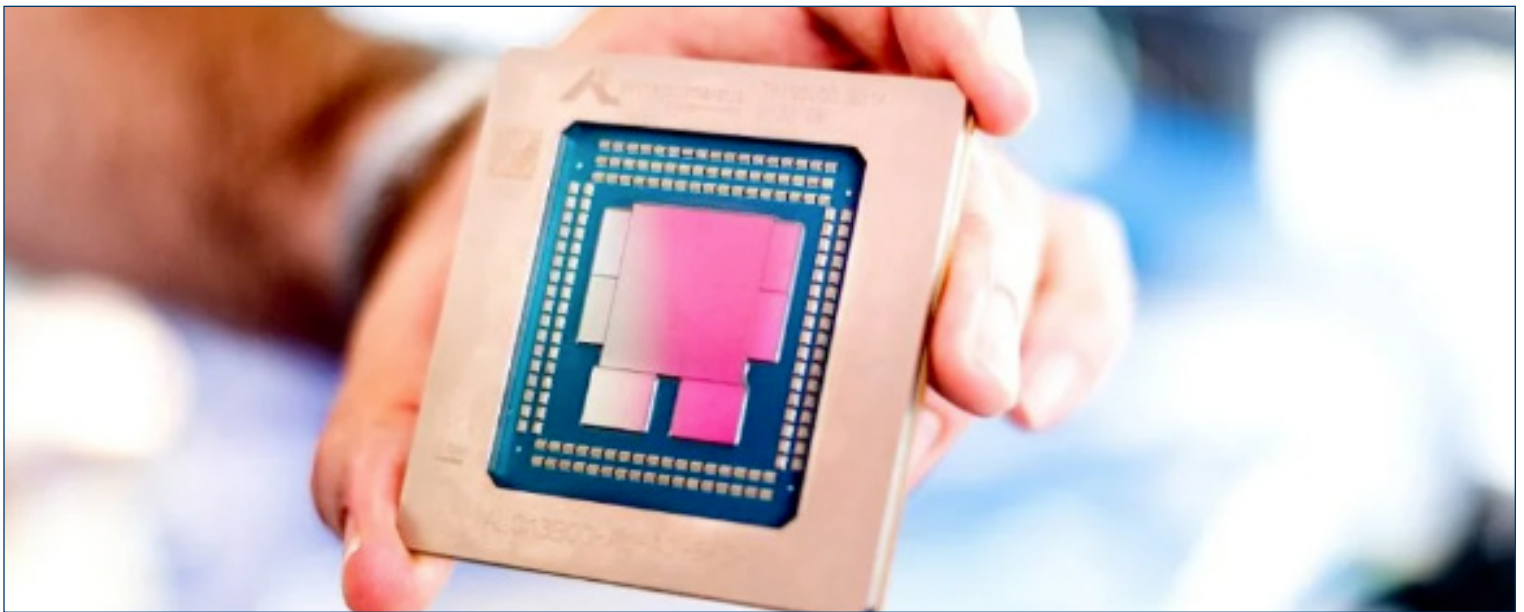
Cloud Computing advantages include:

- Cost reduction/time to market
- Global accessibility
- Easy to implement and upgrade
- Centralized security
- Save energy

Cloud computing services include:

- Infrastructure as a Service (IaaS)
- Software as a Service (SaaS)
- Platform as a Service (PaaS)
- Games as a Service (GaaS)

GENERAL INDUSTRY UPDATE



Source: Business Wire/AWS

Amazon.com Inc.'s cloud computing unit, Amazon Web Services (AWS), is introducing a new version of its Graviton chips, designed to power high-end computing and help in tasks such as weather forecasting and gene sequencing.

This opens doors for AWS to rent computing power to its customers that is more cost effective than renting time on processors built by companies such as Intel Corp., Nvidia Corp., and Advanced Micro Devices Inc. Furthermore, by introducing the new chip, Amazon can compete directly with the above-mentioned companies, who are largest suppliers of chips.¹

In addition, Amazon's AWS recently announced an "AWS Digital Sovereignty Pledge".

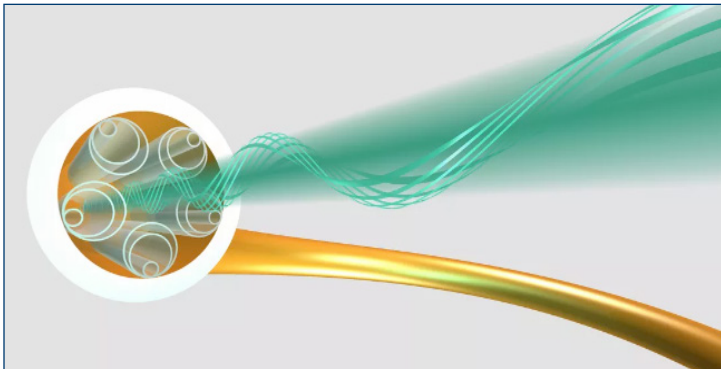
With this pledge, the cloud computing giant made a promise that customers will have full control over the location of their data within AWS, how it's accessed, and the ability to encrypt it everywhere.

As part of the pledge, AWS has also vowed to make its cloud stronger against any network disruption and natural disasters.²

In other news, Salesforce Inc., held by the fund, reported that Bret Taylor, the co-CEO of the company, will step down on January 31, 2023. Marc Benioff, the co-founder of the cloud software company will hold the position alone.

Bret Taylor climbed through the ranks at Salesforce, which makes his departure a surprise. Not too long ago, he served as president and chief operating officer. He joined the company when Salesforce purchased his productivity software startup Quip in 2016 and he played a critical role in Salesforce acquiring Slack for \$27.1 billion.³

COMPANY SPECIFIC UPDATES

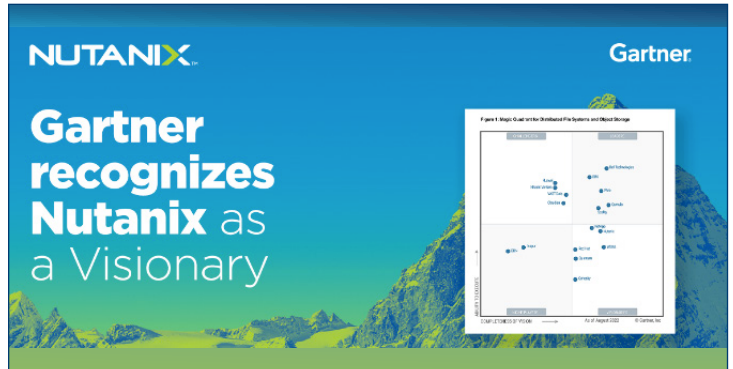


Source: Lumenicity.com

Microsoft Corp.

Microsoft Corp., held by the fund and the biggest contributor to the return, continues to make strong strides to improve its cloud computing business. In spite of being in battle with the Federal Trade Commission over Activision Blizzard Inc., the company announced the acquisition of Lumenicity Limited.

Lumenicity offers hollow core fiber (HCF) solutions. According to the company, this acquisition will help Microsoft optimize its global cloud infrastructure. For Microsoft's Cloud Platform and Services customers, it means strict latency and security requirements. This technology could help customers in healthcare, financial services, manufacturing, retail, and government.⁴



Source: Nutanix.com

DocuSign Inc.

DocuSign Inc., a new addition to the fund and a company that is focused on providing solutions for signing documents electronically, reported stronger than expected financial performance and raised its outlook for full-year sales.

Wedbush's analyst Dan Ives said this is a step in the right direction for the company, but a lot of work is still needed to bring investor confidence back given the probability of a difficult operating environment ahead.

Analysts at Evercore ISI led by Kirk Materne stated that the new CEO initiatives seem to be working, and customer growth is decent. However, the stock price may not move until billings start to grow.⁵

PORTFOLIO STRATEGY AND ACTIVITY

For the month, SAP SE made the largest contribution to the Fund, followed by Microsoft Corp. and Oracle Corp. The largest detractors to performance for the month were Amazon.com Inc., followed by Zoominfo Technologies Inc., and CrowdStrike Holdings Inc. On last rebalance, these securities were added to the portfolio: Concentrix Corp. and DocuSign Inc.

PERFORMANCE (%)

TOTAL RETURNS*	1 MTH	3 MTH	6 MTH	YTD	1 YR	SI**
DATA (HEDGED)	-0.27	-5.98	-5.74	-37.15	-39.05	-12.78
DATA.B (UNHEDEDGED)	-0.71	-2.95	0.49	-33.08	-35.60	-10.02

Source: Bloomberg, as at November 30, 2022.

** Performance of DATA and DATA.B since inception on January 6, 2021.

Sources:

1. King, I. and Day, M., "Amazon's New Chip Moves AWS Into High-Performance Computing," BNN Bloomberg, November 28, 2022; <https://www.bnnbloomberg.ca/amazon-s-new-chip-moves-aws-into-high-performance-computing-1.1852171>.
2. Lardinois, F., "AWS announces Digital Sovereignty Pledge," TechCrunch, November 28, 2022; <https://techcrunch.com/2022/11/28/aws-announces-digital-sovereignty-pledge/?guccounter=1>.
3. Novet, J., and Levy, A., "Bret Taylor steps down as co-CEO of Salesforce, leaving Marc Benioff alone at the helm," CNBC, November 30, 2022; <https://www.cnbc.com/2022/11/30/bret-taylor-steps-down-as-co-ceo-of-salesforce-marc-benioff-stays-on-as-ceo.html>.
4. Bary, E., "Microsoft, in FTC crosshairs, announces another acquisition," Market Watch, December 9, 2022; <https://www.marketwatch.com/story/microsoft-in-ftc-crosshairs-announces-another-acquisition-2022-12-09?siteid=yhoof2>.
5. Swint, B., "DocuSign Had a Good Quarter. Most Analysts Still Don't Rate it a Buy," Barron's, December 9, 2022; <https://www.barrons.com/articles/docusign-earnings-what-street-says-51670591773?siteid=yhoof2>.

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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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