

Evolve Future Leadership Fund

June 30, 2025

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, 161 Bay Street, Suite 1210, Toronto, ON, M5J 2S1 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 Evolve Future Leadership Fund (the “Fund”) aims to provide long-term capital growth by investing primarily in a diversified portfolio of equity securities in companies, domestic and international, identified as leaders in sectors poised to benefit from medium- to long-term economic trends. The Manager will use a selection process that combines quantitative techniques, fundamental analysis and risk management. The Manager will also write covered call options on up to 33% of the portfolio securities, at its discretion. The level of covered call option writing may vary based on market conditions.

Risk

Effective August 18, 2025, the risk rating of the Hedged and Unhedged ETF Units of the Fund was changed from “Medium” to “Medium to High”. 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, 2025, the Hedged ETF Units returned 12.6%. The Unhedged ETF Units returned 9.2%. The US Dollar Unhedged ETF Units returned 15.3%. The Fund’s net assets were \$24.7MM as at June 30, 2025.

Portfolio Manager Commentary

The Fund was well positioned throughout a turbulent first half of 2025, ultimately outperforming its benchmark over the period. Market sentiment was dominated by macroeconomic uncertainty—primarily stemming from policy actions out of Washington. A sharp drawdown in April followed the announcement of sweeping reciprocal tariffs by the White House, triggering widespread volatility. However, the portfolio rebounded swiftly as trade tensions eased and broader economic concerns moderated, enabling the Fund to finish the period on a strong footing. Sector-wise, finance and entertainment were the primary drivers of outperformance.

The entertainment sector delivered robust gains, led by a breakout in e-gaming. Nintendo’s highly anticipated Switch 2 launched in June, selling a record-setting 3.5 million units within four days and triggering a sharp rally in the stock¹. NetEase exceeded expectations with strong performance from Marvel Rivals and FragPunk, and unveiled its first AAA single-player title, Blood Message². Netflix extended its upward trajectory, bolstered by a business model largely insulated from tariff disruptions and continued expansion into live sports streaming. While Reddit underperformed, we maintain conviction in its long-term value as monetization and platform scale advance.

The Fund’s finance sector was a strong performer over the first half of the year, mainly from its tactical allocation to crypto through holdings like Strategy (formerly MicroStrategy) and Coinbase. Strategy is the largest corporate holder of Bitcoin, with nearly 600,000 BTC, and engages in strategic corporate financing to acquire additional Bitcoin and grow its Bitcoin per share³. Coinbase rallied sharply after joining the S&P 500 and benefiting from regulatory clarity post-election⁴. Traditional financial names also contributed positively—JPMorgan and Goldman Sachs posted strong results on the back of strong equity trading⁵⁻⁶. Nasdaq gained from a revived IPO environment⁷, reflected in higher trading volumes and capital markets flows.

Technology is a core allocation of the portfolio which had a strong rebound after Liberation Day. Within the EV sleeve, we further diversified exposure by reducing our position in Tesla and introducing a position in BYD to the portfolio, which we believe offers long-term competitive strength across both developed and emerging markets. Apple faced headwinds early in the year due to tariff risks threatening its China-dependent supply chain and prompting fears of cost inflation. Salesforce disappointed after its Agentforce AI launch underwhelmed, dampening enthusiasm that had previously driven the stock⁸. Nonetheless, the company’s core enterprise business remains intact, and we continue to monitor developments closely. While some tech holdings underperformed, we remain constructive on the sector’s underlying fundamentals and multi-year growth potential.

Under the Trump administration, the healthcare sector navigated an evolving political landscape with, newly appointed secretary of Health and Human Services, Robert F. Kennedy Jr.’s deregulatory stance introducing a renewed focus on preventive health, environmental factors, and regulatory reform. However, the sector’s inherent diversification across pharmaceuticals, diagnostics, and medtech helped cushion volatility. A key holding was Vertex Pharmaceuticals, which surged following the FDA’s approval of Journavx, a breakthrough non-opioid pain drug—marking a major advancement in pain management as the first new class of pain medicine approved in over 20 years⁹.

Overall, the Fund delivered a strong start to the year despite persistent macroeconomic headwinds, and we maintain high conviction in the portfolio’s core holdings.

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Performance Attribution

For the six-month period ending June 30, 2025, MicroStrategy Inc made the biggest contribution to the Fund, followed by Coinbase Global Inc. By weight, the Fund's largest holdings were Coinbase Global Inc, MicroStrategy Inc, and Shopify Inc., Class "A".

(1) <https://www.barrons.com/articles/nintendo-switch-2-launch-dd59492e>

(2) <https://www.investors.com/news/technology/netease-stock-ntes-q1-2025-earnings/>

(3) <https://www.strategy.com/>

(4) <https://www.reuters.com/business/coinbase-shares-jump-addition-sp-500-index-2025-05-13/>

(5) <https://www.cnbc.com/2025/04/11/jpmorgan-chase-jpm-earnings-q1-2025.html>

(6) <https://www.cnbc.com/2025/04/14/goldman-sachs-gs-earnings-q1-2025.html>

(7) <https://www.reuters.com/business/finance/us-ipo-market-revival-takes-root-chime-soars-debut-2025-06-12/>

(8) <https://finance.yahoo.com/news/salesforce-stock-falls-amid-concerns-around-its-ai-agent-wall-street-reacts-110918993.html>

(9) <https://news.vrtx.com/news-releases/news-release-details/vertex-announces-fda-approval-journavxtm-suzetrigine-first-class>

Recent Developments

In 2025, trade tensions have escalated as the United States considers imposing new tariffs on key trading partners, including Canada and Mexico, along with broader reciprocal measures on other nations. In response, affected countries may enact retaliatory tariffs, further increasing uncertainty in global trade. These developments have contributed to heightened market volatility and could disrupt global supply chains, particularly impacting trade-sensitive sectors. The duration and full impact of these events remain uncertain, and as such, the financial implications for investments cannot be estimated at this time.

Related Party Transactions

Evolve Funds Group Inc. (the "Manager"), a corporation incorporated under the laws of the Province of Ontario, is the trustee, manager, and portfolio advisor of the Fund and is responsible for the day-to-day administration of the Fund. The Fund pays annual management fees to the Manager as consideration for its services. Any management fees paid to the Manager are related party transactions, as the Manager is considered to be a related party to the Fund. The management fees are disclosed in the statements of comprehensive income in the annual financial statements of the Fund and are discussed in greater detail below.

The Fund is permitted to purchase, sell and hold securities of certain issuers that are directly or indirectly related to the Manager. With respect to investment in related issuers, the Manager has relied on the approval that it has received from the Investment Review Committee ("IRC"). The Manager complies with its current policy and procedures regarding investments in related issuers and reports periodically to the IRC.

Management Fees

The management fees are calculated based on 0.75% 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, 2025, the Fund incurred \$76,037 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.

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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, 2025, the Fund incurred \$16,327 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

For the periods ended:	June 30, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)	December 31, 2022 (\$)	December 31, 2021 (\$)	December 31, 2020 (\$)
Unhedged ETF Units - Net Assets per Unit						
Net Assets per Unit, beginning of period	24.27	17.70	14.49	22.30	20.80	19.85
Increase (decrease) from operations:						
Total revenue	0.17	0.22	0.17	0.11	0.12	0.04
Total expenses	(0.13)	(0.22)	(0.22)	(0.20)	(0.25)	(0.10)
Realized gains (losses)	2.26	4.60	(1.07)	(2.28)	0.47	(0.03)
Unrealized gains (losses)	(0.44)	3.35	5.33	(4.51)	2.29	1.69
Total increase (decrease) from operations²	1.86	7.95	4.21	(6.88)	2.63	1.60
Distributions:						
From income (excluding dividends)	(0.96)	-	-	-	-	-
From capital gains	-	-	-	-	(0.36)	(0.08)
Return of capital	-	(1.32)	(1.26)	(1.26)	(0.90)	(0.24)
Total annual distributions³	(0.96)	(1.32)	(1.26)	(1.26)	(1.26)	(0.32)
Net Assets per Unit, end of period	25.48	24.27	17.70	14.49	22.30	20.80
Hedged ETF Units - Net Assets per Unit						
Net Assets per Unit, beginning of period	22.05	17.31	14.03	23.01	21.30	19.85
Increase (decrease) from operations:						
Total revenue	0.15	0.21	0.17	0.11	0.11	0.04
Total expenses	(0.12)	(0.24)	(0.22)	(0.20)	(0.27)	(0.06)
Realized gains (losses)	2.42	3.04	(0.61)	(3.03)	0.03	0.45
Unrealized gains (losses)	0.14	2.95	4.89	(4.60)	2.59	1.59
Total increase (decrease) from operations²	2.59	5.96	4.23	(7.72)	2.46	2.02
Distributions:						
From income (excluding dividends)	(0.96)	-	-	-	-	-
From capital gains	-	-	-	-	(0.35)	(0.08)
Return of capital	-	(1.32)	(1.26)	(1.26)	(0.91)	(0.24)
Total annual distributions³	(0.96)	(1.32)	(1.26)	(1.26)	(1.26)	(0.32)
Net Assets per Unit, end of period	23.78	22.05	17.31	14.03	23.01	21.30

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

For the periods ended:	June 30, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)	December 31, 2022 (\$)	December 31, 2021 (\$)	December 31, 2020 (\$)
US Dollar Unhedged ETF Units - Net Assets per Unit⁴						
Net Assets per Unit, beginning of period	31.89	23.34	19.13	29.42	27.37	26.11
Increase (decrease) from operations:						
Total revenue	0.22	0.29	0.24	0.15	0.15	0.05
Total expenses	(0.17)	(0.31)	(0.30)	(0.26)	(0.33)	(0.13)
Realized gains (losses)	2.78	6.11	(1.05)	(2.81)	0.63	(0.04)
Unrealized gains (losses)	0.01	4.26	6.81	(6.94)	3.19	2.08
Total increase (decrease) from operations²	2.84	10.35	5.70	(9.86)	3.64	1.96
Distributions:						
From income (excluding dividends)	(1.35)	-	-	-	-	-
From capital gains	-	-	-	-	(0.45)	(0.11)
Return of capital	-	(1.81)	(1.70)	(1.78)	(1.13)	(0.30)
Total annual distributions³	(1.35)	(1.81)	(1.70)	(1.78)	(1.58)	(0.41)
Net Assets per Unit, end of period	33.37	31.89	23.34	19.13	29.42	27.37

- 1 This information is derived from the Fund's unaudited interim financial statements as at June 30, 2025, and the audited annual financial statements as at December 31, 2024, 2023, 2022, 2021, and 2020. The Hedged, Unhedged, and US Dollar Unhedged ETF Units began operations on September 10, 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.
- 4 Per unit figures are stated in CAD equivalent.

The Fund's Ratios/Supplemental Data

For the periods ended:	June 30, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Unhedged ETF Units - Ratios/Supplemental Data						
Total Net Asset Value (\$) ⁵	5,095,773	4,853,567	3,098,097	7,243,548	22,854,200	19,240,732
Number of units outstanding ⁵	200,000	200,000	175,000	500,000	1,025,000	925,000
Management expense ratio excluding underlying fund expenses ⁶	0.77%	0.73%	0.96%	0.90%	0.91%	1.01%
Management expense ratio ⁷	0.84%	0.80%	1.03%	0.99%	1.01%	1.09%
Trading expense ratio ⁸	0.17%	0.24%	0.31%	0.20%	0.17%	0.51%
Portfolio turnover rate ⁹	33.98%	72.19%	81.93%	82.79%	69.42%	31.06%
Net Asset Value per unit (\$)	25.48	24.27	17.70	14.49	22.30	20.80
Closing market price (\$)	25.49	24.29	17.70	14.46	22.50	20.72
Hedged ETF Units - Ratios/Supplemental Data						
Total Net Asset Value (\$) ⁵	15,457,875	14,882,748	13,415,453	16,836,973	19,554,463	5,323,823
Number of units outstanding ⁵	650,000	675,000	775,000	1,200,000	850,000	250,000
Management expense ratio excluding underlying fund expenses ⁶	0.81%	0.90%	0.96%	0.92%	0.92%	0.39%
Management expense ratio ⁷	0.88%	0.97%	1.03%	1.01%	1.02%	0.95%
Trading expense ratio ⁸	0.17%	0.24%	0.31%	0.20%	0.17%	0.51%
Portfolio turnover rate ⁹	33.98%	72.19%	81.93%	82.79%	69.42%	31.06%
Net Asset Value per unit (\$)	23.78	22.05	17.31	14.03	23.01	21.30
Closing market price (\$)	23.75	22.06	17.42	13.97	23.15	21.28

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

For the periods ended:	June 30, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
US Dollar Unhedged ETF Units - Ratios/Supplemental Data						
Total Net Asset Value (\$)⁵	4,171,768	3,985,699	2,917,410	3,826,519	16,917,149	13,000,886
Number of units outstanding⁵	125,000	125,000	125,000	200,000	575,000	475,000
Management expense ratio excluding underlying fund expenses⁶	0.81%	0.79%	0.97%	0.89%	0.91%	1.01%
Management expense ratio⁷	0.88%	0.86%	1.04%	0.98%	1.01%	1.09%
Trading expense ratio⁸	0.17%	0.24%	0.31%	0.20%	0.17%	0.51%
Portfolio turnover rate⁹	33.98%	72.19%	81.93%	82.79%	69.42%	31.06%
Net Asset Value per unit (\$)	33.37	31.89	23.34	19.13	29.42	27.37
Closing market price (\$)	33.37	31.91	23.35	19.13	29.45	27.35

5 This information is provided as at June 30, 2025 and December 31, 2024, 2023, 2022, 2021, and 2020.

6 Management expense ratio excluding underlying fund expenses 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.

7 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.

8 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.

9 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.

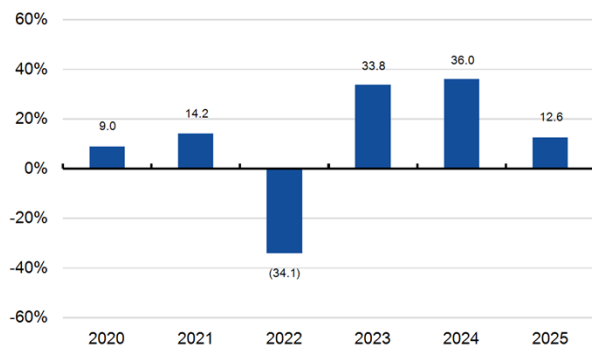
Year-by-Year Returns

The bar chart below shows the Hedged, Unhedged, and US Dollar Unhedged ETF Units' performance for each of the financial years shown and for the six-month period ended June 30, 2025. The chart shows, in percentage terms, how much an investment made in the Fund on the first day of each financial period would have grown or decreased by the last day of that financial period.

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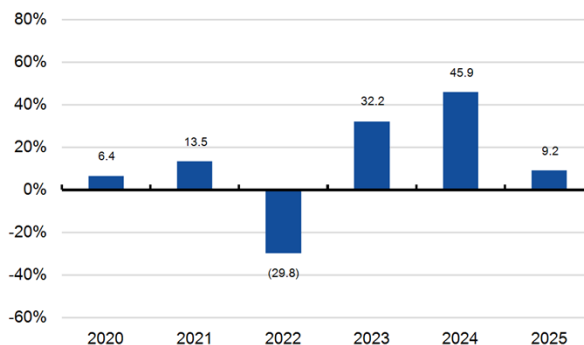
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LEAD Hedged ETF Units¹



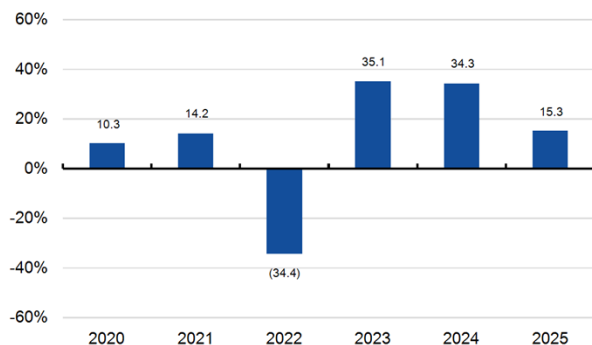
1 The Hedged ETF Units of the Fund effectively began operations on September 10, 2020.

LEAD/B Unhedged ETF Units²



2 The Unhedged ETF Units of the Fund effectively began operations on September 10, 2020.

LEAD/U US Dollar Unhedged ETF Units³



3 The US Dollar Unhedged ETF Units of the Fund effectively began operations on September 10, 2020. Returns presented based on NAV equivalent in USD.

Summary of Investment Portfolio

Top 25 Positions

	Percentage of Net Asset Value (%)
Security	
Coinbase Global Inc.	7.1
MicroStrategy Inc., Class 'A'	6.4
Shopify Inc., Class 'A'	4.7
NVIDIA Corporation	4.2
Zscaler Inc.	3.8
Microsoft Corporation	3.4
Evolve Cyber Security Index Fund	2.9
Palo Alto Networks Inc.	2.9
Amazon.com Inc.	2.9

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Top 25 Positions (cont'd)

	Percentage of Net Asset Value (%)
Security	
Advanced Micro Devices Inc.	2.8
Taiwan Semiconductor Manufacturing Company Limited, ADR	2.7
Vertex Pharmaceuticals Inc.	2.6
Intuitive Surgical Inc.	2.6
American Express Company	2.5
The Goldman Sachs Group Inc.	2.5
Tesla Inc.	2.4
Morgan Stanley	2.3
JPMorgan Chase & Company	2.3
Eli Lilly & Company	2.2
Evolve Global Healthcare Enhanced Yield Fund	2.2
Nasdaq Inc.	2.2
Nintendo Company Limited, ADR	2.1
Mastercard Inc., Class 'A'	2.1
Visa Inc., Class 'A'	2.1
Reddit Inc., Class 'A'	2.0
Total	75.9

Industry Allocation

	Percentage of Net Asset Value (%)
Portfolio by Category	
Equities	
Communication Services	13.0
Consumer Discretionary	7.1
ETFs - International Equity	10.3
Financials	23.0
Health Care	10.5
Information Technology	35.8
Derivative Assets	0.4
Derivative Liabilities	(0.3)
Cash and Cash Equivalents	0.5
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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