

Evolve FANGMA Index ETF

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 FANGMA Index ETF (the "Fund") seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive FANGMA Equal Weight Index, or any successor thereto. The Fund invests in equity securities of Alphabet Inc., Amazon Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

Risk

Effective April 26, 2025, the risk rating of the Hedged and US Dollar Unhedged ETF Units of the Fund was changed from "Medium to High" 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 Unhedged ETF Units returned 5.1% versus the Solactive FANGMA Equal Weight Index (the "Index") return of 5.8%. The Hedged ETF Units returned 9.8% versus the Index return of 5.8%. The US Dollar Unhedged ETF Units returned 10.9% versus the Index return of 5.8%. The Fund's net assets were \$110.1MM as at June 30, 2025.

Portfolio Manager Commentary

The first half of 2025 was marked by mixed performance among the six FANGMA technology giants, as investors recalibrated their expectations following the gains of 2023 and 2024. Macroeconomic pressures and valuation concerns lead to a more cautious tone in equity markets, leading to the worst start to a year since 2022, collectively shedding around \$2.5 trillion in market cap¹. Artificial Intelligence (AI) led a rally through the second quarter as tech giants played a central role in contributing 40% of the S&P 500's gains since April 8, when stocks began to recover from U.S. President Donald Trump's jarring April 2 "Liberation Day" tariff declaration².

Key players such as Meta and Microsoft demonstrated resilience and remained leaders in the evolving AI landscape. Microsoft faced early concerns over their aggressive AI spending as they disclosed their plan to spend \$80 billion to AI infrastructure³. Microsoft recovered and retraced most of its losses as optimism grew in their Azure cloud computing business and AI growth⁴. Meta also fueled growth through its AI-powered advertising platform, pledging to invest \$65 billion⁵ and growing revenue across core social platforms, as well as expanding monetization on WhatsApp and Threads⁶. Both tech leaders performed well throughout the period.

Netflix was the strongest performer throughout the period as they were less exposed to the trade policy news and benefited from growing revenue contributions from its ad-supported tier. During the first half of the year, Netflix hit an all-time high and recorded their longest positive run ever⁷.

Both Apple and Amazon faced adversity during the period, as concerns over macroeconomic pressures and heavy investment in AI hurt performance. Apple faced headwinds due to concerns over tariffs which threaten their overseas supply chains.

Alphabet found success early in the year as they reached an all-time high on February 4th⁸. They have since retreated and have faced hesitancy from investors over concerns on weak cloud revenue and heavy capital expenditures. Alphabet has since reaffirmed their plan to spend \$75 billion dollars on boosting AI data center capacity¹⁰.

Performance Attribution

For the six-month period ending June 30, 2025, Netflix Inc., made the biggest contribution to the Fund, followed by Meta Platforms, Inc. By weight, the Fund's largest holdings were Meta Platforms, Inc., Netflix Inc., and Microsoft Corporation.

(1) <https://www.barrons.com/livecoverage/stock-market-today-040325/card/the-u-s-stock-market-has-shed-2-5-trillion-in-market-cap-so-far-t4HU3wNq6V5NN9YCdELG>

(2) <https://www.reuters.com/business/finance/investors-see-us-stocks-rally-broadening-even-magnificent-seven-rebound-2025-05-30/>

(3) <https://www.cnbc.com/2025/02/24/microsoft-reiterates-plan-to-invest-80-billion-in-ai-.html>

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(4) <https://www.bloomberg.com/news/articles/2025-05-29/microsoft-msft-shares-go-from-laggard-to-leader-as-ai-growth-improves?embedded-checkout=true>

(5) <https://www.reuters.com/technology/meta-invest-up-65-bln-capital-expenditure-this-year-2025-01-24/>

(6) <https://www.cnbc.com/2025/06/16/meta-whatsapp-ads.html>

(7) <https://www.cnbc.com/2025/05/02/netflix-stock-nflx-all-time-high.html>

(8) <https://www.investopedia.com/terms/f/fang-stocks-fb-amzn.asp>

(9) <https://www.macrotrends.net/stocks/charts/GOOG/alphabet/stock-price-history>

(10) <https://www.reuters.com/technology/alphabet-ceo-reaffirms-planned-75-billion-capital-spending-2025-2025-04-09/>

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 0.40% 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 \$245,927 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, 2025, the Fund incurred \$92,732 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.

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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, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)	December 31, 2022 (\$)	December 31, 2021 (\$)
For the periods ended:					
Unhedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	21.30	13.54	7.71	12.37	10.00
Increase (decrease) from operations:					
Total revenue	0.04	0.06	0.03	0.02	0.02
Total expenses	(0.07)	(0.12)	(0.08)	(0.06)	(0.05)
Realized gains (losses)	3.20	3.67	1.01	(1.53)	0.84
Unrealized gains (losses)	(1.96)	4.19	4.96	(3.77)	0.90
Total increase (decrease) from operations²	1.21	7.80	5.92	(5.34)	1.71
Distributions:					
From income (excluding dividends)	(0.01)	-	-	-	-
From capital gains	-	(0.02)	-	-	-
Return of capital	-	-	(0.02)	(0.02)	(0.02)
Total annual distributions³	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
Net Assets per Unit, end of period	22.37	21.30	13.54	7.71	12.37
Hedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	17.53	12.21	6.88	12.01	10.00
Increase (decrease) from operations:					
Total revenue	0.03	0.05	0.02	0.02	0.02
Total expenses	(0.06)	(0.10)	(0.07)	(0.06)	(0.05)
Realized gains (losses)	3.31	1.75	0.89	(2.08)	(0.20)
Unrealized gains (losses)	(2.18)	3.53	4.40	(2.41)	1.76
Total increase (decrease) from operations²	1.10	5.23	5.24	(4.53)	1.53
Distributions:					
From income (excluding dividends)	(0.01)	-	-	-	-
From capital gains	-	(0.02)	-	-	-
Return of capital	-	-	(0.02)	(0.02)	(0.02)
Total annual distributions³	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
Net Assets per Unit, end of period	19.24	17.53	12.21	6.88	12.01

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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 (\$)
US Dollar Unhedged ETF Units - Net Assets per Unit⁴					
Net Assets per Unit, beginning of period	26.20	16.66	9.49	15.23	12.31
Increase (decrease) from operations:					
Total revenue	0.04	0.07	0.03	0.03	0.02
Total expenses	(0.08)	(0.15)	(0.09)	(0.08)	(0.06)
Realized gains (losses)	4.02	4.11	1.16	(1.89)	0.88
Unrealized gains (losses)	(3.08)	5.66	6.21	(5.81)	2.01
Total increase (decrease) from operations²	0.90	9.69	7.31	(7.75)	2.85
Distributions:					
From income (excluding dividends)	(0.01)	-	-	-	-
From capital gains	-	(0.03)	-	-	-
Return of capital	-	-	(0.03)	(0.03)	(0.02)
Total annual distributions³	(0.01)	(0.03)	(0.03)	(0.03)	(0.02)
Net Assets per Unit, end of period	27.52	26.20	16.66	9.49	15.23

- 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 and 2021. The Hedged, Unhedged, and US Dollar Unhedged ETF Units effectively began operations on May 4, 2021.
- 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
Unhedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value (\$) ⁵	13,420,653	13,844,061	7,445,341	3,085,219	7,422,345
Number of units outstanding ⁵	600,000	650,000	550,000	400,000	600,001
Management expense ratio ⁶	0.62%	0.63%	0.64%	0.62%	0.62%
Trading expense ratio ⁷	0.01%	0.01%	0.01%	0.03%	0.02%
Portfolio turnover rate ⁸	50.15%	59.32%	62.65%	116.33%	75.02%
Net Asset Value per unit (\$)	22.37	21.30	13.54	7.71	12.37
Closing market price (\$)	22.36	21.30	13.53	7.72	12.40
Hedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value (\$) ⁵	90,252,576	103,245,829	70,096,307	37,156,230	36,616,111
Number of units outstanding ⁵	4,690,500	5,890,500	5,740,500	5,403,000	3,050,001
Management expense ratio ⁶	0.61%	0.62%	0.63%	0.63%	0.62%
Trading expense ratio ⁷	0.01%	0.01%	0.01%	0.03%	0.02%
Portfolio turnover rate ⁸	50.15%	59.32%	62.65%	116.33%	75.02%
Net Asset Value per unit (\$)	19.24	17.53	12.21	6.88	12.01
Closing market price (\$)	19.26	17.55	12.20	6.88	12.01

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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
US Dollar Unhedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value (\$)⁵	6,458,793	6,150,110	3,909,920	3,177,528	12,943,849
Number of units outstanding⁵	234,700	234,700	234,700	334,700	850,001
Management expense ratio⁶	0.60%	0.64%	0.64%	0.62%	0.62%
Trading expense ratio⁷	0.01%	0.01%	0.01%	0.03%	0.02%
Portfolio turnover rate⁸	50.15%	59.32%	62.65%	116.33%	75.02%
Net Asset Value per unit (\$)	27.52	26.20	16.66	9.49	15.23
Closing market price (\$)	27.52	26.18	16.66	9.50	15.33

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

6 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.

7 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.

8 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.

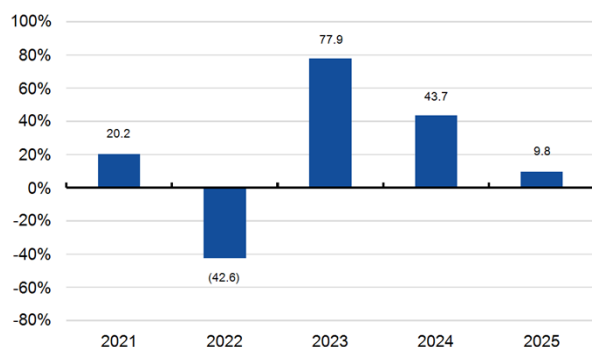
Past Performance

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

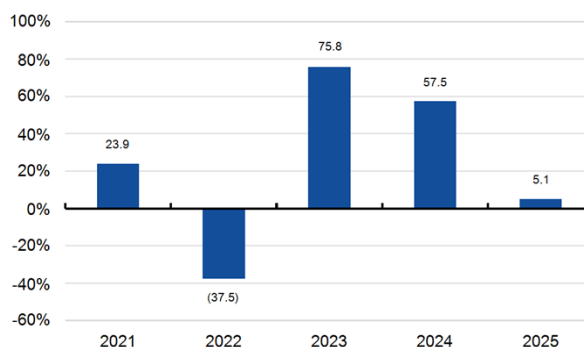
The bar chart below shows the Hedged, Unhedged, and US Dollar Unhedged ETF Units' performance for each of the financial years shown and for the six-month period ended June 30, 2025. The chart shows, in percentage terms, how much an investment made in the Fund on the first day of each financial period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

TECH Hedged ETF Units¹



1 The Hedged ETF Units of the Fund effectively began operations on May 4, 2021.

TECH/B Unhedged ETF Units²

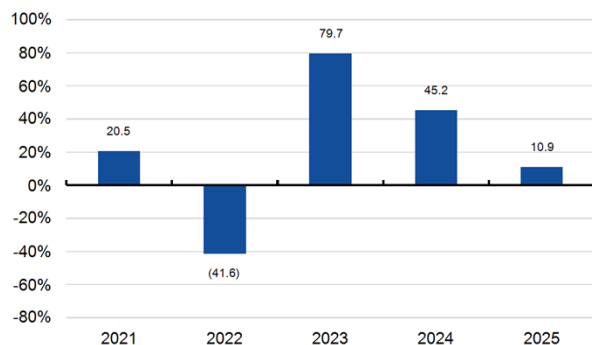


2 The Unhedged ETF Units of the Fund effectively began operations on May 4, 2021.

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TECH/U US Dollar Unhedged ETF Units³



³ The US Dollar Unhedged ETF Units of the Fund effectively began operations on May 4, 2021. Returns presented based on NAV equivalent in USD.

Summary of Investment Portfolio

All Positions

	Percentage of Net Asset Value (%)
Security	
Meta Platforms Inc., Class 'A'	18.9
Netflix Inc.	17.6
Microsoft Corporation	17.5
Amazon.com Inc.	16.5
Alphabet Inc., Class 'A'	15.2
Apple Inc.	13.4
Total	99.1

Industry Allocation

	Percentage of Net Asset Value (%)
Portfolio by Category	
Equities	
Communication Services	51.7
Consumer Discretionary	16.5
Information Technology	30.9
Derivative Assets	0.6
Cash and Cash Equivalents	0.4
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.



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