

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

Annual Management Report of Fund Performance

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual 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.evolveeefs.com or SEDAR+ at www.sedarplus.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 S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

Investment Objective and Strategies

The Evolve S&P/TSX 60 Enhanced Yield Fund (the "Fund") seeks to provide long-term capital growth by replicating, net of fees and expenses, the performance of the S&P/TSX 60 Index, or any successor thereto, while mitigating downside risk. The Fund invests primarily in the equity constituents of the S&P/TSX 60 Index, or any successor thereto, while writing covered call options on up to 33% of the portfolio, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

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 year ended December 31, 2025, the Unhedged ETF Units returned 25.7% versus the S&P/TSX 60 Index (the "Index") return of 29.1%. The Unhedged Class A Mutual Fund Units returned 24.3% and the Unhedged Class F Mutual Fund Units returned 25.8% versus the Index return of 29.1%. The Unhedged Class H Mutual Fund Units returned 25.9% versus the Index return of 29.1%. For a discussion of the relative performance of the Fund as compared to the Index, please refer to the "Annual Compound Return" section in the "Management Discussion of Fund Performance". The Fund's net assets were \$164.6MM as at December 31, 2025.

Portfolio Manager Commentary

The S&P/TSX 60 delivered strong performance in 2025, extending a multi-year rally. The index closed December with its eighth consecutive monthly gain, marking the longest such streak since 2017.¹

The S&P/TSX 60 rose 29.06% over the year, making 2025 its strongest annual performance since 2009. This also marked a third consecutive year of gains and saw Canadian equities outpace the S&P 500, underscoring the relative strength of domestic markets.¹

Performance was driven by a powerful combination of rising commodity prices and strength in large-cap financials. Gold and silver prices surged amid elevated geopolitical tensions, nearly doubling the share prices of several major mining companies. At the same time, Canada's heavyweight financial stocks delivered solid gains. Together, materials and financials account for approximately two-thirds of the S&P/TSX's index weight, amplifying their impact on overall market performance.

Performance Attribution

For the twelve-month period ending December 31, 2025, Shopify Inc., Class 'A' made the biggest contribution to the Fund, followed by Royal Bank of Canada. By weight, the Fund's largest holdings were Royal Bank of Canada, Shopify Inc., Class 'A', and Global X S&P/TSX 60 Index ETF.

(1) <https://www.reuters.com/business/tsx-futures-fall-final-trading-day-2025-2025-12-31/>

Recent Developments

In 2026, financial markets are operating in an environment increasingly shaped by heightened geopolitical conflict, most notably the developing war in the middle east. The escalation has triggered sharp moves across global markets, including spikes in oil and gas prices, increased demand for safe haven assets, and renewed volatility in equities, bonds, and foreign currencies. While underlying economic activity remains resilient in several regions, higher energy prices and elevated geopolitical uncertainty have added new risks to inflation trajectories and policy expectations. Governments are reassessing defense spending and trade arrangements, while central banks face a more complex balance between managing inflation pressures and supporting growth. Market volatility has intensified across asset classes, particularly in sectors sensitive to energy costs, geopolitical risk, and global supply chains. The duration and broader economic impact of the conflict remain uncertain, and the potential financial implications for investments continue to evolve as conditions develop.

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

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 Manager is entitled to an annual management fee of 0.45% of the net asset value of the Unhedged ETF Units and the Unhedged Class F Mutual Fund Units of the Fund, accrued daily and generally paid monthly in arrears. The Manager is entitled to an annual management fee of 1.45% of the net asset value of the Unhedged Class A Mutual Fund Units of the Fund, accrued daily and generally paid monthly in arrears. The Manager is entitled to an annual management fee of 0.30% of the net asset value of the Unhedged Class H Mutual Fund Units of the Fund, accrued daily and generally paid monthly in arrears. For the year ended December 31, 2025, the Fund incurred \$506,095 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 year ended December 31, 2025, the Fund incurred \$195,232 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.

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

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:	December 31, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)
Unhedged ETF Units - Net Assets per Unit			
Net Assets per Unit, beginning of period	20.85	19.41	20.00
Increase (decrease) from operations:			
Total revenue	0.59	0.66	0.64
Total expenses	(0.17)	(0.19)	(0.21)
Realized gains (losses)	0.08	0.11	(0.04)
Unrealized gains (losses)	4.95	2.65	1.35
Total increase (decrease) from operations²	5.45	3.23	1.74
Distributions:			
From dividends	(0.34)	(0.39)	(0.26)
From capital gains	-	-	(0.18)
Return of capital	(1.89)	(1.53)	(1.48)
Total annual distributions³	(2.23)	(1.92)	(1.92)
Net Assets per Unit, end of period	23.68	20.85	19.41
Unhedged Class A - Net Assets per Unit			
Net Assets per Unit, beginning of period	20.39	19.22	20.00
Increase (decrease) from operations:			
Total revenue	0.57	0.64	0.62
Total expenses	(0.40)	(0.40)	(0.41)
Realized gains (losses)	0.09	0.12	(0.18)
Unrealized gains (losses)	4.60	2.66	2.48
Total increase (decrease) from operations²	4.86	3.02	2.51
Distributions:			
From dividends	(0.13)	(0.32)	(0.35)
From capital gains	-	-	(0.14)
Return of capital	(2.10)	(1.60)	(1.43)
Total annual distributions³	(2.23)	(1.92)	(1.92)
Net Assets per Unit, end of period	22.85	20.39	19.22
Unhedged Class F - Net Assets per Unit			
Net Assets per Unit, beginning of period	20.87	19.42	20.00
Increase (decrease) from operations:			
Total revenue	0.58	0.66	0.64
Total expenses	(0.15)	(0.18)	(0.21)
Realized gains (losses)	0.09	0.10	(0.04)
Unrealized gains (losses)	4.72	2.73	1.14
Total increase (decrease) from operations²	5.24	3.31	1.53
Distributions:			
From dividends	(0.45)	(0.47)	(0.30)
From capital gains	-	-	(0.17)
Return of capital	(1.78)	(1.45)	(1.45)
Total annual distributions³	(2.23)	(1.92)	(1.92)
Net Assets per Unit, end of period	23.74	20.87	19.42

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

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

	December 31, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)
For the periods ended:			
Unhedged Class H - Net Assets per Unit			
Net Assets per Unit, beginning of period	21.31	19.76	20.00
Increase (decrease) from operations:			
Total revenue	0.61	0.66	0.07
Total expenses	(0.14)	(0.15)	(0.02)
Realized gains (losses)	0.08	0.14	(0.02)
Unrealized gains (losses)	4.88	3.39	0.25
Total increase (decrease) from operations²	5.43	4.04	0.28
Distributions:			
From dividends	(0.40)	(0.35)	(0.49)
From capital gains	-	-	(0.09)
Return of capital	(1.52)	(1.57)	(1.02)
Total annual distributions³	(1.92)	(1.92)	(1.60)
Net Assets per Unit, end of period	24.66	21.31	19.76

- 1 This information is derived from the Fund's audited annual financial statements as at December 31, 2025, 2024, and 2023. The Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units effectively began operations on January 9, 2023.
- 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.

The Fund's Ratios/Supplemental Data

	December 31, 2025	December 31, 2024	December 31, 2023
For the periods ended:			
Unhedged ETF Units - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	88,813,131	39,092,662	13,100,941
Number of units outstanding ⁴	3,750,000	1,875,000	675,000
Management expense ratio excluding proportion of expenses from underlying investment funds ⁵	0.67%	0.68%	0.68%
Management expense ratio ^{6,9}	0.68%	0.69%	0.71%
Trading expense ratio ⁷	0.12%	0.25%	0.43%
Portfolio turnover rate ⁸	55.15%	105.66%	142.86%
Net Asset Value per unit (\$)	23.68	20.85	19.41
Closing market price (\$)	23.74	20.86	19.39
Unhedged Class A - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	1,401,100	813,752	1,707,992
Number of units outstanding ⁴	61,331	39,909	88,858
Management expense ratio excluding proportion of expenses from underlying investment funds ⁵	1.72%	1.78%	1.78%
Management expense ratio ^{6,9}	1.73%	1.79%	1.81%
Trading expense ratio ⁷	0.12%	0.25%	0.43%
Portfolio turnover rate ⁸	55.15%	105.66%	142.86%
Net Asset Value per unit (\$)	22.85	20.39	19.22
Unhedged Class F - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	4,062,760	8,202,038	6,163,102
Number of units outstanding ⁴	171,110	392,979	317,335
Management expense ratio excluding proportion of expenses from underlying investment funds ⁵	0.54%	0.65%	0.68%
Management expense ratio ^{6,9}	0.55%	0.66%	0.71%
Trading expense ratio ⁷	0.12%	0.25%	0.43%
Portfolio turnover rate ⁸	55.15%	105.66%	142.86%
Net Asset Value per unit (\$)	23.74	20.87	19.42

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

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

For the periods ended:	December 31, 2025	December 31, 2024	December 31, 2023
Unhedged Class H - Ratios/Supplemental Data			
Total Net Asset Value (\$) ⁴	70,356,708	36,780,573	5,145,787
Number of units outstanding ⁴	2,853,014	1,725,851	260,393
Management expense ratio excluding proportion of expenses from underlying investment funds ⁵	0.47%	0.48%	0.50%
Management expense ratio ^{6,9}	0.48%	0.49%	0.53%
Trading expense ratio ⁷	0.12%	0.25%	0.43%
Portfolio turnover rate ⁸	55.15%	105.66%	142.86%
Net Asset Value per unit (\$)	24.66	21.31	19.76

4 This information is provided as at December 31, 2025, 2024, and 2023.

5 Management expense ratio excluding proportion of expenses from underlying investment funds 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.

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.

9 The Fund's MER includes an estimated proportion of the MER for any underlying investment funds held in the Fund's portfolio during the period.

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.

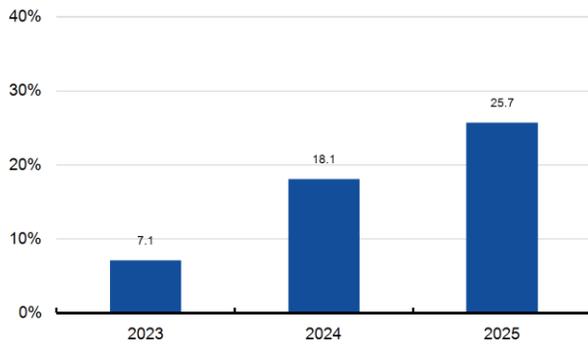
Year-by-Year Returns

The bar chart below shows the Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units' performance for each of the financial years shown. 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.

Evolve S&P/TSX 60 Enhanced Yield Fund

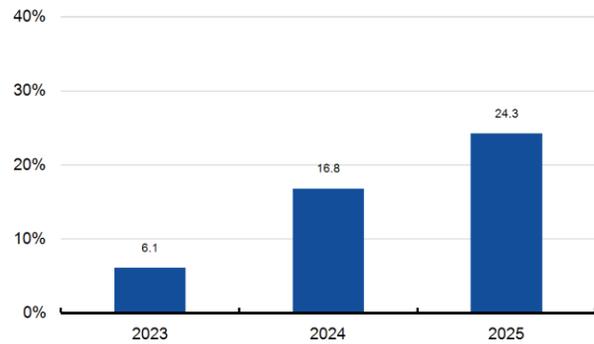
December 31, 2025

ETSX Unhedged ETF Units¹



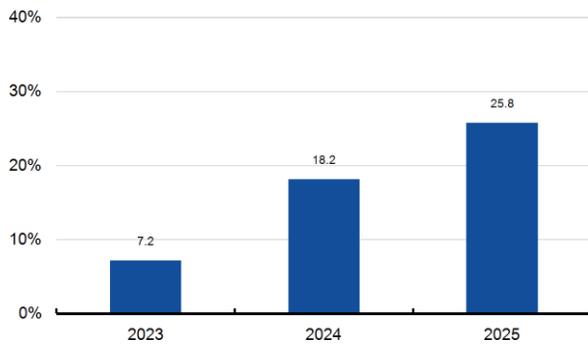
1 The Unhedged ETF Units of the Fund effectively began operations on January 9, 2023

Unhedged Class A Mutual Fund Units²



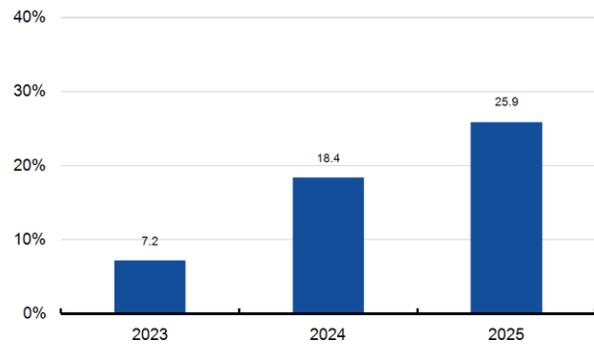
2 The Unhedged Class A Mutual Fund Units of the Fund effectively began operations on January 9, 2023.

Unhedged Class F Mutual Fund Units³



3 The Unhedged Class F Mutual Fund Units of the Fund effectively began operations on January 9, 2023.

Unhedged Class H Mutual Fund Units⁴



4 The Unhedged Class H Mutual Fund Units of the Fund effectively began operations on January 9, 2023.

Annual Compound Return

The table below shows the historical annual compound total return of the Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units. The returns are for the period ended December 31, 2025. The difference in performance of the Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units relative to the Index can be attributed primarily to management and administration fees plus applicable sales taxes, and to portfolio trading. Furthermore, the difference in performance of the Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units relative to the Index can also be attributed to the implementation of the call writing strategy where the Fund tends to outperform in flat or down markets and underperform during sharp market advances. This performance difference can be seen over the period the calls are written, typically with one to two months to expiry, and then resets when new option positions are established.

	Since Inception ¹ (%)	1 Year (%)
Unhedged ETF Units	16.9	25.7
S&P/TSX 60 Index ²	19.7	29.1
Unhedged Class A Mutual Fund Units	15.6	24.3
S&P/TSX 60 Index ²	19.7	29.1
Unhedged Class F Mutual Fund Units	16.9	25.8
S&P/TSX 60 Index ²	19.7	29.1

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

	Since Inception ¹ (%)	1 Year (%)
Unhedged Class H Mutual Fund Units	17.0	25.9
S&P/TSX 60 Index ²	19.7	29.1

- 1 From inception date of January 9, 2023 for the Unhedged ETF Units and the Unhedged Class A, F, and H Mutual Fund Units.
- 2 The Index is a capitalization-weighted index. It consists of 60 of the largest and most liquid stocks listed on the Toronto Stock Exchange (TSX). They are usually domestic or multinational industry leaders.

Summary of Investment Portfolio

Top 25 Positions

	Percentage of Net Asset Value (%)
Security	
Royal Bank of Canada	8.4
Shopify Inc., Class 'A'	6.8
Global X S&P/TSX 60 Index ETF	6.3
The Toronto-Dominion Bank	5.6
Enbridge Inc.	3.7
Brookfield Corporation	3.5
Bank of Montreal	3.3
The Bank of Nova Scotia	3.2
Canadian Imperial Bank of Commerce	3.0
Agnico Eagle Mines Limited	2.9
Barrick Mining Corporation	2.5
Canadian Natural Resources Limited	2.5
Canadian Pacific Kansas City Limited	2.4
Manulife Financial Corporation	2.2
TC Energy Corporation	2.0
Canadian National Railway Company	2.0
Suncor Energy Inc.	1.9
Wheaton Precious Metals Corporation	1.8
National Bank of Canada	1.7
Constellation Software Inc.	1.7
Waste Connections Inc.	1.6
Alimentation Couche-Tard Inc.	1.5
Dollarama Inc.	1.4
Franco-Nevada Corporation	1.4
Cameco Corporation	1.4
Total	74.7

Evolve S&P/TSX 60 Enhanced Yield Fund

December 31, 2025

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Equities	
Communication Services	2.0
Consumer Discretionary	3.4
Consumer Staples	3.6
Energy	14.1
ETFs - Canadian Equity	6.3
Financials	36.5
Industrials	7.7
Information Technology	10.5
Materials	12.7
Real Estate	0.2
Utilities	2.5
Derivative Liabilities	(0.2)
Cash and Cash Equivalents	1.2
Other Assets, less Liabilities	(0.5)
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 S&P/TSX 60 Enhanced Yield Fund