Evolve Active Core Fixed Income 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 Active Core Fixed Income Fund (the "Fund") seeks to provide a stable rate of return, primarily through income, and to a lesser extent, capital appreciation. The Fund invests primarily in domestic and international high quality fixed income securities, and to a lesser extent, adding yield or enhancing returns on the portfolio by opportunistically investing in international fixed income securities, emerging market debt, preferred shares, convertible bonds and non-investment grade bonds.

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 six-month period ended June 30, 2025, Unhedged ETF Units returned 1.6%. The Unhedged Class A Mutual Fund Units returned 1.2% and the Unhedged Class F Mutual Fund Units returned 1.6%. The Fund's net assets were $6.9MM as at June 30, 2025.

For the six-month period ended June 30, 2025, the Fund generated an increase (decrease) in net assets attributable to holders of redeemable units from operations of $136,670. This compares to $460,615 for the year ended December 31, 2024. The Fund distributed $136,863 to unitholders during the period (2024 - $361,760). The decision to make distributions exceeding earnings was made by Evolve Funds Group Inc. (the "Manager"), due to the following factors:

The Funds’ Declaration of Trust requires that sufficient amounts be paid or made payable each year so that the Funds are not liable for any non-refundable income tax under Part I of the Tax Act.

Amounts included in the calculation of the Fund’s net income and net realized capital gains for a taxation year may encompass amounts that have not yet been received by the Fund.

The Manager believes that maintaining regular and stable distributions is vital to meet unitholder expectations and retain investor confidence. Consequently, distribution rates are only adjusted in response to material changes.

The Manager believes that a full business cycle is required for a comprehensive evaluation of results.

The Manager holds a strong conviction in the Fund's investment objective and its future growth prospects.

Portfolio Manager Commentary

The first half of 2025 was shaped by persistent macroeconomic uncertainty and increasingly unpredictable policy signals. Global markets contended with a series of dislocations tied to trade dynamics, political developments, and shifting monetary policy expectations. In particular, tariff announcements from the U.S. government introduced new volatility into risk assets, as investors attempted to gauge their scope, duration, and downstream economic impact. The unveiling of the U.S. administration’s “big, beautiful bill” and Moody’s downgrade of U.S. Treasury debt added further fiscal concerns to the backdrop, prompting a renewed focus on sovereign credit risk.

Geopolitical tensions also escalated, most notably in the Middle East, where conflict contributed to broader volatility across asset classes. These risks fed into a complex macro environment in which traditional correlations and risk frameworks proved less reliable. While equities recovered some ground following April’s initial sell-off, fixed income markets were more directly impacted by rising sovereign yields and deteriorating credit fundamentals.

Longer-duration government bonds experienced notable price pressure as investors repriced deficits and questioned central bank independence. This resulted in negative total returns across much of the fixed income spectrum, with long-duration and rate-sensitive sectors faring the worst. Even credit-heavy and shorter-duration segments struggled to deliver positive performance in the face of rising yields and widening bid-offer spreads.

Despite this challenging environment, certain areas of the credit market demonstrated resilience. Corporate and provincial bond spreads generally tightened in the latter part of the half, aided by stabilizing equity markets and signs that the tariff regime may be less punitive than initially feared. Strong demand met elevated Canadian corporate issuance, with long-dated corporate bonds supported by large-scale buybacks that reduced net supply. Total issuance reached $76 billion year-to-date by the end of June.

Portfolio positioning emphasized capital preservation and high credit quality throughout the period. Duration was kept near the lower end of the target range, reflecting reduced conviction in government bonds as reliable hedging instruments. Selective additions were made to investment grade and securitized credit, with a focus on liquidity, structural protection, and issuer fundamentals. Limited cash balances and unattractive offerings during periods of dislocation helped avoid exposure to low-conviction names.

Source: Addenda Capital

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 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 and 1.20% of the net asset value of the Unhedged Class A Mutual Fund Units of the Fund, accrued daily and generally paid monthly in arrears. For the six-month period ended June 30, 2025, the Fund incurred $16,057 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 $6,313 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 Active Core Fixed Income Fund

June 30, 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 Unit[1]

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	**18.12**	17.82	17.24	20.45	20.91	19.75
Increase (decrease) from operations:						
Total revenue	**0.36**	0.67	0.71	0.63	0.64	0.71
Total expenses	**(0.06)**	(0.11)	(0.10)	(0.10)	(0.11)	(0.11)
Realized gains (losses)	**0.05**	(0.14)	(1.08)	(1.73)	(0.37)	0.56
Unrealized gains (losses)	**(0.02)**	0.41	1.69	(1.76)	(0.06)	0.22
Total increase (decrease) from operations[2]	**0.33**	**0.83**	**1.22**	**(2.96)**	**0.10**	**1.38**
Distributions:						
From income (excluding dividends)	**(0.33)**	(0.50)	(0.50)	(0.44)	(0.38)	(0.47)
From dividends	**-**	(0.05)	(0.11)	(0.10)	(0.15)	(0.15)
Return of capital	**-**	(0.11)	(0.05)	(0.12)	(0.13)	(0.04)
Total annual distributions[3]	**(0.33)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.66)**
Net Assets per Unit, end of period	**18.08**	**18.12**	**17.82**	**17.24**	**20.45**	**20.91**
Unhedged Class A - Net Assets per Unit						
Net Assets per Unit, beginning of period	**17.83**	17.70	17.27	20.64	21.27	20.09
Increase (decrease) from operations:						
Total revenue	**0.36**	0.67	0.72	0.62	0.65	0.63
Total expenses	**(0.12)**	(0.27)	(0.25)	(0.25)	(0.28)	(0.28)
Realized gains (losses)	**-**	(0.14)	(1.09)	(1.73)	(0.36)	0.08
Unrealized gains (losses)	**0.12**	0.52	1.73	(1.81)	(0.13)	1.85
Total increase (decrease) from operations[2]	**0.36**	**0.78**	**1.11**	**(3.17)**	**(0.12)**	**2.28**
Distributions:						
From income (excluding dividends)	**(0.33)**	(0.32)	(0.39)	(0.34)	(0.33)	(0.30)
From dividends	**-**	(0.03)	(0.09)	(0.08)	(0.13)	(0.09)
Return of capital	**-**	(0.31)	(0.18)	(0.24)	(0.20)	-
Total annual distributions[3]	**(0.33)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.39)**
Net Assets per Unit, end of period	**17.72**	**17.83**	**17.70**	**17.27**	**20.64**	**21.27**

Evolve Active Core Fixed Income Fund

June 30, 2025

The Fund's Net Assets Per Unit[1] (cont'd)

For the periods ended:	**June 30, 2025 ($)**	December 31, 2024 ($)	December 31, 2023 ($)	December 31, 2022 ($)	December 31, 2021 ($)	December 31, 2020 ($)
Unhedged Class F - Net Assets per Unit						
Net Assets per Unit, beginning of period	**18.74**	18.41	17.79	21.07	21.54	20.26
Increase (decrease) from operations:						
Total revenue	**0.37**	0.70	0.74	0.64	0.64	0.70
Total expenses	**(0.06)**	(0.12)	(0.11)	(0.10)	(0.11)	(0.13)
Realized gains (losses)	**0.05**	(0.15)	(1.16)	(1.74)	(0.18)	0.23
Unrealized gains (losses)	**(0.06)**	0.52	1.73	(1.39)	(0.08)	1.14
Total increase (decrease) from operations[2]	**0.30**	**0.95**	**1.20**	**(2.59)**	**0.27**	**1.94**
Distributions:						
From income (excluding dividends)	**(0.33)**	(0.54)	(0.52)	(0.48)	(0.35)	(0.30)
From dividends	**-**	(0.05)	(0.12)	(0.11)	(0.13)	(0.09)
Return of capital	**-**	(0.07)	(0.02)	(0.07)	(0.18)	-
Total annual distributions[3]	**(0.33)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.66)**	**(0.39)**
Net Assets per Unit, end of period	**18.72**	**18.74**	**18.41**	**17.79**	**21.07**	**21.54**

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 Unhedged ETF Units effectively began operations on March 28, 2018 and the Unhedged Class A and F Mutual Fund Units effectively began operations on June 4, 2019.

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

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 ($)[4]	**5,967,540**	7,791,004	9,445,023	10,428,966	22,492,306	16,207,407
Number of units outstanding[4]	**330,000**	430,000	530,000	605,000	1,100,000	775,000
Management expense ratio excluding underlying fund expenses[5]	**0.58%**	0.62%	0.60%	0.51%	0.50%	0.55%
Management expense ratio[6]	**0.68%**	0.70%	0.68%	0.68%	0.70%	0.71%
Trading expense ratio[7]	**0.05%**	0.02%	0.00%	0.03%	0.03%	0.02%
Portfolio turnover rate[8]	**67.45%**	98.64%	58.74%	105.36%	134.05%	86.86%
Net Asset Value per unit ($)	**18.08**	18.12	17.82	17.24	20.45	20.91
Closing market price ($)	**18.10**	18.13	17.73	17.25	20.43	20.81
Unhedged Class A - Ratios/Supplemental Data						
Total Net Asset Value ($)[4]	**164,440**	63,422	69,248	65,013	97,975	77,699
Number of units outstanding[4]	**9,278**	3,557	3,912	3,765	4,748	3,653
Management expense ratio excluding underlying fund expenses[5]	**1.37%**	1.51%	1.44%	1.31%	1.30%	1.34%
Management expense ratio[6]	**1.47%**	1.58%	1.52%	1.47%	1.51%	1.54%
Trading expense ratio[7]	**0.05%**	0.02%	0.00%	0.03%	0.03%	0.02%
Portfolio turnover rate[8]	**67.45%**	98.64%	58.74%	105.36%	134.05%	86.86%
Net Asset Value per unit ($)	**17.72**	17.83	17.70	17.27	20.64	21.27

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
Unhedged Class F - Ratios/Supplemental Data						
Total Net Asset Value ($)[4]	**768,893**	772,016	931,639	1,501,481	3,964,783	304,424
Number of units outstanding[4]	**41,075**	41,192	50,605	84,422	188,134	14,131
Management expense ratio excluding underlying fund expenses[5]	**0.56%**	0.62%	0.60%	0.52%	0.51%	0.60%
Management expense ratio[6]	**0.66%**	0.69%	0.68%	0.68%	0.70%	0.80%
Trading expense ratio[7]	**0.05%**	0.02%	0.00%	0.03%	0.03%	0.02%
Portfolio turnover rate[8]	**67.45%**	98.64%	58.74%	105.36%	134.05%	86.86%
Net Asset Value per unit ($)	**18.72**	18.74	18.41	17.79	21.07	21.54

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

5 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.

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.

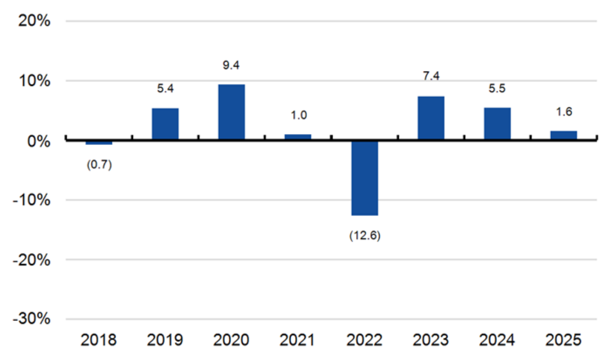
Year-by-Year Returns

The bar chart below shows the Unhedged ETF Units' and the Unhedged Class A and F Mutual Fund 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.

Evolve Active Core Fixed Income Fund

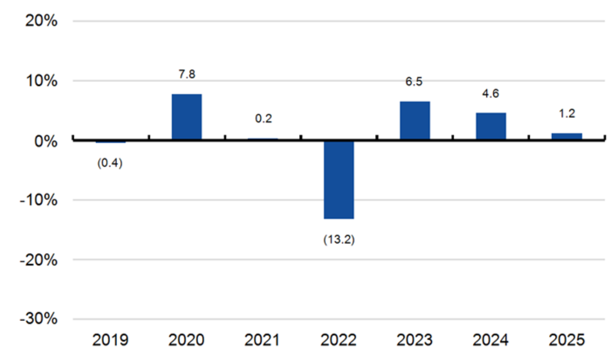
June 30, 2025

FIXD Unhedged ETF Units[1]



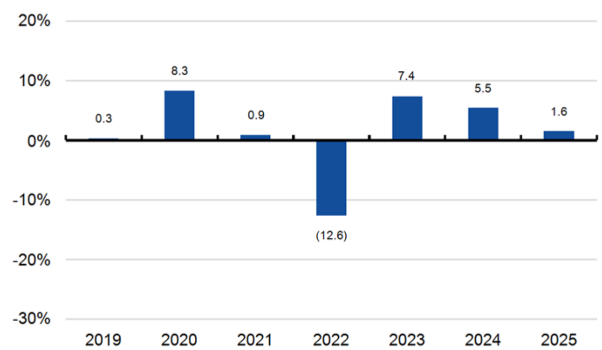
1 The Unhedged ETF Units of the Fund effectively began operations on March 28, 2018.

Unhedged Class A Mutual Fund Units[2]



2 The Unhedged Class A Mutual Fund Units of the Fund effectively began operations on June 4, 2019.

Unhedged Class F Mutual Fund Units[3]



3 The Unhedged Class F Mutual Fund Units of the Fund effectively began operations on June 4, 2019.

Summary of Investment Portfolio

Top 25 Positions

Security	Percentage of Net Asset Value (%)
Evolve Active Global Fixed Income Fund	13.4
Province of Quebec, 4.40% due December 1, 2055	5.1
Royal Office Finance Limited Partnership, Series 'A', 5.209% due November 12, 2032	4.9
The Hospital for Sick Children, Series 'A', 5.217% due December 16, 2049	3.8
Government of Canada, 3.250% due June 1, 2035	3.7
Sollio Cooperative Group, 6.00% due July 3, 2030	3.4
Government of Canada, 3.50% due March 1, 2034	3.0
Government of Canada, 2.75% due December 1, 2055	2.6
The 55 Ontario School Board Trust, Series 'A', 5.90% due June 2, 2033	2.5
Government of Canada, 2.75% due March 1, 2030	2.4

Evolve Active Core Fixed Income Fund

June 30, 2025

Top 25 Positions (cont'd)

Security	Percentage of Net Asset Value (%)
Province of Ontario, 1.35% due December 2, 2030	2.4
Enbridge Southern Lights Limited Partnership, 4.014% due June 30, 2040	2.3
Canada Housing Trust No. 1, 3.45% due March 15, 2035	2.0
Keyera Corporation, Callable, 3.959% due May 29, 2030	1.8
University of Ontario Institute of Technology, Series 'A', 6.351% due October 15, 2034	1.8
National Bank of Canada, Variable, Callable, 4.05% due August 15, 2081	1.7
TransCanada Trust, Series '17-B', Variable, Callable, 4.65% due May 18, 2077	1.7
Calgary Airport Authority, Series 'C', Callable, 3.454% due October 7, 2041	1.6
Gibson Energy Inc., Series '20-A', Variable, Callable, 5.25% due December 22, 2080	1.6
Canada Housing Trust No. 1, Series '126', 2.85% due June 15, 2030	1.6
Province of Ontario, 2.90% due June 2, 2049	1.6
Province of British Columbia, 2.80% due June 18, 2048	1.5
Manulife Financial Corporation, Variable, Callable, 7.117% due June 19, 2082	1.5
Sienna Senior Living Inc., Series 'C', Callable, 2.82% due March 31, 2027	1.4
Heavy Metal Equipment & Rentals, Callable, 7.25% due February 26, 2030	1.4
Total	**70.7**

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Debt Instruments	
Asset-Backed Securities	1.0
Communication Services	1.6
Consumer Discretionary	4.3
Consumer Staples	3.4
Energy	11.4
Financials	12.6
Government	41.0
Health Care	5.3
Industrials	2.5
Utilities	2.3
Equities	
ETFs - International Fixed Income	13.4
Cash and Cash Equivalents	1.1
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.

Evolve Active Core Fixed Income Fund