Evolve European Banks Enhanced Yield ETF

June 30, 2026

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.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 European Banks Enhanced Yield ETF

June 30, 2026

Investment Objective and Strategies

The Evolve European Banks Enhanced Yield ETF (the "Fund") seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto, while mitigating downside risk. The Fund invests primarily in the equity constituents of the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto, while writing covered call options on up to 33% of the portfolio securities, 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 six-month period ended June 30, 2026, the Unhedged ETF Units returned 12.0% versus the Solactive European Bank Top 20 Equal Weight Index (the "Index") return of 15.2%. The Hedged ETF Units returned 11.3% versus the Index return of 15.2%. The US Dollar Unhedged ETF Units returned 8.4% versus the Index return of 15.2%. Since the Hedged Class A and F Mutual Fund Units of the Fund effectively began operations on August 7, 2025, no performance data can be shown. The Fund's net assets were $145.0MM as at June 30, 2026.

Portfolio Manager Commentary

Over the first half of 2026, the European banking sector was shaped by strong first-quarter earnings,[1] capital returns to shareholders,[2] a shift in European Central Bank policy,[3] and bank consolidation.[4]

First-quarter results were strong. Profitability across the sector reached its highest level since 2007, helped by steady income from lending and growing fee income. Banks increased their provisions for potential loan losses from a year earlier, though this increase was from a low base and reflected a more cautious economic outlook. Their direct exposure to the conflict in the Middle East also remained small.[1]

Profitability funded capital returns. Banco Santander, for one, began a buyback program of up to 5 billion euros in February. It formed part of a wider plan to return at least 10 billion euros to shareholders through buybacks against the bank's 2025 and 2026 results. Santander also raised its dividend 14% from the prior year.[2]

Monetary policy then changed course. In early June, the European Central Bank raised its main deposit rate to 2.25%, its first increase since 2023. The move came as the conflict in the Middle East pushed energy prices higher and lifted eurozone inflation to its highest level in nearly three years, even as the region's economy contracted in the first quarter.[3]

Consolidation continued across the sector, including across borders. In March, Italy's UniCredit launched a voluntary exchange offer for Germany's Commerzbank, building on a stake of close to 30% it had assembled through a direct holding and derivative positions.[4]

Entering the second half of the year, the European banking sector is supported by its strongest profitability in years,[1] and the capital strength to keep rewarding shareholders through dividends and buybacks.[2] With the European Central Bank now raising rates,[3] and consolidation under way,[4] the sector remains well-positioned for the second half of 2026.

Performance Attribution

For the six-month period ending June 30, 2026, Banco Santander SA made the biggest contribution to the Fund, followed by CaixaBank SA. By weight, the Fund's largest holdings were Erste Group Bank AG, Natwest Group PLC, and Banco Bilbao Vizcaya Argentaria SA.

The Fund writes covered call options on up to 33% of the portfolio. The overlay is designed to enhance yield and reduce the Fund's volatility.

(1) https://blog.twentyfouram.com/insights/european-bank-results-show-little-impact-from-middle-east-conflict

(2) https://blog.twentyfouram.com/insights/european-bank-results-show-little-impact-from-middle-east-conflict

(3) https://www.euronews.com/business/2026/06/11/ecb-raises-interest-rates-for-the-first-time-in-three-years-as-iran-war-fuels-inflation

(4) https://www.unicreditgroup.eu/en/press-media/press-releases-price-sensitive/2026/march/press-release.html

Recent Developments

In 2026, global financial markets have continued to navigate an environment characterized by elevated geopolitical risk, evolving trade policy, and shifting expectations for monetary policy. The ongoing military conflict between the United States and Iran has heightened geopolitical uncertainty, disrupting energy supplies and shipping routes and contributing to significant volatility in commodity and financial markets. At the same time, trade measures and related negotiations among major economies remain subject to change in scope and duration, while central banks continue to weigh inflation dynamics against the need to support economic growth. Together, these developments have contributed to periodic volatility across asset classes, particularly in sectors sensitive to energy prices, interest rates, currency movements, and global supply chains. The ultimate course and impact of these developments remain uncertain, and accordingly, the potential financial implications for investments cannot be reliably determined 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 0.60% 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, 2026, the Fund incurred $472,118 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, 2026, the Fund incurred $117,412 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 European Banks Enhanced Yield ETF

June 30, 2026

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, 2026 ($)	December 31, 2025 ($)	December 31, 2024 ($)	December 31, 2023 ($)	December 31, 2022 ($)
Unhedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	**16.64**	10.76	9.53	8.44	10.00
Increase (decrease) from operations:					
Total revenue	**0.54**	0.65	0.74	0.54	0.53
Total expenses	**(0.17)**	(0.31)	(0.25)	(0.21)	(0.21)
Realized gains (losses)	**0.56**	(0.26)	1.36	0.39	(1.00)
Unrealized gains (losses)	**0.17**	7.11	0.58	1.06	0.02
Total increase (decrease) from operations[2]	**1.10**	**7.19**	**2.43**	**1.78**	**(0.66)**
Distributions:					
From income (excluding dividends)	**(0.87)**	-	-	-	-
From dividends	**-**	(0.40)	(0.54)	(0.48)	(0.49)
Return of capital	**-**	(1.34)	(0.86)	(0.24)	(0.17)
Total annual distributions[3]	**(0.87)**	**(1.74)**	**(1.40)**	**(0.72)**	**(0.66)**
Net Assets per Unit, end of period	**17.70**	**16.64**	**10.76**	**9.53**	**8.44**
Hedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	**15.80**	11.07	9.86	8.73	10.00
Increase (decrease) from operations:					
Total revenue	**0.59**	0.60	0.70	0.57	0.56
Total expenses	**(0.18)**	(0.30)	(0.22)	(0.22)	(0.22)
Realized gains (losses)	**0.42**	(0.85)	1.24	0.33	(0.78)
Unrealized gains (losses)	**0.87**	6.77	0.65	0.62	0.03
Total increase (decrease) from operations[2]	**1.70**	**6.22**	**2.37**	**1.30**	**(0.41)**
Distributions:					
From income (excluding dividends)	**(0.87)**	-	-	-	-
From dividends	**-**	(0.36)	(0.48)	(0.14)	(0.29)
Return of capital	**-**	(1.38)	(0.92)	(0.58)	(0.37)
Total annual distributions[3]	**(0.87)**	**(1.74)**	**(1.40)**	**(0.72)**	**(0.66)**
Net Assets per Unit, end of period	**16.64**	**15.80**	**11.07**	**9.86**	**8.73**
US Dollar Unhedged ETF Units - Net Assets per Unit[4]					
Net Assets per Unit, beginning of period	**20.40**	13.42	12.03	10.71	12.73
Increase (decrease) from operations:					
Total revenue	**0.74**	0.81	0.98	0.66	0.64
Total expenses	**(0.23)**	(0.39)	(0.33)	(0.27)	(0.26)
Realized gains (losses)	**0.62**	(0.37)	1.54	0.45	(1.22)
Unrealized gains (losses)	**1.18**	8.26	0.92	1.35	(0.36)
Total increase (decrease) from operations[2]	**2.31**	**8.31**	**3.11**	**2.19**	**(1.20)**
Distributions:					
From income (excluding dividends)	**(1.20)**	-	-	-	-
From dividends	**-**	(0.50)	(0.75)	(0.85)	(0.61)
Return of capital	**-**	(1.93)	(1.18)	(0.12)	(0.33)
Total annual distributions[3]	**(1.20)**	**(2.43)**	**(1.93)**	**(0.97)**	**(0.94)**
Net Assets per Unit, end of period	**21.54**	**20.40**	**13.42**	**12.03**	**10.71**

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

For the periods ended:	**June 30, 2026 ($)**	December 31, 2025 ($)	December 31, 2024 ($)	December 31, 2023 ($)	December 31, 2022 ($)
Hedged Class A - Net Assets per Unit					
Net Assets per Unit, beginning of period	**15.76**	14.39	N/A	N/A	N/A
Increase (decrease) from operations:					
Total revenue	**0.61**	0.14	N/A	N/A	N/A
Total expenses	**(0.27)**	(0.23)	N/A	N/A	N/A
Realized gains (losses)	**0.35**	(0.12)	N/A	N/A	N/A
Unrealized gains (losses)	**1.05**	2.50	N/A	N/A	N/A
Total increase (decrease) from operations[2]	**1.74**	**2.29**	**N/A**	**N/A**	**N/A**
Distributions:					
From income (excluding dividends)	**(0.87)**	-	N/A	N/A	N/A
From dividends	**-**	(0.02)	N/A	N/A	N/A
Return of capital	**-**	(0.71)	N/A	N/A	N/A
Total annual distributions[3]	**(0.87)**	**(0.73)**	**N/A**	**N/A**	**N/A**
Net Assets per Unit, end of period	**16.50**	**15.76**	**N/A**	**N/A**	**N/A**
Hedged Class F - Net Assets per Unit					
Net Assets per Unit, beginning of period	**15.91**	14.40	N/A	N/A	N/A
Increase (decrease) from operations:					
Total revenue	**0.59**	0.14	N/A	N/A	N/A
Total expenses	**(0.18)**	(0.16)	N/A	N/A	N/A
Realized gains (losses)	**0.40**	(0.05)	N/A	N/A	N/A
Unrealized gains (losses)	**1.12**	2.27	N/A	N/A	N/A
Total increase (decrease) from operations[2]	**1.93**	**2.20**	**N/A**	**N/A**	**N/A**
Distributions:					
From income (excluding dividends)	**(0.87)**	-	N/A	N/A	N/A
From dividends	**-**	(0.06)	N/A	N/A	N/A
Return of capital	**-**	(0.67)	N/A	N/A	N/A
Total annual distributions[3]	**(0.87)**	**(0.73)**	**N/A**	**N/A**	**N/A**
Net Assets per Unit, end of period	**16.77**	**15.91**	**N/A**	**N/A**	**N/A**

1 This information is derived from the Fund's unaudited interim financial statements as at June 30, 2026, and the audited annual financial statements as at December 31, 2025, 2024, 2023, and 2022. The Hedged, Unhedged, and US Dollar Unhedged ETF Units effectively began operations on January 7, 2022, and the Hedged Class A and F Mutual Fund Units effectively began operations on August 7, 2025.
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, 2026**	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022
Unhedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value ($)[5]	**37,165,697**	42,434,981	4,305,790	5,240,393	7,592,142
Number of units outstanding[5]	**2,100,000**	2,550,000	400,000	550,000	900,000
Management expense ratio[6]	**0.84%**	0.86%	0.84%	0.87%	0.85%
Trading expense ratio[7]	**0.44%**	0.67%	0.84%	0.67%	0.99%
Portfolio turnover rate[8]	**36.85%**	28.68%	133.57%	75.84%	96.36%
Net Asset Value per unit ($)	**17.70**	16.64	10.76	9.53	8.44
Closing market price ($)	**17.76**	16.56	10.77	9.57	8.42

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

For the periods ended:	**June 30, 2026**	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022
Hedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value ($)[5]	**97,807,397**	71,149,223	5,026,540	2,011,714	10,068,781
Number of units outstanding[5]	**5,879,000**	4,504,000	454,000	204,000	1,154,000
Management expense ratio[6]	**0.85%**	0.87%	0.63%	0.87%	0.85%
Trading expense ratio[7]	**0.44%**	0.67%	0.84%	0.67%	0.99%
Portfolio turnover rate[8]	**36.85%**	28.68%	133.57%	75.84%	96.36%
Net Asset Value per unit ($)	**16.64**	15.80	11.07	9.86	8.73
Closing market price ($)	**16.74**	15.75	11.08	9.88	8.71
US Dollar Unhedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value ($)[5]	**7,540,660**	7,648,709	671,035	1,624,268	1,981,682
Number of units outstanding[5]	**350,000**	375,000	50,000	135,000	185,000
Management expense ratio[6]	**0.87%**	0.87%	0.86%	0.90%	0.84%
Trading expense ratio[7]	**0.44%**	0.67%	0.84%	0.67%	0.99%
Portfolio turnover rate[8]	**36.85%**	28.68%	133.57%	75.84%	96.36%
Net Asset Value per unit ($)	**21.54**	20.40	13.42	12.03	10.71
Closing market price ($)	**21.53**	20.16	13.40	12.10	10.63
Hedged Class A - Ratios/Supplemental Data					
Total Net Asset Value ($)[5]	**562,011**	325,584	N/A	N/A	N/A
Number of units outstanding[5]	**34,065**	20,660	N/A	N/A	N/A
Management expense ratio[6]	**1.99%**	1.96%	N/A	N/A	N/A
Trading expense ratio[7]	**0.44%**	0.67%	N/A	N/A	N/A
Portfolio turnover rate[8]	**36.85%**	28.68%	N/A	N/A	N/A
Net Asset Value per unit ($)	**16.50**	15.76	N/A	N/A	N/A
Hedged Class F - Ratios/Supplemental Data					
Total Net Asset Value ($)[5]	**1,963,533**	1,165,412	N/A	N/A	N/A
Number of units outstanding[5]	**117,074**	73,234	N/A	N/A	N/A
Management expense ratio[6]	**0.86%**	0.84%	N/A	N/A	N/A
Trading expense ratio[7]	**0.44%**	0.67%	N/A	N/A	N/A
Portfolio turnover rate[8]	**36.85%**	28.68%	N/A	N/A	N/A
Net Asset Value per unit ($)	**16.77**	15.91	N/A	N/A	N/A

5 This information is provided as at June 30, 2026, and December 31, 2025, 2024, 2023, and 2022.

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.

Since the Hedged Class A and F Mutual Fund Units of the Fund have been reporting issuers for less than one year, with inception date August 7, 2025, providing performance data for the period is not permitted.

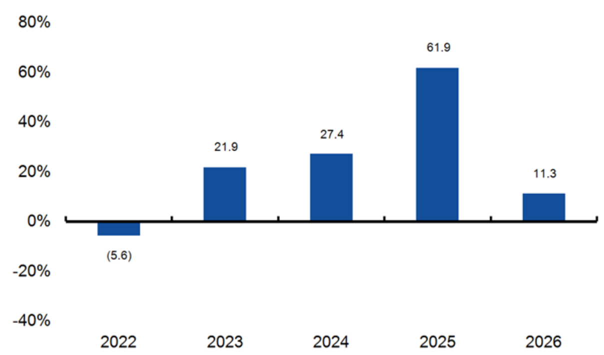
Evolve European Banks Enhanced Yield ETF

June 30, 2026

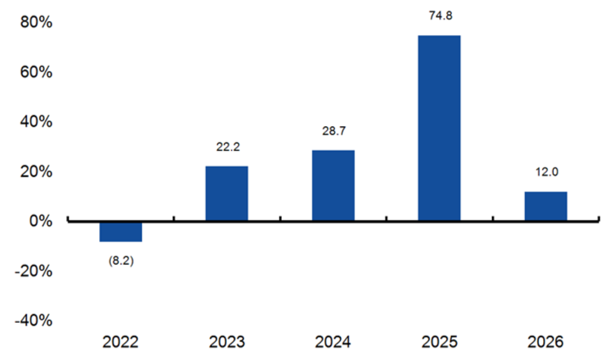
Year-by-Year Returns

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, 2026. 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.

EBNK Hedged ETF Units[1]



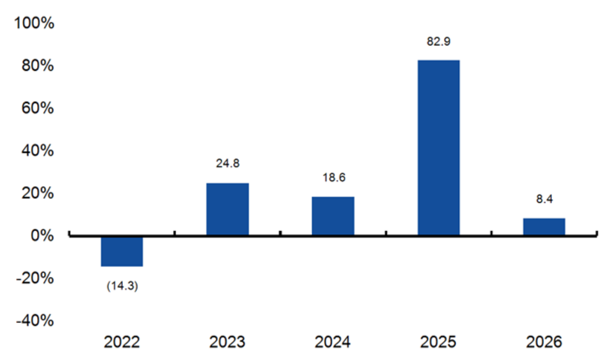
EBNK/B Unhedged ETF Units[2]



1 The Hedged ETF Units of the Fund effectively began operations on January 7, 2022.

2 The Unhedged ETF Units of the Fund effectively began operations on January 7, 2022.

EBNK/U US Dollar Unhedged ETF Units[3]



3 The US Dollar Unhedged ETF Units of the Fund effectively began operations on January 7, 2022. Returns presented based on NAV equivalent in USD.

Summary of Investment Portfolio

All Positions

Security	Percentage of Net Asset Value (%)
Erste Group Bank AG	5.7
NatWest Group PLC	5.3
Banco Bilbao Vizcaya Argentaria SA	5.3
Banco Santander SA	5.2

All Positions (cont'd)

Security	Percentage of Net Asset Value (%)
CaixaBank SA	5.2
Lloyds Banking Group PLC	5.1
UniCredit SpA	5.1
Societe Generale SA	5.1
BNP Paribas SA	5.0
ING Groep NV	5.0
Swedbank AB, Class 'A'	4.9
Danske Bank A/S	4.9
Standard Chartered PLC	4.9
HSBC Holdings PLC	4.9
Nordea Bank Abp	4.7
KBC Group NV	4.7
Credit Agricole SA	4.6
DNB Bank ASA	4.6
Commerzbank AG	4.6
Intesa Sanpaolo SpA	4.6
Total	**99.4**

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Equities	
Financials	99.4
Derivative Assets	0.1
Derivative Liabilities	(0.6)
Cash and Cash Equivalents	1.3
Other Assets, less Liabilities	(0.2)
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 ETFs

Evolve European Banks Enhanced Yield ETF