Evolve Canadian Energy Enhanced Yield Index Fund

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.

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Investment Objective and Strategies

The Evolve Canadian Utilities Enhanced Yield Index Fund (the "Fund") seeks to replicate, to the extent reasonably possible before fees and expenses, up to a 1.25 times multiple of the performance of the Solactive Canada Utility Index, or any successor thereto, while mitigating downside risk. The Fund invests primarily in the equity constituents of the Index. To enhance yield, as well as to mitigate risk and reduce volatility, the Fund will employ a covered call option writing program at the discretion of the Manager.

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 22.5% versus the Solactive Canada Energy Top 10 Index return of 23.6%. The Unhedged Class A Mutual Fund Units returned 21.8% and the Unhedged Class F Mutual Fund Units returned 22.5% versus the Solactive Canada Energy Top 10 Index return of 23.6%. The Fund's net assets were $32.6MM as at June 30, 2026.

Leverage

The table below shows the minimum and maximum leverage levels of the Fund for the year ended December 31, 2025, as well as the leverage at the end of the reporting period and as a percentage of the Fund's net assets.

The Fund is classified as an "alternative mutual fund' as defined in National Instrument 81 102, Investment Funds ("NI 81 102"). As an alternative mutual fund, the Fund is permitted to lever its assets per the restrictions outlined in NI 81 102. The Fund currently anticipates achieving its investment objectives and creating leverage through the use of cash borrowing. The maximum aggregate exposure of the funds to cash borrowing will not exceed approximately 25% of NAV. In order to ensure that unitholders' risk is limited to the capital invested, the funds' leverage will be rebalanced back to 25% of the funds' NAV within two business days of the funds' leverage exceeding 2% above its target leverage ratio of 25% of NAV.

Leverage Calculation (Investments Market Value/Net Asset Value)

Period Ended	Minimum Leverage	Maximum Leverage	Leverage at the end of the Reporting Period	Percentage of Net Asset Value (%)
June 30, 2026	1.205 : 1	1.255 : 1	1.251 : 1	125.1
December 31, 2025	1.202 : 1	1.291 : 1	1.238 : 1	123.8

Portfolio Manager Commentary

The Canadian energy sector moved through the first half of 2026 against a backdrop of conflict-driven swings in the price of oil, rising demand for Canadian crude, and a volatile discount on Western Canadian heavy oil.

Crude oil prices were volatile throughout the first half of 2026. War between the United States and Iran broke out in late February, and seaborne crude was largely prevented from passing through the Strait of Hormuz. The shipping lane carried roughly 20% of global energy supply before the conflict.[1] Prices rose sharply in the weeks that followed, then gave back much of that gain through May as the United States and Iran moved toward a ceasefire. Brent crude fell almost 19% in May, its weakest month since the onset of the COVID-19 pandemic.[1]

Uncertainty in global crude markets and the blockage at Hormuz increased appetite for Canadian oil among Asian buyers. By June the Trans Mountain pipeline was running full at 890,000 barrel per day for the first time since its expansion was completed two years ago.[2] As of the previous summer, the line had been only about 84% full.[2] Canadian output continued to grow, with production in 2026 expected to exceed the prior year's record of 5.3 million barrels per day.[2]

The discount on Western Canadian crude moved in step with the swings in global oil prices. The gap between Western Canadian Select and West Texas Intermediate had been volatile since the start of the United States-Iran conflict, and it compressed as WTI came down from its earlier highs. In early June, WCS for July delivery settled at US$11.90 a barrel below the U.S. benchmark WTI.[3]

Evolve Canadian Energy Enhanced Yield Index Fund

June 30, 2026

Entering the second half of the year, the Canadian energy sector remains closely tied to the course of Middle East supply and the pace at which the Strait of Hormuz reopens. Firm Asian demand for Canadian crude and a pipeline network running near capacity continue to support the sector's export position through the remainder of 2026.

Performance Attribution

For the six-month period ending June 30, 2026, TC Energy Corporation made the biggest contribution to the Fund, followed by Cenovus Energy Inc. By weight, the Fund's largest holdings were Pembina Pipeline Corporation, TC Energy Corporation, and Enbridge Inc.

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://www.cnbc.com/2026/05/29/oil-prices-iran-ceasefire-us-trump-strait-hormuz-energy-costs.html

(2) https://boereport.com/2026/06/10/trans-mountain-pipeline-in-canada-hits-full-capacity-two-years-after-upgrade/

(3) https://boereport.com/2026/06/10/discount-on-western-canada-select-widens-52/

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 Manager is entitled to an annual management fee of 0.60% of the net asset value of the Unhedged ETF Units and the Unhedged Class F Mutual Fund Units and 1.60% 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, 2026, the Fund incurred $93,109 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 $22,350 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 Unit[1]

For the periods ended:	**June 30, 2026 ($)**	December 31, 2025 ($)
Unhedged ETF Units - Net Assets per Unit		
Net Assets per Unit, beginning of period[2]	**9.25**	9.91
Increase (decrease) from operations:		
Total revenue	**0.27**	0.49
Total expenses	**(0.10)**	(0.16)
Realized gains (losses)	**0.81**	(0.08)
Unrealized gains (losses)	**0.69**	0.92
Total increase (decrease) from operations[3]	**1.67**	**1.17**
Distributions:		
From income (excluding dividends)	**(0.81)**	-
From dividends	**-**	(0.10)
Return of capital	**-**	(0.97)
Total annual distributions[4]	**-**	**(1.07)**
Net Assets per Unit, end of period	**10.52**	**9.25**
Unhedged Class A - Net Assets per Unit		
Net Assets per Unit, beginning of period[2]	**9.21**	8.49
Increase (decrease) from operations:		
Total revenue	**0.26**	0.47
Total expenses	**(0.17)**	(0.23)
Realized gains (losses)	**0.73**	(0.04)
Unrealized gains (losses)	**1.00**	0.43
Total increase (decrease) from operations[3]	**1.82**	**0.63**
Distributions:		
From income (excluding dividends)	**(0.81)**	-
From dividends	**-**	(0.08)
Return of capital	**-**	(0.99)
Total annual distributions[4]	**-**	**(1.07)**
Net Assets per Unit, end of period	**10.41**	**9.21**

Evolve Canadian Energy Enhanced Yield Index Fund

June 30, 2026

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

For the periods ended:	**June 30, 2026 ($)**	December 31, 2025 ($)
Unhedged Class F - Net Assets per Unit		
Net Assets per Unit, beginning of period[2]	**9.28**	8.49
Increase (decrease) from operations:		
Total revenue	**0.27**	0.45
Total expenses	**(0.11)**	(0.15)
Realized gains (losses)	**0.81**	(0.02)
Unrealized gains (losses)	**0.65**	0.71
Total increase (decrease) from operations[3]	**1.62**	**0.99**
Distributions:		
From income (excluding dividends)	**(0.81)**	-
From dividends	**-**	(0.12)
Return of capital	**-**	(0.95)
Total annual distributions[4]	**-**	**(1.07)**
Net Assets per Unit, end of period	**10.56**	**9.28**

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. The Unhedged ETF Units effectively began operations on March 27, 2025, and the Unhedged Class A and F Mutual Fund Units effectively began operations on April 9, 2025.
2 This amount represents the initial launch price.
3 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.
4 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 period ended:	**June 30, 2026**	December 31, 2025
Unhedged ETF Units - Ratios/Supplemental Data		
Total Net Asset Value ($)[5]	**26,837,607**	11,565,350
Number of units outstanding[5]	**2,550,000**	1,250,000
Management expense ratio[6]	**0.82%**	0.86%
Trading expense ratio[7]	**1.09%**	1.37%
Portfolio turnover rate[8]	**69.47%**	32.26%
Net Asset Value per unit ($)	**10.52**	9.25
Closing market price ($)	**10.17**	9.24
Unhedged Class A - Ratios/Supplemental Data		
Total Net Asset Value ($)[5]	**626,983**	402,936
Number of units outstanding[5]	**60,244**	43,757
Management expense ratio[6]	**2.00%**	1.96%
Trading expense ratio[7]	**1.09%**	1.37%
Portfolio turnover rate[8]	**69.47%**	32.26%
Net Asset Value per unit ($)	**10.41**	9.21

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

For the period ended:	**June 30, 2026**	December 31, 2025
Unhedged Class F - Ratios/Supplemental Data		
Total Net Asset Value ($)[5]	**5,125,262**	2,680,922
Number of units outstanding[5]	**485,253**	288,752
Management expense ratio[6]	**0.86%**	0.84%
Trading expense ratio[7]	**1.09%**	1.37%
Portfolio turnover rate[8]	**69.47%**	32.26%
Net Asset Value per unit ($)	**10.56**	9.28

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

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. The trading expense ratio includes the cost of financing.

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.

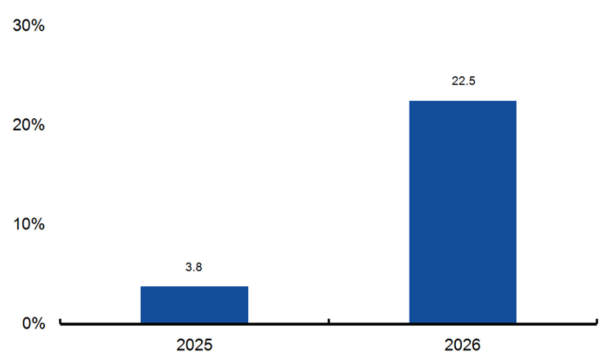
Past Performance

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.

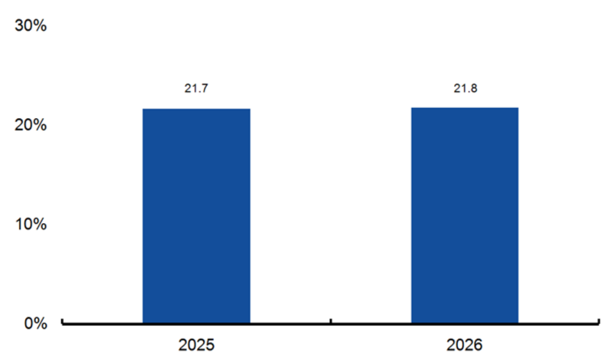
Year-by-Year Returns

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, 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.

OILY Unhedged ETF Units[1]



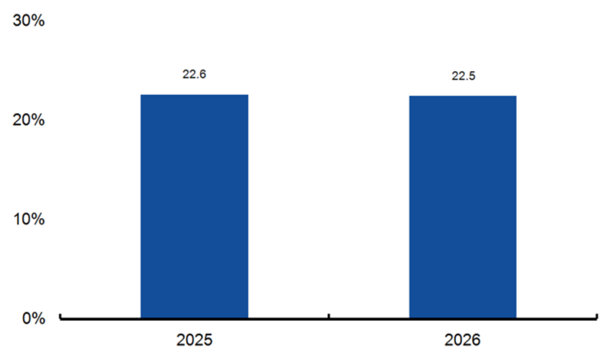
Unhedged Class A Mutual Fund Units[2]



1 The Unhedged ETF Units of the Fund effectively began operations on March 27, 2025.

2 The Unhedged Class A Mutual Fund Units of the Fund effectively began operations on April 9, 2025.

Unhedged Class F Mutual Fund Units[3]



3 The Unhedged Class F Mutual Fund Units of the Fund effectively began operations on April 9, 2025.

Summary of Investment Portfolio

All Positions

Security	Percentage of Net Asset Value (%)
Pembina Pipeline Corporation	14.0
TC Energy Corporation	13.8
Enbridge Inc.	13.6
ARC Resources Limited	12.5
Whitecap Resources Inc.	12.4
Imperial Oil Limited	12.0
Canadian Natural Resources Limited	11.9
Cenovus Energy Inc.	11.8
Tourmaline Oil Corporation	11.7
Suncor Energy Inc.	11.4
Total	**125.1**

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Equities	
Energy	125.1
Derivative Liabilities	(0.3)
Cash and Cash Equivalents	2.3
Other Assets, less Liabilities	(27.1)
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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