

Evolve Future Leadership 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.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 Future Leadership Fund (the "Fund") aims to provide long-term capital growth by investing primarily in a diversified portfolio of equity securities in companies, domestic and international, identified as leaders in sectors poised to benefit from medium- to long-term economic trends. The Manager will use a selection process that combines quantitative techniques, fundamental analysis and risk management. The Manager will also write covered call options on up to 33% of the portfolio securities, at its discretion. The level of covered call option writing may vary based on market conditions.

Risk

Effective August 8, 2025, the risk rating of the Hedged and Unhedged ETF Units of the Fund was changed from "Medium" to "Medium 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 year ended December 31, 2025, the Hedged ETF Units returned 12.3%. The Unhedged ETF Units returned 10.1%. The US Dollar Unhedged ETF Units returned 15.3%. The Fund's net assets were \$25.2MM as at December 31, 2025.

Portfolio Manager Commentary

The Fund delivered strong performance over the year despite a volatile market backdrop. Investor sentiment was heavily influenced by macroeconomic uncertainty, driven largely by policy developments out of Washington. Markets experienced a sharp drawdown in April following the announcement of sweeping reciprocal tariffs by the White House, which triggered a broad risk-off move across equities. Volatility eased as trade rhetoric softened and economic concerns moderated, allowing the portfolio to rebound quickly and finish the year on solid footing.

Technology remained the Fund's largest sector allocation, reflecting its central role in driving market returns and innovation. Semiconductor companies were standout performers in 2025, supported by sustained capital expenditure tied to artificial intelligence (AI) data centres, cloud infrastructure, and advanced computing. Nvidia led the group as demand for high-performance Graphics Processing Units (GPU) continued to outpace supply, reinforcing its dominant position within AI hardware. To broaden exposure across the semiconductor value chain, Broadcom was added to the portfolio, providing diversification across networking, custom silicon, and infrastructure software. We maintain high conviction in these holdings, as they represent the core hardware beneficiaries of the multi-trillion-dollar AI buildout currently underway. Alphabet Inc. also delivered strong performance during the year, driven by accelerating monetization of its Gemini AI model and deeper AI integration across key platforms including Google Search, Chrome, and YouTube. Improved search efficiency, AI-powered ad targeting, and early traction from generative AI features supported revenue growth and operating leverage.

The Fund entered the year underweight healthcare, reflecting expectations for policy-driven headwinds following President Donald Trump's re-election and the appointment of Robert F. Kennedy Jr. as Secretary of Health and Human Services. Healthcare stocks struggled early in the year amid regulatory uncertainty and concerns around drug pricing. As the year progressed, policy clarity improved, with President Donald Trump's Most Favored Nation executive order prompting large pharmaceutical companies to negotiate pricing frameworks rather than face prolonged uncertainty. Investor focus shifted back toward the sector's strong innovation pipeline, including advances in biologics, oncology, and obesity treatments.¹

Traditional financial institutions delivered strong results in 2025, with JPMorgan Chase, Goldman Sachs, and Morgan Stanley reporting record or near-record earnings. Elevated market volatility drove higher trading revenues, while increased deal activity supported investment banking results.² Robinhood Markets was added to the portfolio, reflecting our view that the company has built a differentiated platform focused on low-cost, technology-driven brokerage solutions, with growing engagement across equities, options, and digital assets.

Crypto-exposed holdings Strategy and Coinbase had strong starts to the year, supported by post-election optimism and a constructive digital asset environment. Bitcoin and the broader crypto market reached multiple record highs before reversing later in the year as risk appetite faded. Both Strategy and Coinbase sold off and detracted from returns during the second half, though we continue to hold strong conviction in their long-term prospects and the broader digital asset ecosystem. Circle Internet Group was added following its IPO in the summer, providing exposure to the stablecoin segment of the market. Circle is one of the leading global issuers of regulated stablecoins, a subsector we believe has significant growth potential as digital payments continue to evolve. The passage of the GENIUS Act during the year provided a clearer regulatory framework for stablecoin issuers, benefiting Circle by reinforcing transparency, reserve requirements, and institutional adoption.

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The entertainment sector experienced a pivotal year marked by consolidation, evolving platform strategies, and notable hardware success. Take-Two Interactive benefited from anticipation surrounding the next Grand Theft Auto release, though shares pulled back later in the year after the games release was delayed to November 2026. Console strategies continued to develop, with Microsoft expanding Xbox titles beyond exclusivity and Sony increasing its focus on PC distribution, signalling a shift toward more open ecosystems rather than a decline in console relevance. Consoles remain central to premium gaming, accounting for roughly 23% of global consumer spending. Nintendo stood out by doubling down on exclusivity, with the launch of its Switch 2 becoming the fastest-selling console in history, surpassing 10 million units sold within its first four months.³

Overall, the Fund generated strong performance despite a challenging macroeconomic environment. We remain confident in the portfolio's core holdings and believe the Fund is well positioned heading into 2026 as structural growth themes continue to play out.

Performance Attribution

For the twelve month period ending December 31, 2025, NVIDIA Corporation made the biggest contribution to the Fund, followed by Shopify Inc., Class 'A'. By weight, the Fund's largest holdings were Shopify Inc., Class 'A', Amazon.com Inc., and Microsoft Corporation.

(1) <https://www.blackrock.com/au/insights/ishares/2026-comeback-year-for-healthcare/>

(2) <https://www.cnbc.com/2025/10/14/jpmorgan-chase-jpm-earnings-q3-2025.html/>

(3) <https://www.cnbc.com/2025/12/28/play-on-or-game-over-a-look-back-at-2025-for-the-video-game-industry.html/>

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.

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 0.75% per annum of the average daily net asset value of the Fund. The fees are accrued daily and generally paid monthly. For the year ended December 31, 2025, the Fund incurred \$178,355 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.

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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 \$38,807 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 Unit¹

For the periods ended:	December 31, 2025 (\$)	December 31, 2024 (\$)	December 31, 2023 (\$)	December 31, 2022 (\$)	December 31, 2021 (\$)
Unhedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	24.27	17.70	14.49	22.30	20.80
Increase (decrease) from operations:					
Total revenue	0.24	0.22	0.17	0.11	0.12
Total expenses	(0.29)	(0.22)	(0.22)	(0.20)	(0.25)
Realized gains (losses)	5.44	4.60	(1.07)	(2.28)	0.47
Unrealized gains (losses)	(2.80)	3.35	5.33	(4.51)	2.29
Total increase (decrease) from operations²	2.59	7.95	4.21	(6.88)	2.63
Distributions:					
From capital gains	-	-	-	-	(0.36)
Return of capital	(2.12)	(1.32)	(1.26)	(1.26)	(0.90)
Total annual distributions³	(2.12)	(1.32)	(1.26)	(1.26)	(1.26)
Net Assets per Unit, end of period	24.55	24.27	17.70	14.49	22.30
Hedged ETF Units - Net Assets per Unit					
Net Assets per Unit, beginning of period	22.05	17.31	14.03	23.01	21.30
Increase (decrease) from operations:					
Total revenue	0.21	0.21	0.17	0.11	0.11
Total expenses	(0.26)	(0.24)	(0.22)	(0.20)	(0.27)
Realized gains (losses)	5.08	3.04	(0.61)	(3.03)	0.03
Unrealized gains (losses)	(2.62)	2.95	4.89	(4.60)	2.59
Total increase (decrease) from operations²	2.41	5.96	4.23	(7.72)	2.46
Distributions:					
From capital gains	-	-	-	-	(0.35)
Return of capital	(2.12)	(1.32)	(1.26)	(1.26)	(0.91)
Total annual distributions³	(2.12)	(1.32)	(1.26)	(1.26)	(1.26)
Net Assets per Unit, end of period	22.58	22.05	17.31	14.03	23.01

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

For the periods ended:	December 31, 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	31.89	23.34	19.13	29.42	27.37
Increase (decrease) from operations:					
Total revenue	0.31	0.29	0.24	0.15	0.15
Total expenses	(0.39)	(0.31)	(0.30)	(0.26)	(0.33)
Realized gains (losses)	6.84	6.11	(1.05)	(2.81)	0.63
Unrealized gains (losses)	(3.61)	4.26	6.81	(6.94)	3.19
Total increase (decrease) from operations²	3.15	10.35	5.70	(9.86)	3.64
Distributions:					
From capital gains	-	-	-	-	(0.45)
Return of capital	(2.96)	(1.81)	(1.70)	(1.78)	(1.13)
Total annual distributions³	(2.96)	(1.81)	(1.70)	(1.78)	(1.58)
Net Assets per Unit, end of period	32.07	31.89	23.34	19.13	29.42

- 1 This information is derived from the Fund's audited annual financial statements as at December 31, 2025, 2024, 2023, 2022, and 2021. The Hedged, Unhedged, and US Dollar Unhedged ETF Units began operations on September 10, 2020.
- 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:	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Unhedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value (\$) ⁵	4,295,970	4,853,567	3,098,097	7,243,548	22,854,200
Number of units outstanding ⁵	175,000	200,000	175,000	500,000	1,025,000
Management expense ratio excluding underlying fund expenses ⁶	0.90%	0.73%	0.96%	0.90%	0.91%
Management expense ratio ⁷	0.97%	0.80%	1.03%	0.99%	1.01%
Trading expense ratio ⁸	0.19%	0.24%	0.31%	0.20%	0.17%
Portfolio turnover rate ⁹	76.59%	72.19%	81.93%	82.79%	69.42%
Net Asset Value per unit (\$)	24.55	24.27	17.70	14.49	22.30
Closing market price (\$)	24.60	24.29	17.70	14.46	22.50
Hedged ETF Units - Ratios/Supplemental Data					
Total Net Asset Value (\$) ⁵	16,936,604	14,882,748	13,415,453	16,836,973	19,554,463
Number of units outstanding ⁵	750,000	675,000	775,000	1,200,000	850,000
Management expense ratio excluding underlying fund expenses ⁶	0.85%	0.90%	0.96%	0.92%	0.92%
Management expense ratio ⁷	0.92%	0.97%	1.03%	1.01%	1.02%
Trading expense ratio ⁸	0.19%	0.24%	0.31%	0.20%	0.17%
Portfolio turnover rate ⁹	76.59%	72.19%	81.93%	82.79%	69.42%
Net Asset Value per unit (\$)	22.58	22.05	17.31	14.03	23.01
Closing market price (\$)	22.59	22.06	17.42	13.97	23.15

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

For the periods ended:	December 31, 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	4,008,555	3,985,699	2,917,410	3,826,519	16,917,149
Number of units outstanding ⁵	125,000	125,000	125,000	200,000	575,000
Management expense ratio excluding underlying fund expenses ⁶	0.92%	0.79%	0.97%	0.89%	0.91%
Management expense ratio ⁷	0.99%	0.86%	1.04%	0.98%	1.01%
Trading expense ratio ⁸	0.19%	0.24%	0.31%	0.20%	0.17%
Portfolio turnover rate ⁹	76.59%	72.19%	81.93%	82.79%	69.42%
Net Asset Value per unit (\$)	32.07	31.89	23.34	19.13	29.42
Closing market price (\$)	32.08	31.91	23.35	19.13	29.45

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

6 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.

7 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.

8 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.

9 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.

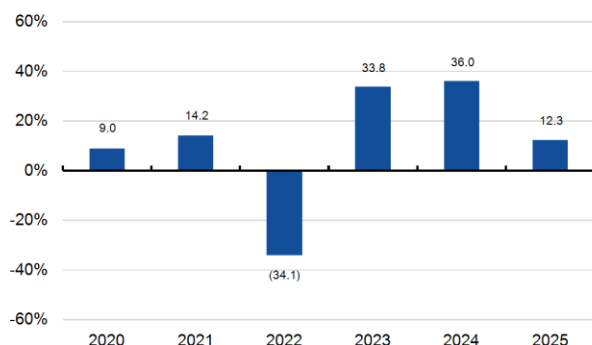
Year-by-Year Returns

The bar chart below shows the Hedged, Unhedged, and US Dollar Unhedged ETF Units' performance for each of the financial years shown. 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.

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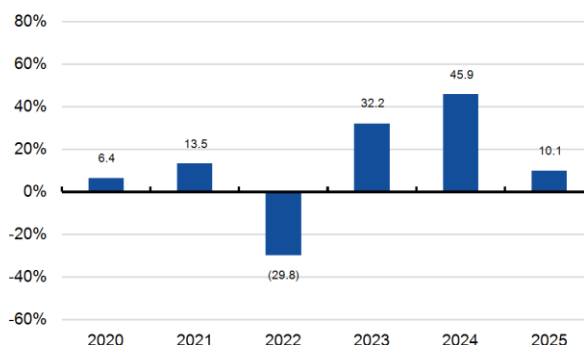
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LEAD Hedged ETF Units¹



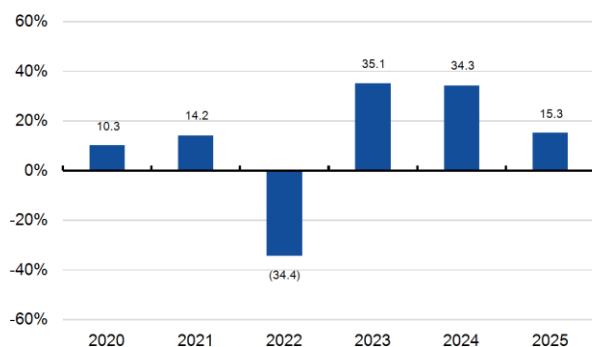
1 The Hedged ETF Units of the Fund effectively began operations on September 10, 2020.

LEAD/B Unhedged ETF Units²



2 The Unhedged ETF Units of the Fund effectively began operations on September 10, 2020.

LEAD/U US Dollar Unhedged ETF Units³



3 The US Dollar Unhedged ETF Units of the Fund effectively began operations on September 10, 2020. Returns presented based on NAV equivalent in USD.

Annual Compound Return

The table below shows the historical annual compound total return of the Hedged, Unhedged, and US Dollar Unhedged ETF Units. The returns are for the period ended December 31, 2025. As a basis of comparison, we have provided the performance of MSCI World 100% Hedged to CAD Net Total Return Index, MSCI World Net Total Return CAD Index, and MSCI World Index (each of which, an "Index", and collectively, the "Indices"). The difference in performance of the Hedged, Unhedged, and US Dollar Unhedged ETF Units relative to the respective Index can be attributed to the difference of criteria for determining the constituents of the Fund and the Index, it is not expected that the Fund's performance will mirror that of the Index. Additionally, the return of the Index is calculated without the deduction of management fees and fund expenses whereas the performance of the Fund is calculated after deducting such fees and expenses. Furthermore, the difference in performance of the Hedged, Unhedged, and US Dollar Unhedged ETF Units relative to the respective 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 (%)	3 Year (%)	5 Year (%)
Hedged ETF Units	10.2	12.3	26.8	9.0
MSCI World 100% Hedged to CAD Net Total Return Index ²	14.2	17.1	20.1	12.5

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	Since Inception ¹ (%)	1 Year (%)	3 Year (%)	5 Year (%)
Unhedged ETF Units	11.7	10.1	28.5	11.1
MSCI World Net Total Return CAD Index ³	15.1	15.4	21.6	13.8
US Dollar Unhedged ETF Units	10.9	15.3	27.8	9.4
MSCI World Index ⁴	14.8	21.6	21.7	12.7

- 1 From inception date of September 10, 2020 for the Hedged, Unhedged, and US Dollar Unhedged ETF Units.
- 2 The MSCI World 100% Hedged to CAD Net Total Return Index represents a close estimation of the performance that can be achieved by hedging the currency exposures of its parent index, the MSCI World Index, to the Canadian Dollar, the "home" currency for the hedged index. The Index is 100% hedged to the Canadian Dollar by selling each foreign currency forward at the one-month forward weight.
- 3 The MSCI World Net Total Return CAD Index is a Canadian Dollar denominated version of the MSCI World Index.
- 4 The MSCI World Index is a free-float weighted equity index. It was developed with a base value of 100 as of December 31, 1969. The Index includes developed world markets, and does not include emerging markets.

Summary of Investment Portfolio

Top 25 Positions

Security	Percentage of Net Asset Value (%)
Shopify Inc., Class 'A'.	4.2
Amazon.com Inc.	4.1
Microsoft Corporation	3.4
NVIDIA Corporation	3.3
Coinbase Global Inc., Class 'A'.	3.3
Intuitive Surgical Inc.	3.2
Eli Lilly & Company.	3.0
Zscaler Inc.	2.9
American Express Company.	2.9
Alphabet Inc., Class 'A'	2.8
Strategy Inc., Class 'A'.	2.7
Palo Alto Networks Inc..	2.7
The Goldman Sachs Group Inc..	2.7
Visa Inc., Class 'A'	2.6
Mastercard Inc., Class 'A'	2.6
Advanced Micro Devices Inc..	2.6
Vertex Pharmaceuticals Inc.	2.5
Tesla Inc..	2.5
Boston Scientific Corporation.	2.5
Novartis AG, ADR	2.5
Evolve Global Healthcare Enhanced Yield Fund	2.4
Reddit Inc., Class 'A'	2.4
Morgan Stanley	2.1
Apple Inc.	2.1
Novo Nordisk A/S, ADR	2.1
Total	70.1

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Industry Allocation

Portfolio by Category		Percentage of Net Asset Value (%)
Equities		
Communication Services		14.4
Consumer Discretionary		8.8
ETFs - International Equity		8.6
Financials		20.9
Health Care		15.8
Information Technology		31.4
Derivative Assets		0.1
Derivative Liabilities		(0.1)
Cash and Cash Equivalents		2.4
Other Assets, less Liabilities		(2.3)
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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