APRIL 2022 MONTHLY UPDATE

Evolve Cyber Security Index Fund

CYBR invests primarily in equity securities of companies located domestically or internationally that are involved in the cybersecurity industry through hardware and software development.

CYBR

ETF TICKERS: CYBR (HEDGED); CYBR.B (UNHEDGED); CYBR.U (USD)
MUTUAL FUND FUNDSERV CODE: EVF150 (CLASS F); EVF151 (CLASS A)

Investment Thesis: Cybersecurity spending is non-discretionary and growing. It has transformed into a basic-need service.

Spending on cybersecurity is driven by cyber attacks on:

- · Individuals
- · Enterprises
- Governments

Cybersecurity is non-discretionary due to:

- · Growing cost of data breaches
- · Increased regulatory requirements
- · Increasing sophistication of cyber criminals
- · Increased usage of the cloud

GENERAL INDUSTRY UPDATE



Source: Envato.com

In an interview with CNBC's "TechCheck", George Kurtz, the CEO of CrowdStrike Holdings, Inc. said that there are a lot of companies in the cybersecurity space, with big valuations and big expectations. However, the company is taking the waitand-see approach when it comes to mergers and acquisitions. The CEO believes that given the landscape in the industry, public cybersecurity firms are in a relatively good position, but private companies could be worth watching as their funding rounds are ahead, but their valuations are constricted.¹

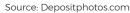
Researchers at Columbia Engineering have developed a new system to prevent the microphones on smart devices from listening in on users. The system produces whisper-quiet sounds that users could play in any room or any situation to block smart devices from spying. The system is easy to implement on hardware like computers and smartphones. At its core, this system camouflages a person's voice and hides it from listening devices.

Carl Vondrick, assistant professor of computer science at the university, said that the algorithm developed could block devices from hearing individuals 80% of the time, and works even when users don't even know about rouge microphone listening.²

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COMPANY SPECIFIC UPDATES





Source: Cyberark.com

Zscaler Inc.

Zscaler Inc., a cloud security company which is held by the fund and the fourth largest holding, reported a 63% jump in revenue for its most recent quarter ended on January 31st, 2022. The company also reported robust cash flow, and solid increase in deferred revenue, as well as higher cash, cash equivalents, and short-term investments.

Explaining the financial performance and what's ahead for Zscaler, the chairman and CEO of the company, Jay Chaudhry, said that revenue is the highest level in three years and surged past \$1.0 billion in annualized revenue.

The CEO emphasized that Zscaler's Zero Trust Exchange is proving many advantages beyond security to customers that are going through digital transformation. Through the Zero Trust Exchange, there are about 210 billion transactions being processed per day.3

For the entire fiscal year 2022, Zscaler expects total revenue to be between \$1.045 billion and \$1.05 billion and non-GAAP income from operations of \$95.0 million to \$98.0 million.

Okta Inc.

Okta Inc., the sixth largest holding of the fund, is a cybersecurity company with the focus on providing identity solutions in the U.S. and globally. The company reported total revenue of \$1.30 billion for its fiscal year 2022 ending on January 31st. Revenue for the year jumped 56% year-over-year.

Todd McKinnon, CEO and Co-founder of Okta, stressed that in the ever-evolving cybersecurity environment, identity management is at the forefront, and C-level executives and developers are turning to solutions provided by Okta.

McKinnon provided a robust outlook for the company and said that Okta exited fiscal year 2022 with growing operational metrics and robust demand for products across the board. The three big factors driving Okta's growth are cloud and hybrid IT, digital transformation, and Zero Trust security.4



CYBR Evolve Cyber Security Index Fund

PERFORMANCE (%)

TOTAL RETURNS'	1 MTH	YTD	1 YR	2 YR	3 YR	4 YR	sı"
CYBR (HEDGED)	-10.35	-14.66	-8.41	20.06	13.55	15.31	17.64
CYBR.B (UNHEDGED)	-8.58	-14.12	-5.25	15.99	12.72	16.17	19.77
CYBR.U (USD)	-11.03	-15.44	-9.47	20.56	16.62	-	16.89

Source: Bloomberg, as at April 29, 2022

Sources:

- 1. CNBC, "It's kind of wait and see,' for M&A in cybersecurity, says CrowdStrike CEO," April 8, 2022; https://www.cnbc.com/ video/2022/04/08/its-kind-of-wait-and-see-for-ma-in-cybersecurity-says-crowdstrike-ceo.html.
- 2. Columbia University School of Engineering and Applied Science, "Stopping 'them' from spying on you: New Al can block roque microphones," TechXplore, April 18, 2022; https://techxplore.com/news/2022-04-spying-ai-block-rogue-microphones.html.
- 3. "Zscaler Reports Second Quarter Fiscal 2022 Financial Results Zscaler Inc.," February 28, 2022; https://ir.zscaler.com/static-files/ f50149d3-3a1e-4ad0-b87d-f2c7bf00dfda.
- 4. "Okta Announces Strong Fourth Quarter And Fiscal Year 2022 Results," Okta Inc., March 2, 2022; https://investor.okta.com/newsreleases/news-release-details/okta-announces-strong-fourth-quarter-and-fiscal-year-2022.

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The indicated rates of return are the historical annual compound total returns net of fees (except for figures of one year or less, which are simple total returns) including changes in per unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The rates of return shown in the table are not intended to reflect future values of the ETF or returns on investment in the ETF. ETFs are not guaranteed, their values change frequently, and past performance may not be repeated.

Certain statements contained in this documentation constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to a future outlook and anticipated distributions, events or results and may include statements regarding future financial performance. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "anticipate", "believe", "intend" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Evolve undertakes no obligation to update publicly or otherwise revise any forward-looking statement whether as a result of new information, future events or other such factors which affect this information, except as required by law.



Performance since inception of CYBR and CYRB.B on September 18, 2017. Performance since inception of CYBR.U on May 14, 2019.