



QUARTERLY PERFORMANCE REVIEW As of 3/31/22

PROSHARES PET CARE ETF

Market Overview

U.S. equity markets declined during the first quarter, with the S&P 500 posting losses of 4.6%. Rising interest rates, uncomfortably high and persistent inflation readings, and Russia's invasion of Ukraine combined to form significant headwinds for stocks. The Fed also raised its federal funds rate during the period, the first of several hikes expected over the coming quarters. Despite these challenges, economic readings continued to show resilience, especially labor markets, where the unemployment rate fell to 3.6% in March. With respect to the pet care industry, the segment underperformed the broader market and fell 15.6% as tracked by the FactSet Pet Care Index.

Fund performance and index history¹

	1Q 2022	Year to Date	1-Year	3-Year	5-Year	Fund Inception 11/5/18
ProShares Pet Care ETF						
PAWZ NAV Total Return	-15.73%	-15.73%	-7.51%	18.64%	—	16.51%
PAWZ Market Price Total Return	-15.71%	-15.71%	-7.80%	18.54%	—	16.45%
FactSet Pet Care Index						
FactSet Pet Care Index	-15.55%	-15.55%	-6.80%	19.35%	—	17.26%
S&P 500 Index						
S&P 500 Index	-4.60%	-4.60%	15.65%	18.92%	—	18.00%

Sources: ProShares, Morningstar and Bloomberg. Periods greater than one year are annualized.

Contribution

PAWZ's benchmark, the FactSet Pet Care Index, is designed to track the performance of companies that potentially stand to benefit from interest in, and resources spent on, pet ownership. To be eligible for the FactSet Pet Care Index, FactSet requires that a company meet at least one of the following criteria:

- The company's principal revenue source is from one of eight FactSet Revere Business Industry Classification System subindustries—"RBICS subindustries" for short; or
- The company generates at least \$1 billion in annual revenue from at least one of the eight RBICS subindustries; or
- The company's principal business is identified by FactSet as being pet care related, but for which an appropriate RBICS subindustry has not yet been created (e.g., pet insurance).

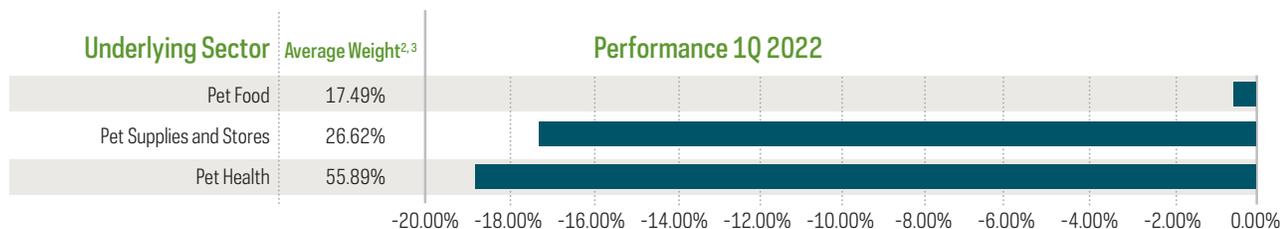
The subindustry represented within the FactSet Pet Care Index have been grouped into three broad categories in order to analyze their performance: Pet Health, Pet Supplies and Stores, and Pet Food.

All three categories posted negative performance during the quarter, though Pet Food was down just 0.5%. The Pet Supplies and Stores and Pet Health categories fell 17.3% and 18.8%, respectively. (Continued on page 2)

Broad Pet Category	Subindustry
Pet Health	Veterinary Pharmaceuticals
	Veterinary Diagnostics
	Veterinary Product Distributors
	Other Personal Insurance
	Diversified Biopharmaceuticals
Pet Supplies and Stores	Veterinary Services
	Internet Pet and Pet Supply Retail
	Pet and Pet Supply Stores
	Pet Supplies Manufacturing
Pet Food	Other Building Materials and Garden Supply Stores
	Pet Food Manufacturing
	General Food Manufacturing and Processing
	General Personal Care and Cleaning Products Makers
	Other Health and Personal Care Stores

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling 866.776.5125 or visiting ProShares.com. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in any index.

Broad Pet Category Performance



Contribution (continued)

At the stock level, the top two detractors from performance came from the Pet Health category: Dechra Pharmaceuticals and Zoetis. Both companies saw their valuations pull back fairly significantly during the quarter, as investors continued to evaluate the impact of rising yields on future profits. Online pet retailer Chewy was another top detractor, which saw its stock price fall upon delivering earnings results below expectations. While executives from the company indicated that demand was strong, supply chain issues served to constrain operating results. On the other side of the spectrum, Freshpet, the maker of premium refrigerated pet food, was the top contributor to performance. The company issued impressive forward guidance during the quarter and expects to see year-over-year net sales growth of 35% in 2022. Brazilian pet product retailer Pet Center Comércio e Participações was another top contributor, as was diversified biopharmaceutical company Merck & Co.

Stock ²	Broad Pet Category	Subindustry	1Q 2022 Performance	PAWZ's Avg Index Weight ³	Contribution to Performance
Top Contributors					
Freshpet Inc.	Pet Food	Pet Food Manufacturing	7.74%	6.08%	0.68%
Pet Center Comercio e Participacoes	Pet Supplies and Stores	Pet and Pet Supply Stores	33.61%	1.72%	0.55%
Merck & Co., Inc.	Pet Health	Diversified Biopharmaceuticals	8.01%	4.74%	0.33%
Top Detractors					
Dechra Pharmaceuticals PLC	Pet Health	Veterinary Pharmaceuticals	-25.74%	9.59%	-2.68%
Zoetis, Inc. Class A	Pet Health	Veterinary Pharmaceuticals	-22.59%	9.87%	-2.35%
Chewy, Inc. Class A	Pet Supplies and Stores	Internet Pet and Pet Supply Retail	-30.85%	6.59%	-2.25%

Outlook

Growth in the pet care industry has been driven by changes in demographics and consumer trends over the past decade, and the pandemic resulted in an increase in pet adoptions. While the recent performance of the FactSet Pet Care Index has somewhat faltered, the index is poised to benefit from potentially increased spending per pet based on the humanization trend, in which people treat their pets like part of the family. Long-term trends bolstering the pet care industry support the outlook for continued growth in the space.

Sources: FactSet, Bloomberg. PAWZ's total operating expenses are 0.50%. ¹Market returns are based on the composite closing price and do not represent the returns you would receive if you traded shares at other times. The first trading date is typically several days after the fund inception date. Therefore, NAV is used to calculate market returns prior to the first trading date. ²Holdings are subject to change. ³PAWZ's average index weight from 1/1/22 - 3/31/22.

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