

PINK | Simplify Health Care ETF

FUND OVERVIEW

The **Simplify Health Care ETF (PINK)** seeks long term capital appreciation by providing investors with multi-cap exposure to groundbreaking and innovative companies in biotech, medtech, gene therapy, and other fast growing health care related sectors.

Michael Taylor serves as lead portfolio manager of the ETF and brings over two decades of experience managing long/short health care equity portfolios at leading hedge funds. PINK is the first 100% pro bono ETF focused on the health care sector and net profits will be donated for the benefit of the Susan G. Komen foundation on an annual basis.

PERFORMANCE REVIEW

PINK has beaten its MSCI Healthcare benchmark by ~+3.1% (NAV) since its October 2021 inception. In 1Q23 PINK underperformed the benchmark by about 1.9%. There were a handful of names in the PINK portfolio that led to the underperformance including CUTR and CRL on the downside vs REGN and SNY on the upside.

PINK continues to add to alpha positions including REGN, SNY, and ISRG, and is maintaining an overweight in the Medtech space. PINK believes that the performance convergence between Pharma and Medtech is underway and will continue through 2023. Stock-picking should accelerate through 2023 vs. 2022 as correlations drop (still very high), enabling PINK to maintain a portfolio that is quite divergent from the benchmark.

Performance as of 03/31/23 | Inception Date: 10/07/21

	CUMULATIVE TOTAL RETURN				ANNUALIZED TOTAL RETURN	
	3 Mo	6 Mo	YTD	Since Inception	1 Year	Since Inception
NAV	-5.53%	6.07%	-5.53%	1.09%	-6.96%	0.73%
Market Price	-5.54%	5.86%	-5.54%	1.29%	-7.12%	0.87%
MSCI USA IMI/Health Care Net Index	-3.68%	7.30%	-3.68%	-2.22%	-5.24%	-1.51%

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. In addition, investment returns and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance data current to the most recent month-end, please call (855) 772-8488 or go to <https://www.simplify.us/etfs>.

FUND DETAILS as of 03/31/23

TOP TEN HOLDINGS*

POSITION	ALLOCATION
Sanofi-Aventis	7.86%
Regeneron Pharmaceuticals	7.42%
Intuitive Surgical Inc.	5.74%
Medtronic Plc	4.73%
Johnson & Johnson	4.45%
Lilly (Eli) & Co.	4.44%
Iqvia Holdings Inc	3.79%
Abbvie Inc Usd 0.01	3.65%
Zimmer Biomet Hldgs Inc Usd 0.01	3.59%
Becton, Dickinson	3.57%
Cash	5.81%

*Holdings are subject to change without notice.

Gross Expense Ratio	0.50%
Net Expense Ratio	—
SEC 30-Day Yield	0.65%
SEC 30-Day Yield Unsubsidized	0.65%

DEFINITIONS

Alpha: Refers to excess returns earned on an investment above the benchmark return

Market Price: The current price at which shares are bought and sold. Market returns are based upon the last trade price.

MSCI USA IMI Health Care Index: The MSCI USA Investable Market Index (IMI) Health Care is designed to capture the large, mid and small cap segments of the US equity universe.

NAV: The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.

SEC 30-Day Yield: The yield is calculated with a standardized formula and represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price. The yield includes the effect of any fee waivers and/or reimbursements. Without waivers, yields would be reduced. This is also referred to as the "standardized yield", "30-Day Yield" and "Current Yield". The unsubsidized SEC 30-Day Yield does not reflect the effect of any fee waivers and/or expense reimbursements.

IMPORTANT INFORMATION:

Investors should carefully consider the investment objectives, risks, charges, and expenses of Exchange Traded Funds (ETFs) before investing. To obtain an ETF's prospectus containing this and other important information, please call (855) 772-8488, or visit SimplifyETFs.com. Please read the prospectus carefully before you invest.

An investment in the fund involves risk, including possible loss of principal.

The fund is actively-managed is subject to the risk that the strategy may not produce the intended results. The fund is new and has a limited operating history to evaluate.

The Fund focuses its investments in securities of biotechnology and the healthcare industry. Economic, legislative or regulatory developments may occur that significantly affect these industries and cause the Fund's net asset value to fluctuate due to this concentration.

The biotechnology industry can be significantly affected by patent considerations, including the termination of patent protections for products, intense competition both domestically and internationally, rapid technological change and obsolescence, government regulation and expensive insurance costs due to the risk of product liability lawsuits.

In addition, the biotechnology industry is an emerging growth industry, and therefore biotechnology companies may be thinly capitalized have limited product lines, distribution channels, resources and more volatile than companies with greater capitalizations. Biotechnology companies must contend with high development costs, which may be exacerbated by the inability to raise prices to cover costs because of managed care pressure, government regulation or price controls. Companies in the pharmaceutical industry are heavily dependent on patent protection. The expiration of patents may adversely affect the profitability of the companies. Pharmaceutical companies are also subject to extensive litigation based liability and approval of the Food and Drug Administration, a process that can be long and costly. Expanding international operations may lead to risks resulting from differences between U.S. and foreign legal, political and economic systems, regulatory regimes and market practices.

The Fund's focus on the healthcare sector may cause its value to fluctuate and be more susceptible to particular risks of the sector such as extensive government regulations, restrictions on government reimbursement for medical expenses, rising costs of medical products and services, pricing pressure, an increased emphasis on outpatient services, changes in the demand for medical products and services, a limited number of products, industry innovation, changes in technologies and other market developments.

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