

EQLS | Simplify Market Neutral Equity Long/Short ETF

FUND OVERVIEW

The **Simplify Market Neutral Equity Long/Short ETF (EQLS)** seeks to provide positive absolute returns and income. A market-neutral strategy is one that seeks to profit during both rising and falling equity markets. By potentially profiting in either market environment, EQLS can provide significant diversification benefits while maintaining an independent source of returns.

The portfolio's equity ranking system is driven by a proprietary multi-factor, machine-learning stock selection model developed by an industry-leading quantitative research firm.

PERFORMANCE REVIEW

EQLS posted a +0.69% total return in 3Q, outperforming the MSCI World Index by 4.15%. The majority of positive returns stemmed from stock selection, with a modestly positive contribution from style factors and a slight negative impact from sector and country allocations. Among the traditional style factors, positive exposure to profitability and earnings yield contributed to performance, while negative exposure to book-to-market detracted. In terms of sectors, positive exposure to the energy sector was a contributor while net long consumer discretionary and short financial sector exposures detracted from performance.

In the upcoming 12 months, if the equity market remains volatile while interest rates stay elevated for an extended period, we anticipate that systematic factors will persist in delivering strong outperformance, and the fund may serve to provide diversification to the overall equity market as an alpha-generating strategy.

Performance as of 09/30/23 | Inception Date: 06/12/23

	CUMULATIVE TOTAL RETURN				ANNUALIZED TOTAL RETURN	
	3 Mo	6 Mo	YTD	Since Inception	1 Year	Since Inception
NAV	0.69%	—	—	-1.62%	—	—
Market Price	0.81%	—	—	-0.92%	—	—
MSCI World Net Total Return USD Index	-3.46%	—	—	-1.38%	—	—

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 09/30/23

CURRENT HOLDINGS*

POSITION	ALLOCATION
GSSISTRSS	100.93%
GSSIGTRS	100.29%
B 12/21/23 Govt	92.40%
BNPWSTRSS	90.53%
BNPWGTRS	90.11%
MSSIGLS1A	10.07%
MSSIGLL1A	10.02%
B 10/03/23 Govt	3.75%
B 03/28/24 Govt	1.38%
MSSIGLS1A 00001	-10.03%
Cash	2.49%

*Holdings are subject to change without notice.

Gross Expense Ratio	1.00%
Net Expense Ratio	—
SEC 30-Day Yield	4.25%
SEC 30-Day Yield Unsubsidized	4.25%

DEFINITIONS

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

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.

Options: An option is a contract that gives the buyer the right to either buy (in the case of a call option) or sell (in the case of a put option) an underlying asset at a pre-determined price ("strike") by a specific date ("expiry"). An "outright" is another name for a single option leg. A "spread" is when options are bought at one strike and an equal amount of options are sold at a different strike, all at the same expiry.

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.

Swap: An agreement between two parties to exchange sequences of cash flows for a set period of time. Usually, at the time the contract is initiated, at least one of these series of cash flows is determined by a random or uncertain variable, such as an interest rate, foreign exchange rate, equity price, or commodity price.

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 view or download a prospectus online. 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 use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) the risk that the counterparty to a derivative transaction may not fulfill its contractual obligations; (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate, or index. Derivative prices are highly volatile and may fluctuate substantially during a short period of time. The use of leverage by the Fund, such as borrowing money to purchase securities or the use of options, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses. The Fund's investment in fixed income securities is subject to credit risk (the debtor may default) and prepayment risk (an obligation paid early) which could cause its share price and total return to be reduced. Typically, as interest rates rise the value of bond prices will decline and the fund could lose value.

The Fund invests in ETFs (Exchange-Traded Funds) and is therefore subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly.

While the option overlay is intended to improve the Fund's performance, there is no guarantee that it will do so. Utilizing an option overlay strategy involves the risk that as the buyer of a put or call option, the Fund risks losing the entire premium invested in the option if the Fund does not exercise the option. Also, securities and options traded in over-the-counter markets may trade less frequently and in limited volumes and thus exhibit more volatility and liquidity risk.

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