

## QIS | Simplify Multi-QIS Alternative ETF

### FUND OVERVIEW

The **Simplify Multi-QIS Alternative ETF (QIS)** seeks to provide positive absolute returns and income. The fund will invest in a diversified portfolio of third-party quantitative investment strategies across equities, interest rates, commodities, and currencies. Each systematic strategy is designed to capture proven market return premia.

By using a multi-strategy approach, Simplify seeks to identify the optimal allocation among 10-20 strategies to achieve positive returns and mitigate asset-class and single-strategy risks.

### PERFORMANCE REVIEW

QIS posted a +2.56% return Inception to date, ahead of the S&P 500 Index by 4.98%. Most of this outperformance was split between rates volatility and commodity defensive carry. On the other side, our equity premia capture strategies, via skew volatility and VIX had a negative contribution to the return this quarter. Most of the remaining strategies allocated to had small wins. Finally, elevated short-term rates contributed a tailwind to the fund through our T-bill holdings.

Going forward, if the equity markets remain range-bound with implied volatility elevated, we would hope to see a positive contribution from the equity premia strategies. We anticipate that rate volatility, interest rate curve shape and commodity curve shape will continue to be a positive for the fund as we go through the end of the year.

#### Performance as of 09/30/23 | Inception Date: 07/10/23

	CUMULATIVE TOTAL RETURN				ANNUALIZED TOTAL RETURN	
	3 Mo	6 Mo	YTD	Since Inception	1 Year	Since Inception
NAV	—	—	—	2.56%	—	—
Market Price	—	—	—	3.60%	—	—
S&P 500 Index	—	—	—	-2.42%	—	—

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
B 12/19/23 Govt	92.36%
MQISBTRS	14.98%
BPMMMTRS	14.84%
GSVIKTRS	10.83%
MQIS6TRS	9.82%
GSIVVTRS	9.65%
GSVLFTRS	7.41%
VMACBTRS	7.03%
GSISSTRS	6.97%
MQIS2TRS	5.88%
Cash	0.55%

\*Holdings are subject to change without notice.

<b>Gross Expense Ratio</b>	1.00%
<b>Net Expense Ratio</b>	—
<b>SEC 30-Day Yield</b>	4.33%
<b>SEC 30-Day Yield Unsubsidized</b>	4.33%

### 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.

**VIX Index:** A real-time market index representing the market's expectations for volatility over the coming 30 days.

## **IMPORTANT INFORMATION:**

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**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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