

December 31, 2023

# Semi-Annual Report

## Simplify Exchange Traded Funds

Simplify Propel Opportunities ETF (SURI)



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# Simplify Exchange Traded Funds

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This report is provided for the general information of shareholders and is not authorized for distribution to prospective investors unless preceded or accompanied by a current prospectus.

## Simplify Exchange Traded Funds Fees and Expenses (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions paid on purchases and sales of fund shares, and (2) ongoing costs, including unitary advisory fees and other Fund expenses. In the most recent six-month period the Fund limited these expenses; had they not done so, expenses would have been higher. The expense examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds.

The examples in the tables are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (July 1, 2023 to December 31, 2023).

### Actual expenses

The first line in the following tables provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading "Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

### Hypothetical example for comparison purposes

The second line in the following tables provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios and an assumed rate of return of 5% per year before expenses (which is not the Fund's actual return). The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the tables are meant to highlight your ongoing costs only, and do not reflect any transactional costs. Therefore the second line in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value July 1, 2023	Ending Account Value December 31, 2023	Annualized Expense Ratio	Expenses Paid During the Period Per \$1,000 <sup>(1)</sup>
<b>Simplify Propel Opportunities ETF</b>				
Actual.....	\$1,000.00	\$ 1,006.70	2.50%	\$12.61
Hypothetical (5% return before expenses).....	\$1,000.00	\$1,012.57	2.50%	\$12.65

(1) Expenses are equal to each Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 (the number of days in the most recent six-month period), then divided by 366.

# Simplify Propel Opportunities ETF

## Schedule of Investments

December 31, 2023 (Unaudited)

	Shares	Value
<b>Common Stocks – 75.8%</b>		
<b>Communications – 3.3%</b>		
Telesat Corp.*	290,781	\$ 3,032,846
<b>Consumer, Non-cyclical – 48.9%</b>		
Agios Pharmaceuticals, Inc.*	5,792	128,988
Akero Therapeutics, Inc.*	59,777	1,395,793
Applied Therapeutics, Inc.*	2,417,505	8,098,642
Ardelyx, Inc.*	350,000	2,170,000
Athira Pharma, Inc.*	1,492,792	3,627,484
Avidity Biosciences, Inc.*	125,000	1,131,250
Chinook Therapeutics, Inc.*	25,000	9,750
Crinetics Pharmaceuticals, Inc.*	115,000	4,091,700
Cybin, Inc.*	500,000	205,000
Day One Biopharmaceuticals, Inc.*	175,018	2,555,263
Eiger BioPharmaceuticals, Inc.*	2,700,000	606,150
Fulcrum Therapeutics, Inc.*	465,000	3,138,750
Kura Oncology, Inc.*	80,000	1,150,400
Kymera Therapeutics, Inc.*	30,515	776,912
Madrigal Pharmaceuticals, Inc.*	14,294	3,307,346
Marinus Pharmaceuticals, Inc.*	150,000	1,630,500
Mirum Pharmaceuticals, Inc.*	70,000	2,066,400
Phathom Pharmaceuticals, Inc.*	237,935	2,172,346
Sutro Biopharma, Inc.*	120,000	514,800
TScan Therapeutics, Inc.*	1,046,916	6,103,520
X4 Pharmaceuticals, Inc.*	400,000	335,400
		<u>45,216,394</u>
<b>Energy – 23.6%</b>		
Plains GP Holdings LP, Class A*	1,372,360	21,889,142
Total Common Stocks (Cost \$69,013,803)		<u>70,138,382</u>
<b>U.S. Exchange-Traded Funds – 13.8%</b>		
BlackRock Ultra Short-Term Bond ETF	14,949	752,832
iShares 0-5 Year Investment Grade Corporate Bond ETF	12,148	597,682
iShares iBonds Dec 2024 Term Corporate ETF	85,442	2,128,360
iShares iBoxx \$ Investment Grade Corporate Bond ETF	4,456	493,101
iShares MBS ETF	22,400	2,107,392
Simplify Enhanced Income ETF(a)	120,221	2,952,628
SPDR Bloomberg Investment Grade Floating Rate ETF	9,267	283,477
SPDR Portfolio Short Term Corporate Bond ETF	45,695	1,360,797
Vanguard Short-Term Bond ETF	27,712	2,134,378
Total U.S. Exchange-Traded Funds (Cost \$12,751,494)		<u>12,810,647</u>
	<u>Principal</u>	
<b>Corporate Bonds – 3.9%</b>		
<b>Communications – 3.9%</b>		
Telesat Canada / Telesat LLC, 5.63%, 12/6/2026, 144A(b)	\$ 2,700,000	1,692,630
Telesat Canada / Telesat LLC, 6.50%, 10/15/2027, 144A(b)	4,124,000	1,948,391
Total Corporate Bonds (Cost \$3,788,108)		<u>3,641,021</u>

**Simplify Propel Opportunities ETF**  
**Schedule of Investments (Continued)**  
December 31, 2023 (Unaudited)

	Shares	Value
<b>Closed-End Funds – 1.4%</b>		
Kayne Anderson Energy Infrastructure Fund (Cost \$1,177,582) .....	147,033	\$ 1,290,950
<b>Money Market Funds – 5.2%</b>		
Fidelity Investments Money Market Treasury Only Portfolio - Class I, 5.24%(c) (Cost \$4,772,389) .....	4,772,389	4,772,389
Total Investments – 100.1% (Cost \$91,503,376) .....		\$ 92,653,389
Liabilities in Excess of Other Assets – (0.1%) .....		(104,546)
<b>Net Assets – 100.0%</b> .....		<b>\$ 92,548,843</b>

\* Non Income Producing

(a) Affiliated fund managed by Simplify Asset Management Inc.

(b) Security was purchased (sold) pursuant to Rule 144A under the Securities Act of 1933 and may not be resold (repurchased) subject to that rule except to qualified institutional buyers. Unless otherwise noted, Rule 144A securities are deemed to be liquid. Total fair value of Rule 144A securities amounts to \$3,641,021, which represents 3.9% of net assets as of December 31, 2023.

(c) Rate shown reflects the 7-day yield as of December 31, 2023.

**Affiliates**

Fiscal period to date transactions with companies which are or were affiliates are as follows:

Affiliate	Value at beginning of the period	Purchases Cost	Sales Proceeds	Net Realized Gain/(Loss)	Net Change in Unrealized	Value at the end of the period	Number of Shares at the end of the period	Dividend Income	Capital Gain Distributions
Simplify Enhanced Income ETF	\$ —	\$ 3,002,520	\$—	\$ —	\$ (49,892)	\$ 2,952,628	120,221	\$ 72,133	\$ —

**Summary of Investment Type**

Industry	% of Net Assets
Common Stocks .....	75.8%
U.S. Exchange-Traded Funds .....	13.8%
Corporate Bonds .....	3.9%
Closed-End Funds .....	1.4%
Money Market Funds .....	5.2%
Total Investments .....	100.1%
Liabilities in Excess of Other Assets .....	(0.1)%
<b>Net Assets</b> .....	<b>100.0%</b>

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# Simplify Exchange Traded Funds

## Statement of Assets and Liabilities

December 31, 2023 (Unaudited)

	<b>Simplify Propel Opportunities ETF</b>
<b>Assets</b>	
Investments in unaffiliated securities, at value .....	\$ 89,700,761
Investments in affiliated securities, at value .....	2,952,628
Receivables:	
Interest .....	88,031
Investment adviser .....	19,261
Prepaid expenses .....	30
Total assets .....	<u>92,760,711</u>
<b>Liabilities</b>	
Payables:	
Investment advisory fees .....	211,868
Total liabilities .....	<u>211,868</u>
<b>Net Assets</b> .....	<u>\$ 92,548,843</u>
<b>Net Assets Consist of</b>	
Paid-in capital .....	\$ 83,770,779
Distributable earnings (loss) .....	8,778,064
<b>Net Assets</b> .....	<u>\$ 92,548,843</u>
Number of Common Shares outstanding .....	4,480,001
<b>Net Asset Value, offering and redemption price per share</b> .....	<u>\$ 20.66</u>
Investments, at cost .....	<u>\$ 88,500,856</u>
Investments in affiliated securities, at cost .....	<u>\$ 3,002,520</u>



# Simplify Exchange Traded Funds

## Statement of Operations

For the Six Months Ended December 31, 2023 (Unaudited)

	<b>Simplify Propel Opportunities ETF</b>
<b>Investment Income</b>	
Unaffiliated dividend income . . . . .	\$ 1,189,000
Affiliated dividend income . . . . .	72,133
Interest income . . . . .	356,045
Total income . . . . .	<u>1,617,178</u>
<b>Expenses</b>	
Investment advisory fees . . . . .	1,286,242
Total expenses . . . . .	<u>1,286,242</u>
Less fees waived:	
Waiver . . . . .	<u>(116,939)</u>
Net expenses . . . . .	<u>1,169,303</u>
Net investment income (loss) . . . . .	447,875
<b>Realized and Unrealized Gain (Loss)</b>	
Net realized gain (loss) from:	
Investments . . . . .	4,258,467
In-kind redemptions . . . . .	<u>9,768,550</u>
Net realized gain (loss) . . . . .	14,027,017
Net change in unrealized appreciation (depreciation) on:	
Investments . . . . .	4,782,921
Affiliated investments . . . . .	<u>(49,892)</u>
Net unrealized gain (loss) . . . . .	<u>4,733,029</u>
Net realized and unrealized gain (loss) . . . . .	18,760,046
<b>Net Increase (Decrease) in Net Assets Resulting from Operations . . . . .</b>	<b><u>\$ 19,207,921</u></b>

# Simplify Exchange Traded Funds

## Statements of Changes in Net Assets

	Simplify Propel Opportunities ETF	
	For the Six Months Ended December 31, 2023 (Unaudited)	For the period February 8, 2023 <sup>(1)</sup> to June 30, 2023
<b>Increase (Decrease) in Net Assets from Operations</b>		
Net investment income (loss) . . . . .	\$ 447,875	\$ (129,558)
Net realized gain (loss) . . . . .	14,027,017	(990,028)
Net change in net unrealized appreciation (depreciation) . . . . .	4,733,029	(3,583,016)
Net increase (decrease) in net assets resulting from operations . . . . .	<u>19,207,921</u>	<u>(4,702,602)</u>
<b>Distributions to Shareholders from:</b>		
Distributions . . . . .	(6,126,801)	(3,107,601)
Return of capital . . . . .	—	(2,920,001)
Total distributions . . . . .	<u>(6,126,801)</u>	<u>(6,027,602)</u>
<b>Fund Shares Transactions</b>		
Proceeds from shares sold . . . . .	11,637,937	127,642,507
Value of shares redeemed . . . . .	<u>(32,341,874)</u>	<u>(16,740,643)</u>
Net increase (decrease) in net assets resulting from fund share transactions . . . . .	<u>(20,703,937)</u>	<u>110,901,864</u>
Total net increase (decrease) in Net Assets . . . . .	<u>(7,622,817)</u>	<u>100,171,660</u>
<b>Net Assets</b>		
Beginning of period . . . . .	100,171,660	—
End of period . . . . .	<u>\$ 92,548,843</u>	<u>\$ 100,171,660</u>
<b>Changes in Shares Outstanding</b>		
Shares outstanding, beginning of period . . . . .	4,570,001	—
Shares sold . . . . .	540,000	5,320,001 <sup>(2)</sup>
Shares redeemed . . . . .	<u>(630,000)</u>	<u>(750,000)</u>
Shares outstanding, end of period . . . . .	<u>4,480,001</u>	<u>4,570,001</u>

(1) Commencement of operations.

(2) Shares not in increment of 25,000 shares, a creation unit, represent the Adviser's initial seed investment in connection with the commencement of operations.

# Simplify Exchange Traded Funds

## Financial Highlights

Simplify Propel Opportunities ETF Selected Per Share Data	For the Six Months Ended	
	December 31, 2023 (Unaudited)	Period Ended June 30, 2023 <sup>(a)</sup>
Net Asset Value, beginning of period . . . . .	\$ 21.92	\$ 25.00
Income (loss) from investment operations:		
Net investment income (loss) <sup>(b)</sup> . . . . .	0.10	(0.04)
Net realized and unrealized gain (loss) . . . . .	—	(1.36)
Total from investment operations . . . . .	0.10	(1.40)
Less distributions from:		
Net investment income . . . . .	(1.36)	(0.87)
Return of capital . . . . .	—	(0.81)
Total distributions . . . . .	(1.36)	(1.68)
Net Asset Value, end of period . . . . .	\$ 20.66	\$ 21.92
<b>Total Return (%)</b> . . . . .	0.67 <sup>(c)</sup>	(4.97) <sup>(c)</sup>
<b>Ratios to Average Net Assets and Supplemental Data</b>		
Net Assets, end of period (\$ millions) . . . . .	\$ 93	\$ 100
Ratio of expenses before fee waiver (%) . . . . .	2.75 <sup>(d)(e)</sup>	2.75 <sup>(d)(e)</sup>
Ratio of expenses after fee waiver (%) . . . . .	2.50 <sup>(d)(e)</sup>	2.50 <sup>(d)(e)</sup>
Ratio of net investment income (loss) (%) . . . . .	0.96 <sup>(d)</sup>	(0.50) <sup>(d)</sup>
Portfolio turnover rate (%) <sup>(f)</sup> . . . . .	25 <sup>(c)</sup>	46 <sup>(c)</sup>

- (a) For the period February 8, 2023 (commencement of operations) through June 30, 2023.
- (b) Per share numbers have been calculated using the average shares method.
- (c) Not annualized.
- (d) Annualized.
- (e) The Fund invests in other ETFs and indirectly bears its proportionate shares of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.
- (f) Excludes the impact of in-kind transactions related to the processing of capital share transactions in Creation Units.

# Simplify Exchange Traded Funds

## Notes to Financial Statements

December 31, 2023 (Unaudited)

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### 1. Organization

Simplify Exchange Traded Funds (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end registered management investment company organized as a Delaware statutory trust.

As of December 31, 2023, the Trust consists of twenty six investment series of exchange-traded funds (“ETFs”) (each a “Fund” and collectively, the “Funds”) in operation and trading. These financial statements report on the Fund listed below:

Simplify Propel Opportunities ETF

Simplify Asset Management Inc. (the “Adviser”) serves as investment adviser to the Fund and has overall responsibility for the general management and administration of the Fund, subject to the oversight of the Trust’s Board of Trustees (the “Board”).

The Fund offers shares that are listed and traded on the NYSE Arca, Inc. (“NYSE Arca”) Unlike mutual funds, the Fund issues and redeems shares on a continuous basis, at net asset value (“NAV”), only in large specified lots consisting of 25,000 shares, each called a “Creation Unit”, to authorized participants who have entered into agreements with the Fund’s distributor. Shares are not individually redeemable securities of the Fund, and owners of the shares may acquire those shares from the Fund, or tender such shares for redemption to the Fund, in Creation Units only.

<b>Fund</b>	<b>Investment objectives</b>
Simplify Propel Opportunities ETF	The Fund seeks to provide long-term growth of capital.

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### 2. Significant Accounting Policies

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”), which require management to make certain estimates and assumptions that affect the reported amounts and disclosures of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Fund are investment companies and accordingly follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 Financial Services – Investment Companies including Accounting Standards Update 2013-08. The following is a summary of significant accounting policies followed by the Fund.

#### Investment Valuation

The Fund’s investments are valued using procedures approved by the Board and are generally valued using market valuations (Market Approach). A market valuation generally means a valuation (i) obtained from an exchange, a pricing service, or a major market maker (or dealer) or (ii) based on a price quotation or other equivalent indication of value supplied by an exchange, a pricing service, or a major market maker (or dealer). A price obtained from a pricing service based on such pricing service’s valuation matrix may be considered a market valuation. Any assets or liabilities denominated in currencies other than the U.S. dollar are converted into U.S. dollars at the current market rates on the date of valuation as quoted by one or more sources.

If market quotations are not readily available, securities will be valued at their fair market value as determined using the “fair value” procedures approved by the Board. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security may be materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available. The Board has delegated execution of these procedures to the Adviser, as valuation designee pursuant to Rule 2a-5 under the 1940 Act. The Adviser may also enlist third party consultants such as an audit firm or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. These securities are either categorized as Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used. The Board reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

Equity securities closed-end funds, and ETFs are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities closed-end funds, and ETFs are generally categorized as Level 1 of the fair value hierarchy.

Exchange traded options are valued at the mean between the current bid and ask prices on the exchange on which such options are traded. If a mean price is not available, the closing price is used. Exchange trade options are categorized as Level 1. Options with international equity exposure are marked to market using closing prices for the underlying and interpolated option implied volatilities obtained from mid-market prices for options on the same underlying of similar expiries and strike prices. These securities are categorized as Level 2 in the fair value hierarchy.

Money Market Funds are valued at NAV.

Debt securities not traded on an exchange may be valued at prices supplied by a pricing agent(s) based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. Debt securities are generally categorized as Level 2 of the fair value hierarchy.

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

December 31, 2023 (Unaudited)

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

- Level 1 – Quoted prices in active markets for identical assets that the funds have the ability to access.
- Level 2 – Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 – Significant unobservable inputs (including each Fund’s own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the valuations as of December 31, 2023 for the Fund based upon the three levels defined above:

### Simplify Propel Opportunities ETF

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks .....	\$ 70,128,632	\$ —	\$ 9,750	\$ 70,138,382
Exchange-Traded Funds .....	12,810,647	—	—	12,810,647
Corporate Bonds .....	—	3,641,021	—	3,641,021
Closed-End Funds .....	1,290,950	—	—	1,290,950
Money Market Funds .....	4,772,389	—	—	4,772,389
<b>TOTAL</b>	<b>\$ 89,002,618</b>	<b>\$ 3,641,021</b>	<b>\$ 9,750</b>	<b>\$ 92,653,389</b>

### Cash

Cash consists of cash on deposit with a major financial institution which may exceed federally insured limits.

### Foreign Currency Translations

The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed, but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

### Investment Transactions and Related Income

For financial reporting purposes, investment transactions are reported on the trade date. However, for daily NAV determination, portfolio securities transactions are reflected no later than in the first calculation on the first business day following trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on an accrual basis and includes, where applicable, the amortization of premium or accretion of discount based on effective yield. Gains or losses realized on sales of securities are determined using the specific identification method by comparing the identified cost of the security lot sold with the net sales proceeds. Dividend Income on the Statements of Operations is shown net of any foreign taxes withheld on income from foreign securities, which are provided for in accordance with the Fund’s understanding of the applicable tax rules and regulations.

### Income Tax Information and Distributions to Shareholders

It is the Fund’s policy to comply with all requirements of the Internal Revenue Code of 1986, as amended (“the Code”). The Fund intends to qualify for and to elect treatment as a separate Regulated Investment Company (“RIC”) under Subchapter M of the Code. It is the Fund’s policy is to pay out dividends from net investment income quarterly. Taxable net realized gains from investment transactions, reduced by capital loss carryforwards, if any, will be declared and distributed to shareholders at least annually. The capital loss carryforward amount, if any, will be available to offset future net capital gains. The Fund may occasionally be required to make supplemental distributions at some other time during the year. The Fund reserves the right to declare special distributions if, in its reasonable discretion, such action is necessary or advisable to preserve the status of a Fund as a RIC or to avoid imposition of income or excise taxes on undistributed income. Dividends and distributions to shareholders, if any, will be recorded on the ex-dividend date. The amount of dividends and distributions from net investment income and net realized capital gains will be determined in accordance with Federal income tax regulations which may differ from U.S. GAAP. These “book/tax” differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, (e.g., return of capital and distribution reclassifications), such amounts are reclassified within the

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

December 31, 2023 (Unaudited)

composition of net assets based on their federal tax basis treatment; temporary differences (e.g., wash sales and straddles) do not require a reclassification. Dividends and distributions, which exceed earnings and profits for the full year for tax purposes, will be reported as a tax return of capital.

In accordance with U.S. GAAP requirements regarding accounting for uncertainties in income taxes, management has analyzed the Fund's tax positions expected to be taken on foreign, federal and state income tax returns for all open tax years and has concluded that no provision for income tax is required in the Fund's financial statement.

The Fund will recognize interest and penalties, if any, related to uncertain tax positions as income tax expense on the Statement of Operations.

### 3. Investment Advisory Agreement and Other Agreements

The Adviser has overall responsibility for the general management and administration of the Fund, subject to the oversight of the Board. Under an investment advisory agreement between the Trust, on behalf of the Fund, and the Adviser (the "Investment Advisory Agreement"), the Adviser is responsible for arranging sub-advisory, transfer agency, custody, fund administration, and all other non-distribution related services for the Fund to operate.

Propel Bio Management, LLC (the "Sub-Adviser") serves as investment sub-adviser to the Fund. The Sub-Adviser is responsible for day-to-day management of the Fund, subject to supervision of the Adviser. The Adviser, not the Fund, pays the sub-advisory fee to the Sub-Adviser.

For its investment advisory services to the Fund below, the Adviser was entitled to receive a management fee based on the Fund's average daily net assets, computed and accrued daily and payable monthly, at an annual rate equal to:

Fund	Management Fee
Simplify Propel Opportunities ETF .....	2.75%

For Simplify Propel Opportunities ETF, the Adviser and Sub-Adviser have collectively agreed to waive 0.25% of the management and sub advisory fee on an annualized basis through December 31, 2024. This waiver may be terminated by the Fund's Board of Trustees on 60 days' notice and terminates automatically if the management agreement or sub-advisory agreement is terminated. For the period ended December 30, 2023, the Adviser waived expenses of \$116,939.

Under the Investment Advisory Agreement, the Adviser has agreed to pay all expenses of the Fund except for the management fee, interest, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, and distribution fees and expenses paid by the Trust under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act.

The Board has adopted a Distribution and Service Plan pursuant to Rule 12b-1 under the 1940 Act. In accordance with its Rule 12b-1 plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year to finance activities primarily intended to result in the sale of Creation Units of the Fund or the provision of investor services. No Rule 12b-1 fees are currently paid by the Fund and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, they will be paid out of the Fund's assets, and directly impact the NAV per share of the Fund.

The Bank of New York Mellon, a wholly-owned subsidiary of The Bank of New York Mellon Corporation, serves as Administrator, Custodian, Accounting Agent and Transfer Agent for the Fund.

Forside Financial Services, LLC (the "Distributor") serves as the distributor of Creation Units for the Fund on an agency basis. The Distributor does not maintain a secondary market in shares of a Fund. Forside Fund Officer Services, LLC a related party to the Distributor also serves as the Trust's Compliance Officer.

A Trustee and certain Officers of the Trust are also employees of the Adviser and/or the Distributor.

### 4. Investment Transactions

Purchases and sales of securities, other than short-term securities, U.S. Government Securities and in-kind transactions were as follows:

Fund	Purchases	Sales
Simplify Propel Opportunity ETF .....	\$ 22,397,419	\$ 22,528,429

Securities received and delivered in-kind through subscriptions and redemptions were as follows:

Fund	Purchases	Sales
Simplify Propel Opportunity ETF .....	\$ —	\$ 9,768,550

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

December 31, 2023 (Unaudited)

### 5. Fund Share Transactions

The Fund issue and redeem Shares at NAV only in large blocks of 25,000 Shares (each block of Shares is called a “Creation Unit”). Creation Units are issued and redeemed primarily in-kind for securities but may include cash. Individual Shares may only be purchased and sold in secondary market transactions through brokers. Except when aggregated in Creation Units in transactions with Authorized Participants, the Shares are not redeemable securities of the Fund.

Fund Shares are listed and traded on the Exchange on each day that the Exchange is open for business (“Business Day”). The Fund’s Shares may only be purchased and sold on the Exchange through a broker-dealer. Because the Fund’s Shares trade at market prices rather than at their NAV, Shares may trade at a price equal to the NAV, greater than NAV (premium) or less than NAV (discount).

Authorized participants pay a fixed transaction fee of \$500 to the shareholder servicing agent when purchasing and redeeming Creation Units of a Fund. The transaction fee is used to defray the costs associated with the issuance and redemption of Creation Units. In addition to the fixed transaction fee, the Funds may charge an additional maximum 3% of the amount invested variable fee for creations and redemptions in cash, to offset brokerage and impact expenses associated with a cash transaction.

### 6. Federal Income Taxes

At June 30, 2023, gross unrealized appreciation and depreciation of investments owned by each Fund, based on cost for federal income tax purposes were as follows:

Fund	Tax Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
Simplify Propel Opportunities ETF .....	\$102,149,002	\$ 19,077,435	\$(20,033,615)	\$ (956,180)

The differences between book-basis and tax-basis components of net assets are primarily attributable to the tax deferral of losses on wash sales, grantor trust adjustments, section 1256 mark-to-market treatment of derivatives and return of capital basis adjustments from underlying investments.

At June 30, 2023, for federal income tax purposes, the Fund had capital loss carryforwards available as shown in the table below, to the extent provided by regulations, to offset future capital gains for an unlimited period. To the extent that these capital loss carryforwards are used to offset future capital gains, it is probable that the capital gains so offset will not be distributed to shareholders.

Fund	Short-Term	Long-Term	Total Amount
Simplify Propel Opportunities ETF .....	\$ 6,051	\$ 233,224	\$ 239,275

### 7. Subsequent Events

Management has evaluated subsequent events through the date of issuance of these financial statements and has determined that there are no subsequent events that require adjustment to, or disclosure in, the financial statement.

# **Simplify Exchange Traded Funds**

## **Additional Information (Unaudited)**

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### ***Proxy Voting Policies and Procedures***

The Fund's policies and procedures for voting proxies for portfolio securities and information about how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site at [www.simplify.us](http://www.simplify.us) or on the SEC's Web site at [www.sec.gov](http://www.sec.gov). To obtain a written copy of the Fund's policies and procedures without charge, upon request, call us toll free at (855) 772-8488.

### ***Portfolio Holdings Information***

The Fund is required to file its complete schedule of portfolio holdings with the SEC for its first and third fiscal quarters on Form N-PORT. Copies of the filings are available without charge, upon request on the SEC's website at [www.sec.gov](http://www.sec.gov) and are available by calling the Trust at 855-772-8488.

### ***Discount & Premium Information***

Information regarding how often shares of the Fund traded on NYSE Arca at a price above (i.e., at a premium) or below (i.e., at a discount) the NAV of the Fund can be found at [www.simplify.us](http://www.simplify.us).



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