

SVOL | Simplify Volatility Premium ETF

FUND OVERVIEW

The Simplify Volatility Premium ETF (SVOL) seeks to provide investment results, before fees and expenses, that correspond to approximately one-fifth to three-tenths (-0.2x to -0.3x) the inverse of the performance of the Cboe Volatility Index (VIX) short-term futures index while also seeking to mitigate extreme volatility. SVOL aims to provide an attractive income stream and source of diversification while seeking to avoid risks inherent in other income-producing asset classes. The fund's short VIX position provides investors an optimized exposure for monetizing the premium in the VIX futures market. A modest option overlay budget is then deployed into VIX call options to help protect against adverse moves in VIX.

PERFORMANCE REVIEW

SVOL returned 3.60% this quarter (15.20% annualized), continuing to provide robust support for the distribution yield of around 15%. Short positions in VIX futures contributed 2.32% as the VIX futures curve benefitted from steep rolldown in a severely upward-sloping curve (contango). VIX remaining low at around 13% this quarter greatly helped keep the futures curve in contango. Cash investment resulted in a return of 0.98% from short-term treasuries and 0.23% from fixed income ETFs. Hedging cost (0.25% in VIX options and 0.30% in CYA, Simplify Tail Risk Strategy ETF) was more than offset by the income generated (0.78%) by short option positions on Treasury Futures.

The level of VIX is quite low as compared to the historical average; however, the futures curve is very steep due to the demand for buying VIX being significantly higher than the supply. In this market condition, SVOL has taken short positions in the intermediate part of the VIX curve (as opposed to the front end) to have the potential to deliver positive returns even in a moderately rising VIX environment. SVOL also continues to have the potential to deliver higher income than a typical covered call strategy given the lower premium collected by those strategies in a low VIX environment. We expect cash invested in fixed income securities and option overlays to continue to add to the yield of the portfolio as interest rates may potentially stay range-bound.

Performance as of 03/31/24 | Inception Date: 05/12/21

	CUMULATIVE TOTAL RETURN				ANNUALIZED TOTAL RETURN	
	3 Mo	6 Mo	YTD	Since Inception	1 Year	Since Inception
NAV	3.60%	9.49%	3.60%	39.11%	22.75%	12.12%
Market Price	3.47%	9.04%	3.47%	38.15%	22.58%	11.87%
S&P 500 Index	10.56%	23.48%	10.56%	35.33%	29.88%	11.06%

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 03/31/24

TOP TEN HOLDINGS*

POSITION	ALLOCATION
TREASURY BILL 0 5/24	58.55%
TREASURY BILL DN 4/24	16.51%
TREASURY BILL DN 4/24	13.05%
AGGH	12.76%
BUCK	9.69%
TREASURY BILL DN 6/24	5.89%
TREASURY BILL DN 4/24	4.61%
TSY INFL IX N/B 0.5 4/24	4.26%
TREASURY BILL DN 4/24	0.91%
VIX US 06/18/24 C50	0.08%
Cash	-26.67%

*Holdings are subject to change without notice.

Gross Expense Ratio	1.16%
Net Expense Ratio	—
SEC 30-Day Yield	4.97%
SEC 30-Day Yield Unsubsidized	4.97%

DEFINITIONS

Contango: A situation where the futures price of a commodity is higher than the spot price.

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.

Option: 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.

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

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. Download SVOL prospectus [here](#).

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 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. VIX futures contracts can be highly volatile and the Fund may experience sudden and large losses when buying selling or holding such instruments. VIX futures are unlike traditional futures contracts not based on a tradeable asset and it is possible to lose a portion or all of an investment.

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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