

December 31, 2025

# Semi-Annual Financial Statements and Other Important Information

## Simplify Exchange Traded Funds

Simplify Kayne Anderson Energy and Infrastructure Credit ETF (KNRG)



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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 Kayne Anderson Energy and Infrastructure Credit ETF

## Schedule of Investments

December 31, 2025 (Unaudited)

	<u>Principal</u>	<u>Value</u>
<b>Corporate Bonds – 94.7%</b>		
<b>Energy – 66.6%</b>		
Antero Midstream Partners LP / Antero Midstream Finance Corp., 5.75%, 7/1/2034, 144A(a)	\$ 334,000	\$ 336,863
Buckeye Partners LP, 6.88%, 7/1/2029, 144A(a)	150,000	156,577
Buckeye Partners LP, 5.85%, 11/15/2043	200,000	187,689
CQP Holdco LP / BIP-V Chinook Holdco LLC, 7.50%, 12/15/2033, 144A(a)	550,000	591,713
Delek Logistics Partners LP / Delek Logistics Finance Corp., 7.38%, 6/30/2033, 144A(a)	675,000	689,266
Enbridge, Inc., 8.50%, (US 5 Year CMT T-Note + 4.43%), 1/15/2084(b)	450,000	516,253
Energy Transfer LP, 6.75%, (US 5 Year CMT T-Note + 2.48%), 2/15/2056(b)	250,000	251,089
Energy Transfer LP, 7.13%, (US 5 Year CMT T-Note + 5.31%), 5/15/2174, Series G(b)	725,000	745,391
Hess Midstream Operations LP, 6.50%, 6/1/2029, 144A(a)	150,000	155,696
Kinder Morgan Energy Partners LP, 6.95%, 1/15/2038	600,000	676,475
ONEOK Partners LP, 6.13%, 2/1/2041	400,000	412,245
Phillips 66 Co., 5.88%, (US 5 Year CMT T-Note + 2.28%), 3/15/2056, Series A(b)	200,000	197,959
Phillips 66 Co., 6.20%, (US 5 Year CMT T-Note + 2.17%), 3/15/2056, Series B(b)	200,000	199,288
Plains All American Pipeline LP, 8.22%, (3-Month CME Term SOFR + 4.37%), 11/15/2174, Series B(b)	1,025,000	1,028,697
Prairie Acquiror LP, 9.00%, 8/1/2029, 144A(a)	950,000	991,647
Rockies Express Pipeline LLC, 6.88%, 4/15/2040, 144A(a)	240,000	248,253
South Bow Canadian Infrastructure Holdings Ltd., 7.50%, (US 5 Year CMT T-Note + 3.67%), 3/1/2055(b)	550,000	588,211
South Bow Canadian Infrastructure Holdings Ltd., 7.63%, (US 5 Year CMT T-Note + 3.95%), 3/1/2055(b)	175,000	183,072
Sunoco LP, 7.88%, (US 5 Year CMT T-Note + 4.23%), 3/18/2174, 144A(a)(b)	975,000	1,002,339
Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp., 6.75%, 3/15/2034, 144A(a)	85,000	85,017
Targa Resources Corp., 6.50%, 2/15/2053	300,000	315,242
TransCanada PipeLines Ltd., 7.00%, (US 5 Year CMT T-Note + 2.61%), 6/1/2065(b)	700,000	722,023
Western Midstream Operating LP, 7.25%, 4/1/2030, 144A(a)	200,000	213,372
Williams Cos., Inc. (The), 8.75%, 3/15/2032	575,000	699,301
		<u>11,193,678</u>
<b>Utilities – 28.1%</b>		
AES Corp. (The), 7.60%, (US 5 Year CMT T-Note + 3.20%), 1/15/2055(b)	500,000	509,552
AES Corp. (The), 6.95%, (US 5 Year CMT T-Note + 2.89%), 7/15/2055(b)	325,000	322,270
AltaGas Ltd., 7.20%, (US 5 Year CMT T-Note + 3.57%), 10/15/2054, 144A(a)(b)	825,000	855,999
Entergy Corp., 7.13%, (US 5 Year CMT T-Note + 2.67%), 12/1/2054(b)	400,000	420,265
Entergy Corp., 6.10%, (US 5 Year CMT T-Note + 2.01%), 6/15/2056	275,000	275,209
NRG Energy, Inc., 6.00%, 1/15/2036, 144A(a)	150,000	152,065
PG&E Corp., 7.38%, (US 5 Year CMT T-Note + 3.88%), 3/15/2055(b)	900,000	937,887
Sempra, 6.40%, (US 5 Year CMT T-Note + 2.63%), 10/1/2054(b)	300,000	305,305
Sempra, 6.88%, (US 5 Year CMT T-Note + 2.79%), 10/1/2054(b)	505,000	520,931
Vistra Corp., 8.00%, (US 5 Year CMT T-Note + 6.93%), 4/15/2174, 144A(a)(b)	300,000	308,704
Vistra Corp., 8.88%, (US 5 Year CMT T-Note + 5.05%), 7/15/2174, Series C, 144A(a)(b)	100,000	110,598
		<u>4,718,785</u>
Total Corporate Bonds (Cost \$15,576,743)		<u>15,912,463</u>
	<u>Shares</u>	
<b>Preferred Stocks – 2.9%</b>		
<b>Utilities– 2.9%</b>		
NextEra Energy, Inc. (Cost \$486,210)	10,000	<u>487,500</u>

# Simplify Kayne Anderson Energy and Infrastructure Credit ETF

## Schedule of Investments (Continued)

December 31, 2025 (Unaudited)

	<u>Shares</u>	<u>Value</u>
<b>Money Market Fund – 0.8%</b>		
Dreyfus Treasury Obligations Cash Management Fund, Institutional Shares, 3.65%(c)		
(Cost \$131,634) . . . . .	131,634	\$ 131,634
Total Investments – 98.4%		
(Cost \$16,194,587) . . . . .		\$ 16,531,597
Other Assets in Excess of Liabilities – 1.6% . . . . .		276,962
<b>Net Assets – 100.0%</b> . . . . .		<b>\$ 16,808,559</b>

- (a) 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 \$5,898,109, which represents 35.1% of net assets as of December 31, 2025.
- (b) Floating rate investment. Interest rates reset periodically. Certain Securities are fixed to variable and currently in the fixed phase. Interest rate shown reflects the rate in effect at December 31, 2025. For securities based on a published reference rate and spread, the reference rate and spread are indicated in the description above.
- (c) Rate shown reflects the 7-day yield as of December 31, 2025.

**Portfolio Abbreviations:**

CME : Chicago Mercantile Exchange  
 CMT : Treasury Constant Maturity Rate  
 SOFR : Secured Overnight Financing Rate

# Simplify Exchange Traded Funds

## Statement of Assets and Liabilities

December 31, 2025 (Unaudited)

	Simplify Kayne Anderson Energy and Infrastructure Credit ETF
<b>Assets</b>	
Investments, at value .....	\$ 16,531,597
Receivables:	
Interest .....	287,341
Total assets .....	<u>16,818,938</u>
<b>Liabilities</b>	
Payables:	
Investment advisory fees .....	10,379
Total liabilities .....	<u>10,379</u>
<b>Net Assets</b> .....	<u>\$ 16,808,559</u>
<b>Net Assets Consist of</b>	
Paid-in capital .....	\$ 16,486,174
Distributable earnings (loss) .....	322,385
<b>Net Assets</b> .....	<u>\$ 16,808,559</u>
Number of Common Shares outstanding .....	650,001
<b>Net Asset Value, offering and redemption price per share</b> .....	<u>\$ 25.86</u>
Investments, at cost .....	<u>\$ 16,194,587</u>

# Simplify Exchange Traded Funds

## Statement of Operations

For the Six Months Ended December 31, 2025 (Unaudited)

	<b>Simplify Kayne Anderson Energy and Infrastructure Credit ETF</b>
<b>Investment Income</b>	
Dividend income . . . . .	\$ 1,825
Interest income . . . . .	446,607
Total income . . . . .	<u>448,432</u>
<b>Expenses</b>	
Investment advisory fees . . . . .	48,906
Total expenses . . . . .	<u>48,906</u>
Net investment income (loss) . . . . .	399,526
<b>Realized and Unrealized Gain (Loss)</b>	
Net realized gain (loss) from:	
Investments . . . . .	78,666
Net realized gain (loss) . . . . .	<u>78,666</u>
Net change in unrealized appreciation (depreciation) on:	
Investments . . . . .	162,382
Net unrealized gain (loss) . . . . .	<u>162,382</u>
Net realized and unrealized gain (loss) . . . . .	241,048
<b>Net Increase (Decrease) in Net Assets Resulting from Operations . . . . .</b>	<u><u>\$ 640,574</u></u>

# Simplify Exchange Traded Funds

## Statements of Changes in Net Assets

	<b>Simplify Kayne Anderson Energy and Infrastructure Credit ETF</b>	
	<b>For the Six Months Ended December 31, 2025 (Unaudited)</b>	<b>For the period May 27, 2025<sup>(1)</sup> to June 30, 2025</b>
<b>Increase (Decrease) in Net Assets from Operations</b>		
Net investment income (loss) . . . . .	\$ 399,526	\$ 49,365
Net realized gain (loss) . . . . .	78,666	6,346
Net change in net unrealized appreciation (depreciation) . . . . .	162,382	174,628
Net increase (decrease) in net assets resulting from operations . . . . .	<u>640,574</u>	<u>230,339</u>
<b>Distributions</b> . . . . .	<u>(491,251)</u>	<u>(56,250)</u>
<b>Fund Shares Transactions</b>		
Proceeds from shares sold . . . . .	7,100,445	9,384,702
Value of shares redeemed . . . . .	<u>—</u>	<u>—</u>
Net increase (decrease) in net assets resulting from fund share transactions . . . . .	<u>7,100,445</u>	<u>9,384,702</u>
Total net increase (decrease) in Net Assets . . . . .	<u>7,249,768</u>	<u>9,558,791</u>
<b>Net Assets</b>		
Beginning of period . . . . .	9,558,791	—
End of period . . . . .	<u>\$ 16,808,559</u>	<u>\$ 9,558,791</u>
<b>Changes in Shares Outstanding</b>		
Shares outstanding, beginning of period . . . . .	375,001	—
Shares sold . . . . .	275,000	375,001 <sup>(2)</sup>
Shares redeemed . . . . .	<u>—</u>	<u>—</u>
Shares outstanding, end of period . . . . .	<u>650,001</u>	<u>375,001</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

<b>Simplify Kayne Anderson Energy and Infrastructure Credit ETF</b> <b>Selected Per Share Data</b>	<b>For the Six Months Ended December 31, 2025 (Unaudited)</b>	<b>Period Ended June 30, 2025<sup>(a)</sup></b>
Net Asset Value, beginning of period . . . . .	\$ 25.49	\$ 25.00
Income (loss) from investment operations:		
Net investment income (loss) <sup>(b)</sup> . . . . .	0.79	0.15
Net realized and unrealized gain (loss) . . . . .	0.52	0.49
Total from investment operations . . . . .	1.31	0.64
Less distributions from:		
Net investment income . . . . .	(0.94)	(0.15)
Total distributions . . . . .	(0.94)	(0.15)
Net Asset Value, end of period . . . . .	<u>\$ 25.86</u>	<u>\$ 25.49</u>
<b>Total Return (%)</b> . . . . .	5.23 <sup>(c)</sup>	2.56 <sup>(c)</sup>
<b>Ratios to Average Net Assets and Supplemental Data</b>		
Net Assets, end of period (\$ millions) . . . . .	\$ 17	\$ 10
Ratio of expenses (%) . . . . .	0.75 <sup>(d)</sup>	0.75 <sup>(d)</sup>
Ratio of net investment income (loss) (%) . . . . .	6.13 <sup>(d)</sup>	6.42 <sup>(d)</sup>
Portfolio turnover rate (%) <sup>(e)</sup> . . . . .	48 <sup>(c)</sup>	8 <sup>(c)</sup>

(a) For the period May 27, 2025 (commencement of operations) through June 30, 2025.

(b) Per share numbers have been calculated using the average shares method.

(c) Not annualized.

(d) Annualized.

(e) 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, 2025 (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, 2025, the Trust consists of thirty eight investment series of exchange-traded funds (“ETFs”) in operation and trading. These financial statements report on the Simplify Kayne Anderson Energy and Infrastructure Credit ETF (the “Fund”). The Fund is a non-diversified series of the Trust.

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 (“Shares”) that are listed and traded on the NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”). Unlike mutual funds, the Fund issues and redeems Shares 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 who are authorized participants 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 Kayne Anderson Energy and Infrastructure Credit ETF	The Fund primarily seeks current income and secondarily seeks capital appreciation.

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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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Fund is an investment company 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 and the Adviser. 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 designated the Adviser as its valuation designee to execute these procedures pursuant to Rule 2a-5 under the 1940 Act. Independent pricing services may assist in calculating the value of the Fund’s portfolio securities. The Board reviews the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results. These securities are either categorized as Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

Equity securities and preferred stocks 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 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 are generally categorized as Level 1 of the fair value hierarchy.

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.

Money Market Funds are valued at NAV.

Under certain circumstances, the Fund may use an independent pricing service to calculate the fair market value of foreign equity securities on a daily basis by applying valuation factors to the last sale price or the mean price as noted above. The fair market values supplied by the independent pricing service will generally reflect market trading that occurs after the close of the applicable foreign markets of comparable securities or the value of other instruments that have a strong correlation to the fair valued securities. The independent pricing service will also take into account the current relevant currency exchange rate. A security that is fair valued may be valued at a

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

December 31, 2025 (Unaudited)

price higher or lower than actual market quotations or the value determined by other funds using their own fair valuation procedures. Because foreign securities may trade on days when Shares are not priced, the value of securities held by the Fund can change on days when Shares cannot be redeemed or purchased. In the event that a foreign security's market quotations are not readily available or are deemed unreliable (for reasons other than because the foreign exchange on which it trades closed before the Fund's calculation of NAV), the security will be valued at its fair market value as determined in good faith by the Adviser in accordance with procedures approved by the Board. Without fair valuation, it is possible that short-term traders could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Fair valuation of the Fund's portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that it will prevent dilution of the Fund's NAV by short-term traders. In addition, because the Fund's may invest in underlying ETFs which hold portfolio securities primarily listed on foreign (non-U.S.) exchanges, and these exchanges may trade on weekends or other days when the underlying ETFs do not price their shares, the value of these portfolio securities may change on days when you may not be able to buy or sell Shares.

Investments initially valued in currencies other than the U.S. dollar are converted to U.S. dollars using exchange rates obtained from pricing services or other parties in accordance with the valuation procedures of the Adviser. As a result, the NAV of the Shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Exchange is closed and an investor is not able to purchase, redeem or exchange Shares.

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 Fund has 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 the 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, 2025 for the Fund based upon the three levels defined above:

### Simplify Kayne Anderson Energy and Infrastructure Credit ETF

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Corporate Bonds .....	\$ 10,014,354	\$ 5,898,109	\$ —	\$ 15,912,463
Preferred Stocks .....	487,500	—	—	487,500
Money Market Fund .....	131,634	—	—	131,634
<b>TOTAL</b>	<b>\$ 10,633,488</b>	<b>\$ 5,898,109</b>	<b>\$ —</b>	<b>\$ 16,531,597</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. 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 Statement of Operations is shown net of any foreign

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

### December 31, 2025 (Unaudited)

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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 to pay out dividends from net investment income monthly. 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 the 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 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 statements.

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.

Kayne Anderson Capital Advisors, L.P. (the "Sub-Adviser") serves as investment sub-adviser to the Fund. The Sub-Adviser is responsible for day-to-day management of the Fund's credit portfolio, subject to supervision of the Adviser. The Adviser, not the Fund, pays the Sub-Adviser.

For its investment advisory services to the Fund, the Adviser was entitled to receive a management fee, computed and accrued daily and payable monthly, at an annual rate equal to 0.75% of Fund's average daily net assets.

Under the Investment Advisory Agreement, the Adviser has agreed to pay substantially all the operating expenses of the Fund, excluding interest expenses, taxes, brokerage expenses, Rule 12b-1 fees (if any), acquired fund fees and expenses, expenses incidental to a meeting of the Fund's shareholders and the management fee. In addition to the excluded operating expenses, the Fund also pays non-operating expenses such as litigation and indemnification expenses and other expenses determined to be extraordinary by the Trust.

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 the Fund. Adviser Compliance Associates, LLC d/b/a ACA Group, a related party to the Distributor, also provides a Chief Compliance Officer to the Trust.

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

# Simplify Exchange Traded Funds

## Notes to Financial Statements (Continued)

December 31, 2025 (Unaudited)

### 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 Kayne Anderson Energy and Infrastructure Credit ETF.....	\$ 12,962,047	\$ 6,134,359

### 5. Fund Share Transactions

The Fund issues and redeems 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 Fund's custodian when purchasing and redeeming Creation Units of the 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 Fund may charge an additional variable fee of up to a maximum of 3% of the amount invested for creations and redemptions in cash, to offset brokerage and impact expenses associated with a cash transaction.

### 6. Federal Income Taxes

At June 30, 2025, gross unrealized appreciation and depreciation of investments owned by the 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 Kayne Anderson Energy and Infrastructure Credit ETF	\$ 9,215,947	\$ 194,021	\$ (20,959)	\$ 173,062

The differences between book-basis and tax-basis components of net assets, if applicable, 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.

### 7. Segment Reporting

The Fund operates in one segment. The Chief Operating Decision Maker ("CODM") is the President and Chief Executive Officer of the Fund. The CODM reviews the operating results of the Fund on a consolidated basis as part of making decisions for allocating resources and evaluating performance.

### 8. 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 statements.

# **Simplify Exchange Traded Funds**

## **Additional Information (Unaudited)**

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

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling 1-855-772-8488; by visiting [www.simplify.us](http://www.simplify.us); and on the SEC's website at [www.sec.gov](http://www.sec.gov).

### ***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).