MTBA | Simplify MBS ETF

Why MTBA?

Attractive Yield with Little to No Credit Risk

Seeks to provide total return through investments in Agency Mortgage-Backed Securities (MBS)

A Modern Approach to MBS Investing

Invests in newer-issue Agency MBS which provide higher coupons as well as higher yield to maturity

Reduced Volatility vs. the MBS Index

Higher coupons have elevated potential for prepayments, which reduces duration and thus interest rate risk

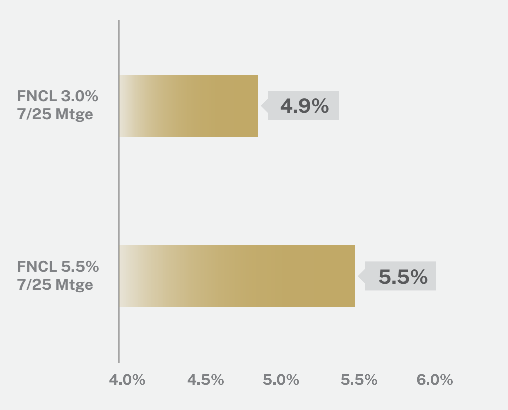
Investment Process

- MTBA invests in newer-issue MBS which have benefitted from rising interest rates and thus have higher yields than older securities found in MBS indexes.
- Exposure is accessed via "to-be-announced" MBS contracts (TBAs). TBAs provide greater liquidity than buying MBS directly, as 90% of MBS trading volume is via TBAs.
- TBA contracts have greater operational efficiency and tax simplicity than buying MBS directly.
- The contracts are rolled monthly as they near expiration.

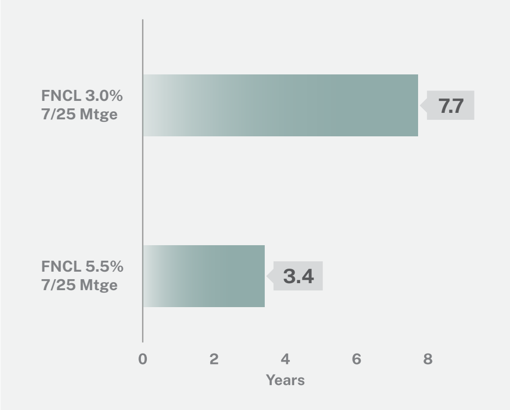
MBS Exposure with Higher Yield, Shorter Duration

- MBS indices typically have a high allocation to older mortgages, with lower coupons and yield to maturity.
- A side effect of the higher coupons is a lower duration, making MTBA less sensitive to changes in interest rates.

Yield to Maturity
As of 06/30/25



Duration
As of 06/30/25



Source: Bloomberg

Portfolio Applications

Higher-Yielding MBS Alternative: For investors seeking a higher yield than MBS Index funds.

Treasury Alternative: For investors seeking a higher yield than Treasuries while taking on little to no credit risk.

Credit Alternative: Agency MBS have little to no credit risk due to implicit (FNMA, FHLMC) or explicit (GNMA) U.S. government backing, making it a defensive alternative to credit with attractive yields.

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Glossary

Agency MBS: Mortgage backed securities issued by a Government-Sponsored Enterprise (GSE). This is a group of privately owned financial institutions in the United States that were created or chartered by the federal government to provide liquidity, stability, and affordability in specific markets, primarily housing and agriculture.

Coupon: The annual interest rate paid on a bond, expressed as a percentage of the face value and paid from the issue date until maturity.

Duration: A measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

Mortgage-Backed Securities (MBS): Investment products similar to bonds. Each MBS consists of a bundle of home loans and other real estate debt bought from the banks that issued them. Investors in mortgage-backed securities receive periodic payments similar to bond coupon payments.

To Be Announced (TBA): A term that describes the forward-settling of mortgage-backed securities (MBS) trades.

Investors should carefully consider the investment objectives, risks, charges, and expenses of Exchange Traded Funds (ETFs) before investing. To obtain an ETF's prospectus or Summary prospectus containing this and other important information, please call (855) 772-8488, or visit SimplifyETFs.com. 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 and 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 earnings and prospects of small and medium-sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small and medium-sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

Mortgage-Related Risks. MBS represent interests in "pools" of mortgages and often involve risks that are different from or possibly more acute than risks associated with other types of debt instruments.

TBA Securities Risk. In a TBA transaction, a seller agrees to deliver a security at a future date but does not specify the particular security to be delivered. Instead, the seller agrees to accept any security that meets specified terms.

Limited History of Operations. The Funds are new ETFs and therefore do not yet have a history of operations for investors to evaluate.

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