SIMPLIFY ETFs

CTA | Simplify Managed Futures Strategy ETF

Why CTA?

Capital efficient, portfolio diversifier

Seeks to maximize the diversification benefit to traditional stocks and bonds, seeking to provide an uncorrelated source of risk and return

A managed futures strategy in a daily liquid vehicle

Provides the potential benefits of a hedge fund strategy in an ETF vehicle while offering transparency and daily liquidity

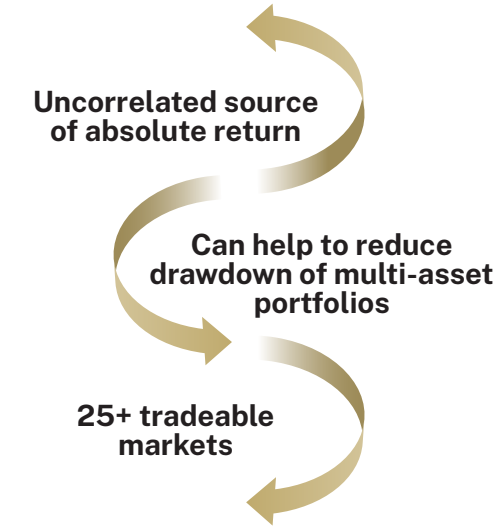
Systematic, daily rebalance evolves with changing markets

The models driving fund positioning are evaluated daily, allowing for real-time changes in positioning to help capture opportunities

Potential Key Portfolio Benefits

- **Absolute returns**
- **Low correlation to equities**
- **Positive convexity in risk-off environments**

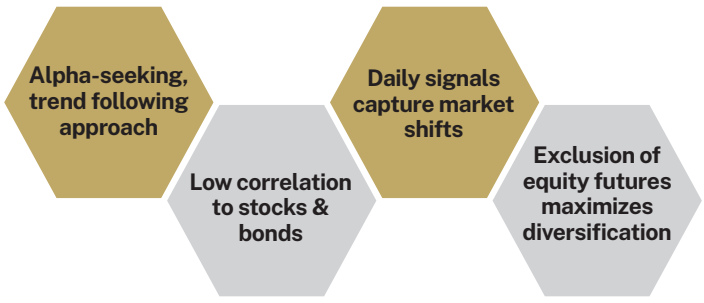
CTA seeks to deliver these benefits by dynamically adjusting between long and short positions across commodity and interest-rate futures daily. Institutional-grade algorithms provide a complementary set of signals which the strategy uses to position accordingly.



How a Differentiated Process Can Drive Better Outcomes

CTA runs a trend following algorithm across a universe of commodity and interest rate futures. The goal is to capture a market's "big moves" rather than trying to capture every wiggle in market performance.

Risk is managed through volatility targeting, diversification across markets, and signal-based entry and exits.



For illustrative purposes only. Subject to change.

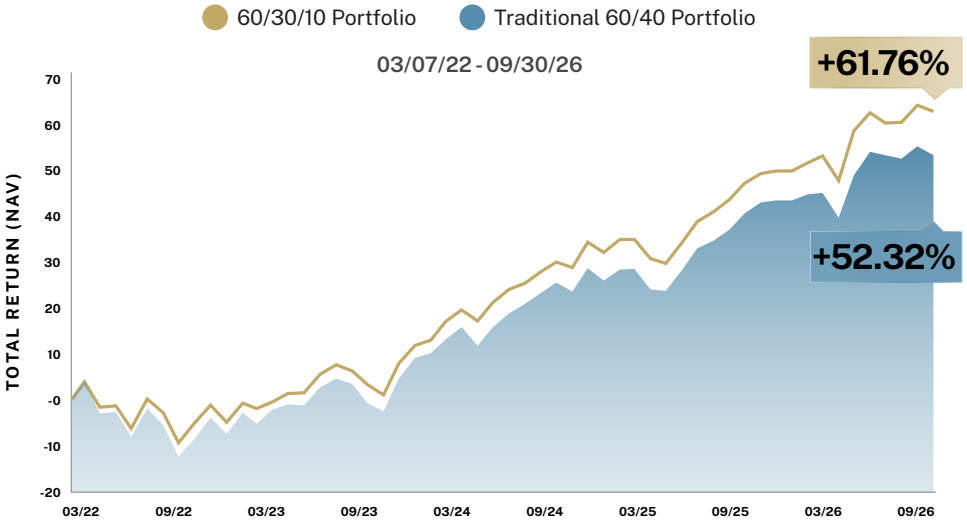
Futures Markets Traded in CTA

Commodity	Interest-Rate
✓ **Industrial Metals** (e.g., Copper)	✓ **SOFR (US Repo)**
✓ **Precious Metals** (e.g., Gold)	✓ **US Treasury 2Y**
✓ **Soft Commodities** (e.g., Cocoa)	✓ **US Treasury 5Y**
✓ **Livestock** (e.g., Cattle)	✓ **US Treasury 10Y**
✓ **Energy** (e.g., WTI Crude)	✓ **US Treasury 30Y**

Source: Chicago Board of Options Exchange (CBOE), New York Mercantile Exchange (NYMEX), New York Board of Trade (NYBOT). Data as of 09/30/26.

There is no guarantee these will be achieved or provide profitability.

CTA as a Potential Diversifier



Since inception, CTA has delivered on a key objective to diversify from stocks and bonds in a multi-asset portfolio as evidenced by the chart on the left.

The performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. 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: simplify.us/etfs. For standardized performance, go to: simplify.us/etfs/cta-simplify-managed-futures-strategy-etf.

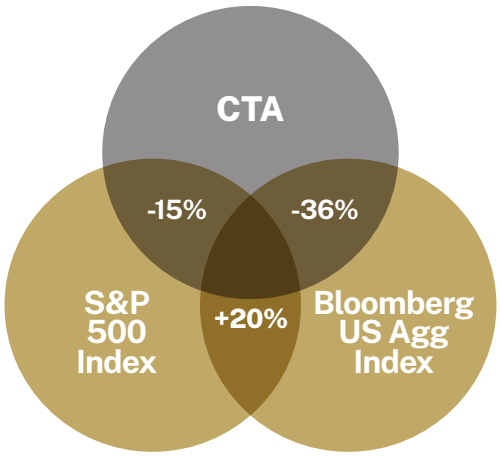
Aiming to Construct Portfolios with Strong Outcomes

Whether the concern is a risk-off event or wanting to participate in further upside, a prudent allocation of 10% to CTA, sourced from core bonds in a 60/40, can be beneficial to portfolios as evidenced by the greater return and reduced volatility in the table below. The correlation of stocks and bonds has recently become positive, further supporting the power of CTA as a diversifier.

03/07/22 – 09/30/26	**Portfolio** (60% SPY; 30% AGG; 10% CTA)	**Benchmark** (60% SPY; 40% AGG)
Cumulative return	61.76%	52.82%
Annualized return	10.86%	9.44%
Annualized volatility	10.27%	11.17%
Maximum drawdown	-12.66%	-15.67%
Sharpe Ratio	0.61	0.47

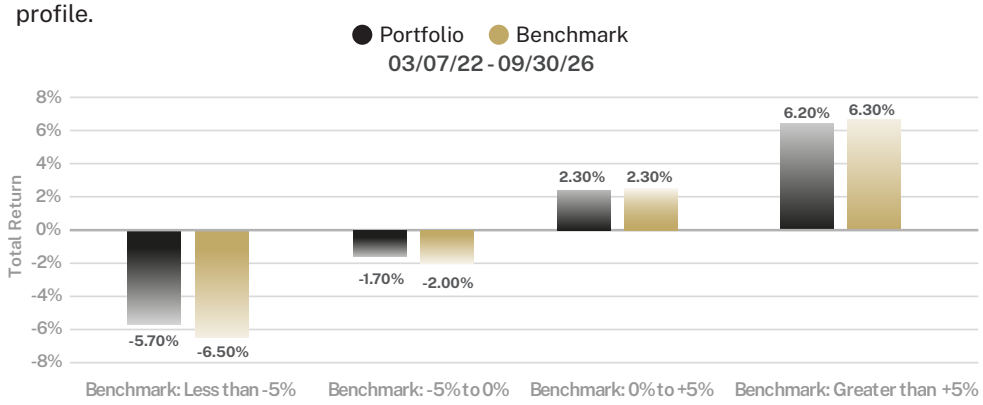
The gross expense ratio of CTA is 0.75%.

Since Inception Correlation



Average Return by Benchmark Regime (Monthly)

Delivering on a key objective to protect in risk-off environments, CTA has shown to weather downside better than the benchmark 60/40 portfolio with its asymmetric return profile.



Please see disclosures for portfolio and benchmark definitions.

Source: Bloomberg, LSEG & FactSet. Benchmark = 60% SPDR S&P500 ETF (SPY), 40% iShares Core US Aggregate Bond ETF (AGG). Portfolio = 60% SPY, 30% AGG, 10% Simplify Managed Futures Strategy ETF (CTA). The performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. 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: simplify.us/etfs. For CTA standardized performance, go to: simplify.us/etfs/cta-simplify-managed-futures-strategy-etf. For AGG standardized performance, go to: ishares.com/us/products/239458/ishares-core-total-us-bond-market-etf. For SPY standardized performance, go to: ssga.com/us/en/individual/etfs/spdr-sp-500-etf-trust-spy. References to other securities is not an offer to buy or sell.

CTA **Performance as of 09/30/26** | Inception Date: 03/07/22

	Cumulative Total Return (%)							Annualized Total Return (%)				Expense Ratio (%)
	3 Months	6 Months	1 Year	3 Year	5 Year	YTD	Since Inception	1 Year	3 Year	5 Year	Since Inception	
NAV	12.90	-1.30	8.97	26.93	—	10.19	49.56	8.97	8.27	—	9.21	0.75
Market Price	12.77	-1.76	8.80	26.65	—	10.41	48.06	8.80	8.19	—	8.98	
SG CTA Index	5.73	7.66	18.68	12.07	—	15.67	22.42	18.68	3.87	—	4.53	

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Definitions

Alpha: An investment strategy's ability to beat the market, or its "edge." Alpha is thus also often referred to as "excess return" or the "abnormal rate of return" in relation to a benchmark, when adjusted for risk.

Annualized Volatility: Measures how much a stock price varies over one year.

Beta: Measure of the volatility, or systematic risk, of a security or portfolio compared to the market as a whole (usually the S&P 500).

Bloomberg US Aggregate Bond Index: A broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Bloomberg US EQ:FI 60:40 Index (BBg 60/40): Designed to measure cross-asset market performance in the US. The index rebalances monthly to 60% equities and 40% fixed income. The equity and fixed income allocation is represented by Bloomberg US Large Cap (B500T) and Bloomberg US Agg (LBUSTRUU) respectively.

Convexity: A measure of how the duration of a bond changes as interest rates change. The greater the convexity of a bond, the greater that change will be for a specific interest rate shift.

Foreign Exchange Market (FX): The global marketplace for the trading of one nation's currency for another.

Futures: Derivative financial contracts that obligate parties to buy or sell an asset at a predetermined future date and price. The buyer must purchase or the seller must sell the underlying asset at the set price, regardless of the current market price at the expiration date.

Futures Contract: A legal agreement to buy or sell a particular commodity asset, or security at a predetermined price at a specified time in the future. Futures contracts are standardized for quality and quantity to facilitate trading on a futures exchange.

Risk-Adjusted Return: A calculation of the profit or potential profit from an investment that considers the degree of risk that must be accepted to achieve it. The risk is measured in comparison to that of a virtually risk-free investment — usually U.S. Treasuries.

S&P 500 Index: The index includes 500 leading U.S. large cap companies and captures approximately 80% coverage of the available market.

Secured Overnight Financing Rate (SOFR): A broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

SG CTA Index (SocGen CTA): Provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs). Calculates the net daily rate of return for a group of 20 CTAs selected from the largest managers open to new investment. The SG CTA Index is equal-weighted and reconstituted annually and has become recognized as the key managed futures performance benchmark.

Sharpe Ratio: The ratio compares the return of an investment with its risk. It's a mathematical expression of the insight that excess returns over a period of time may signify more volatility and risk, rather than investing skill.

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 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 and is subject to the risk that the strategy may not produce the intended results. The fund will also rely on the Futures Adviser's judgments about the value and potential appreciation of particular securities which if assessed incorrectly could negatively affect the Fund.

The Fund's use of futures may involve different or greater risks than investing directly in securities and the contract may not correlate perfectly with the underlying asset. These risks include leverage risk which means a small percentage of assets invested in futures can have a disproportionately large impact on the Fund. This risk could cause the Fund to lose more than the principal amount invested. Futures contracts may become mispriced or improperly valued when compared to the adviser's expectation and may not produce the desired investment results. The Fund's exposure to futures contracts is subject to risks related to rolling. Extended periods of contango or backwardation can cause significant losses for the Fund. Any short sales of the futures contracts by the fund theoretically involves unlimited loss potential since the market price of securities sold short may continuously increase.

Investments linked to commodity or currency futures contracts including exposure to non-U.S. currencies can be highly volatile affected by market movements, changes in interest rates or factors affecting a particular industry or commodity. Changes in currency exchange rates can be unpredictable or change quickly which will affect the value of the Fund.

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