

LQ | Simplify Tax Aware Alternatives ETF

OVERVIEW

The **Simplify Tax Aware Alternatives ETF (LQ)** seeks long-term capital appreciation by investing in a diverse selection of alternative strategies. Such strategies may include managed futures, foreign currencies, commodities, energy, and other strategy types that can diversify a traditional stock and bond portfolio.

By combining alternative strategies with low correlations to stocks and bonds, LQ seeks to diversify a portfolio and help manage downside risk. In addition, it will employ a variety of strategies that seek to minimize the impact of taxes, increasing its utility when held in taxable accounts and for non-U.S. investors subject to dividend withholding taxes.

KEY POINTS

- **Portfolio of alternative strategies to diversify and increase robustness of traditional stock/bond portfolios**
- **Combination of multiple strategies in a single ticker makes allocating to alternatives simple and efficient**
- **Multiple techniques are used to minimize the impact of taxes**
- **No K-1 tax forms**

STRATEGY DETAILS

- Invests in a diversified portfolio of Simplify-managed alternative strategies. Strategies may include – but are not limited to – managed futures, long/short commodities, energy infrastructure, precious metals, foreign currencies, and tail risk hedges. The portfolio is actively managed, and underlying strategies may change over time.
- Exposure is gained via swaps on Simplify ETFs. The swaps have a tenor of at least one year, making gains upon expiration eligible for long-term capital gains tax treatment.
- Additional tax-management techniques that are available via the ETF structure may be utilized to further lessen the impact of taxes.

PORTFOLIO APPLICATIONS

- **Portfolio Diversification:** With the fund's design focus on low correlation with equities, LQ may serve as a powerful diversifier within traditional stock and bond portfolios.
- **Reduced Line-Item Risk:** By combining multiple alternative strategies into a single ticker, the visibility of performance outliers is limited, making it easier for shareholders to remain invested.
- **Potential Tax Alpha:** Tax-managed strategies may lessen the tax impact of holding LQ shares, making it more attractive for use in taxable accounts and by non-U.S. based investors.

Details | Ticker: LQ | Inception Date: 05/04/26

As of 06/30/26

SEC 30-Day Yield	SEC 30-Day Yield Unsubsidized	Gross Expense Ratio	Net Expense Ratio*	Exchange	CUSIP	Net Assets
3.72%	3.62%	0.25%	0.15%	NASDAQ	82889N194	\$2,371,539

*The Fund's adviser has contractually agreed, through at least Oct 31, 2027, to reduce its management fees to 0.15% of the Fund's average daily net assets. This agreement may be terminated only by the Simplify Exchange Traded Funds' Board of Trustees.

TOP 10 HOLDINGS AS OF 06/30/26

Position	Allocation	Notional Exposure (Delta=1)
T Bills	52.38%	—
T Bills	51.85%	—
TRS FOXY SOFR +99 060427 BULLET	27.11%	—
TRS CTA SOFR +99 060427 BULLET	20.97%	—
TRS HEQT SOFR +99 060427 BULLET	16.11%	—
TRS BUCK SOFR +99 060427 BULLET	15.77%	—
TRS KNRG SOFR +99 060427 BULLET	10.54%	—
TRS YGLD SOFR +99 060427 BULLET	8.79%	—
TRS KNRG SOFR +99 060427 BULLET	-10.57%	—
TRS YGLD SOFR +99 060427 BULLET	-10.60%	—
Cash	1.94%	—

*Holdings are subject to change without notice.

PERFORMANCE

Performance as of 06/30/26 | Inception Date: 05/04/26

	CUMULATIVE TOTAL RETURN (%)							ANNUALIZED TOTAL RETURN (%)			
	3 mo	6 mo	1 Yr	3 Yrs	5 Yrs	YTD	Since Incept.	1 Yr	3 yrs	5 Yrs	Since Incept.
NAV	—	—	—	—	—	—	-4.94	—	—	—	—
Market Price	—	—	—	—	—	—	-4.63	—	—	—	—
ICE BofA US 3-Month Treasury Bill Index	—	—	—	—	—	—	0.55	—	—	—	—

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 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. Performance data for the most recent month-end is available above. For most recent data please call (855) 772-8488 or go to <https://www.simplify.us/etfs>.

DEFINITIONS:

Backwardation: The pattern of higher futures prices for shorter expiration futures contracts.

Carry: A model that looks to “roll down” bond yield curves and exit positions before maturity to consistently capture the roll.

Contango: The pattern of higher futures contract prices for longer expiration contracts.

Energy Infrastructure: Securities of companies involved in the production, transportation and delivery of energy.

ICE BofA US 3-Month Treasury Bill Index: An unmanaged index that is comprised of a single U.S. Treasury issue with approximately three months to final maturity, purchased at the beginning of each month and held for one full month.

Managed Futures: A systematic, rules-based investment strategy that can generally go long or short futures contracts across equities, fixed income, commodities, and foreign-exchange markets.

Long/short Commodities: A systematic, rules-based investment strategy that can go long or short futures contracts across different commodity contracts.

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.

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 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 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.

Swaps Risk. Leverage inherent in swaps will tend to magnify the Fund's losses if the reference asset or assets declines in price. These contracts involve exposure to credit risk because contract performance depends, in part, on the financial condition of the counterparty.

Options Risk. 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.

Limited History Risk. The Fund is a new ETF and has a limited history of operations for investors to evaluate.

Non-Diversified Fund Risk. Because the Fund is non-diversified and may invest a greater portion of its assets in fewer issuers than a diversified fund, changes in the market value of a single portfolio holding could cause greater fluctuations in the Fund's share price than would occur in a diversified fund.

Rolling occurs when the Fund closes out of a Futures Contract as it nears its expiration and replaces it with a contract that has a later expiration.

Schedule K-1: A federal tax document used to report the income, losses, and dividends of a business' or financial entity's partners or an S corporation's shareholders.

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.

Swaps: A swap is a derivative contract where in which two parties exchange cash flows from two different underlying financial instruments.

Tail Risk Hedges: Instruments – typically options contracts – that are purchased with the expectation that they will increase in value when risk assets are experiencing extreme downside events.

Tax Alpha: The additional return an investor keeps on an after-tax basis, achieved through proactive tax management strategies.

Foreign Investment Risk. The Fund may invest in securities domiciled in countries outside the U.S. that may experience more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies or government entities.

Fixed Income Securities Risk. When the Fund invests in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates.

Cryptocurrency Risk. Cryptocurrencies may experience very high volatility and related investment vehicles may be affected by such volatility. As a cryptocurrency, for example, Bitcoin operates without central authority and is not backed by any government. Federal, state or foreign governments may restrict the use and exchange of cryptocurrencies, and regulation in the U.S. is still developing.

REIT Risk. A real estate investment trust's (REIT's) performance depends on the types and locations of the rental properties it owns and on how well it manages those properties.

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