SDMF | Simplify DBi CTA Managed Futures Index ETF

Overview

The **Simplify DBi CTA Managed Futures Index ETF (SDMF)** seeks to closely track the DBi CTA Managed Futures Index which is designed to replicate the performance of the largest managed futures funds prior to the deduction of their estimated average fees and expenses. This is achieved through strategic long and short positions in equity, rates, currencies, and commodities futures. These positions are systematically rebalanced on a weekly basis.

This rules-based index relies on a 10-factor replication strategy developed by DBi, who pioneered the use of sophisticated factor models to replicate the managed futures space.

Key Points

- SDMF seeks to add the diversification benefits of managed futures while aiming to reduce individual manager selection risk
- The use of total return swaps may potentially increase the tax efficiency of the fund
- No lockups, performance fees or Schedule K-1 tax forms

Strategy Details

- The Simplify DBi CTA Managed Futures Index brings DBi's CTA replication strategy to an index product. DBi's replication models seek to represent the returns of a basket of managed futures hedge funds, thus seeking the diversification benefits of managed futures while helping to reduce individual manager selection risk.
- On a weekly basis, the index constructs a rules-based portfolio of ten, highly liquid futures contracts across rates, currencies, equities and commodities to approximate the current "major themes" of the CTA industry.
- SDMF will seek to replicate the index using total return swaps, which are derivative instruments that are linked to the performance of the index. Total return swaps can provide an efficient way to gain exposure to the index as well as potentially improving tax efficiency. The strategy may invest directly in futures contracts, if necessary.

Portfolio Application

- **Absolute Return:** Through the diversified nature of the holdings and ability to go long or short, SDMF attempts to consistently generate positive returns over time, regardless of the specific market environment.
- **Portfolio Diversification:** Managed futures have historically displayed extremely low correlations with both stocks and bonds, potentially making them a powerful diversifier within equity and bond-centric portfolios.

Details | **Ticker:** SDMF | **Inception Date:** 02/17/26 As of 09/30/26

SEC 30-Day Yield	Expense Ratio	Exchange	CUSIP	Net Assets
2.87%	0.21%	NYSE	82889N210	$42,699,333

TOP 10 HOLDINGS AS OF 09/30/26*

Position	Allocation
TREASURY BILL DN 1/27	28.19%
SBIL	24.37%
RECV RECV DBMFNC0.10BULET	14.04%
TREASURY BILL DN 12/26	9.65%
RECV RECV TRSDBMFNC0.1080	9.54%
RECV RECV TRSDBMFC0.00809	9.45%
RECV RECV DBMFC0.00BULET0	9.04%
TREASURY BILL DN 1/27	8.78%
RECV DBMFNC0.10 BULLET060	8.11%
RECV TRSDBMFC0.00 080927B	7.70%
Cash	0.51%

*Holdings are subject to change without notice.

PERFORMANCE

Performance as of 09/30/26 | **Inception Date:** 02/17/26

	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	6.80	9.26	—	—	—	—	9.27	—	—	—	—
Market Price	5.23	7.02	—	—	—	—	7.15	—	—	—	—
DBi CTA MF Index	7.15	9.87	—	—	—	—	10.07	—	—	—	—

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.

DBi CTA Managed Futures Index: Provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs).

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

Market Price: The current price at which shares are bought and sold. Market returns are based upon the last trade price.

Mean Reversion: Designed to help prevent the trend system from becoming excessively positioned in a market that is deemed to be trading over or under its fundamental market value.

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.

Price Trend: Core strategy that forecasts market direction and invests accordingly (both long and short), relying on persistence of price movement to generate returns.

Reverse Repurchase Agreements: Contracts in which a seller of securities, usually U.S. government securities or other money market instruments, agrees to buy the securities back at a specified time and price. Reverse Repurchase agreements are primarily used as a short-term investment vehicle for cash positions.

Risk-Off: A model that looks to protect the portfolio from an equity drawdown by quickly buying bonds in weaker equity markets and remaining out of bond in stronger equity markets. This is distinct from a long bond trend signal given its typically shorter forecasting horizon and reliance on equity index signals rather than a bond signal.

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.

Total Return Swap: A derivative contract in which one party (the total return payer) transfers the total economic performance of an underlying asset to another party (the total return receiver).

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 Simplify.us/etfs. Please read the prospectus carefully before you invest.

An investment in the fund involves risk, including possible loss of principal.

The fund 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.

CTA Risk: The CTAs' judgments about the attractiveness, value and potential appreciation of particular commodity asset classes and futures may prove to be incorrect and may not produce the desired results.

Limited History Risk: The Fund is a new ETF and does not yet have a history of operations for investors to evaluate.

Non-Diversification Risk: Because the Fund is non-diversified and may invest a greater portion of its assets in fewer issuers than a diversified fund.

Passive Investment Risk: The Fund is not actively managed, and the adviser will not sell a holding due to current or projected underperformance.

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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