AXS SUSTAINABLE INCOME FUND

AXSKX

Quarterly Overview

SKY HARBOR
CAPITAL MANAGEMENT

HIGH YIELD MARKET UPDATE

Risk assets sold off in the first 3 months of 2022 causing High Yield to suffer its first negative returning quarter since the lockdown-stricken start to 2020. A number of factors conspired to push risk assets across the globe into the red - a highly transmissible COVID variant added risk to a tenuous global reopening, which further pressured supply chains and led to labor shortages, which then ratcheted up inflation to the point at which central banks were forced to embark on the first post-pandemic liftoff, and finally with theoretical geopolitical threats becoming reality following Russia's invasion of Ukraine. Crude oil prices rose steadily throughout Q1 ultimately ending the quarter with WTI Crude up $25.07/bbl (or 33.33%) to $100.28/bbl with Energy being the top performing sector despite returning -2.40%. Treasuries ended the period with the 2-year up 161 basis points (bps) to 2.34% and the 10-year up by 83 bps to 2.34% and the US Dollar Index was up 2.76%.

The ICE BofA US High Yield Index returned -4.51% in Q1, ending the period with an average price of 97.052, a 6.33-point decrease from the prior quarter. Credit spreads widened by 29 bps to 336 bps and the yield-to-worst (YTW) increased by 1.65% to 5.94%. High yield outperformed small cap equities, represented by the Russell 2000's -7.80% return, as well as large cap equities, as represented by the S&P 500's -4.95% return, and investment grade corporates, as represented by the ICE BofA US Corporate Index's -7.74% quarterly return. In high yield, the Double-B, Single-B and Triple-C sub-indices returned -5.37%, -3.46% and -3.72%, respectively. Returns were negative across all sectors for the quarter with Energy the top performing sector in Q1 2022, returning -2.40% while Consumer Goods was the weakest sector of the quarter, returning -8.24%.

PORTFOLIO PERFORMANCE

The Fund was not immune to the uncharacteristic weakness to begin the year, posting a negative return and modestly underperforming short dated fixed income alternatives, like the ICE BofA 1-3 year US Corporate and Government Index, but outperforming the broader US high yield market (as measured by the ICE BofA US High Yield Index). By allocation, the Fund has benefited from its exposure to the most defensive securities maturing within 3 years or less, which helped to dampen volatility during the quarter. By sector, the Fund benefited from credit selection within Basic Industry and Transportation. Basic Industry is a sector that we were actively taking risk in for the underlying industry exposures in this environment. By rating, our Single-B and Double-B rated holdings outperformed Triple-Cs, which were the most penalized during the quarter. (continued)

Fund Performance as of 3/31/2022

(%)	Q1 2022	YTD	ANNUALIZED RETURNS 1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
AXSKX	-2.77	-2.77	0.69	2.95	3.22	2.75
ICE BofA 1-3 Year US Corporate & Government Index	-2.58	-2.58	-2.95	1.02	1.27	1.11

Inception date is 2/1/2013. The Gross/Net Expense Ratio is 1.11%/0.99%. The Fund's investment advisor has contractually agreed to reduce its fees and/or absorb expenses of the Fund, to ensure that the Fund's total annual operating expenses on an annual basis do not exceed 0.99% of the Fund's average daily net assets, effective until January 31, 2023. Performance would have been lower without fee waivers in effect.

The performance data quoted represents past performance and is no guarantee of future results. Investment return 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. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 833.AXS.ALTS or visit the Fund's website at www.axsinvestments.com.

The performance data reflects the performance of the SKY Harbor Short Duration High Yield Partners, L.P. (the "Predecessor Account") prior to the commencement of the Fund's operations on 10/16/2020. The Predecessor Fund's performance has been adjusted to reflect the Fund's expenses as set forth in the Fees and Expenses table, which are higher than the Predecessor Fund's expenses. The Fund's objectives, policies, guidelines and restrictions are materially equivalent to those of the Predecessor Fund. The Predecessor Fund was not registered under the Investment Company Act of 1940, as amended (the "1940 Act") and therefore was not subject to certain restrictions imposed by the 1940 Act on registered investment companies and by the Internal Revenue Code of 1986 on regulated investment companies. If the Predecessor Fund had been registered under the 1940 Act, the Predecessor Fund's performance may have been adversely affected.

OUTLOOK

Since the beginning of the year, the sell-off has been driven by the dual impact of the Fed's push to remove accommodation and normalize monetary policy after pandemic-induced extraordinary measures to stabilize the economy and markets and the current and projected impact associated with war in Ukraine. Our portfolios are generally well positioned for the threat of rising rates. We are biased towards shorter duration risk taking and the bonds of issuers that we believe have sustainable operating trends despite current headwinds. Portfolios have been less well-positioned for the extended conflict-induced spike in energy commodities. Our underweight to the Energy sector is a tough headwind as that sector outperforms.

Like in all periods of excess volatility, we are challenging our assumptions, debating potential outcomes and supporting our discussions with quantitative analysis to quantify specific risks and opportunities. We acknowledge that war-related risks are unique in today's world and history is not a perfect guide and are moderating our conviction levels overall, bringing down our high conviction weights in some cases where we see protracted headwinds or new risks. High yield balance sheets are sufficiently strong and default risk remains low. Our bias away from low-coupon, longer duration risk is steadfast although we find opportunities to add this type of risk as it reprices to levels that we think are consistent with long-term value.

Past performance does not guarantee future results. Commentary provided by SKY Harbor Capital Management, who serves as the Sub-Adviser for AXS Sustainable Income Fund and is not affiliated with AXS Investments.

DEFINITIONS OF TERMS

Basis points (bps): One basis point is equal to 0.01%, or one one-hundredth of a percent of yield and 100 basis points equals 1%.

Credit Ratings: Used by the S&P and Fitch credit agencies for long-term bonds and some other investments. They range from the highest rating of AAA (the borrower's capacity to meet its financial commitment the obligation is extremely strong) to D (the borrower is in default). Ratings in order of quality include AAA, AA, A, BBB, BB, CCC, CC, C and D.

ICE BofA 1-3 Year Corporate & Government Index: An unmanaged index that tracks the performance of the U.S. dollar-denominated investment-grade public debt issued in the U.S. domestic bond market that have at least one year but less than three years remaining to maturity. Investors cannot directly invest in an index.

ICE BofA US Corporate Index: An index that tracks the performance of U.S. dollar denominated investment grade corporate debt publicly issued in the US domestic market.

ICE BofA US High Yield Index: An index (ticker H0A0) that tracks the performance of US dollar denominated below investment grade rated corporate debt publicly issued in the US domestic market.

Russell 2000 Index: Consists of the smallest 2,000 securities in the Russell 3000® Index. This is the Frank Russell Company's small capitalization index that is widely regarded in the industry as the premier measure of small capitalization stocks.

U.S. Dollar Index (USDX): A measure of the value of the U.S. dollar relative to the value of a basket of currencies of six world currencies — Euro, Swiss Franc, Japanese Yen, Canadian dollar, British pound and Swedish Krona.

Yield: The income return on an investment. This refers to the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value.

Yield-to-Worst (YTW): A measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting. It is a type of yield that is referenced when a bond has provisions that would allow the issuer to close it out before it matures.

Indices are unmanaged and not available for direct investment.

IMPORTANT RISK DISCLOSURE

Mutual funds involve risk including possible loss of principal. There is no assurance that the Fund will achieve its investment objective.

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This document contains forward-looking statements that are based on SKY Harbor's current views and assumptions. Forward-looking statements such as the findings of our analytical research, our outlook for interest rates, Fed policy, the economy, high yield markets and the like, or our intended adjustments to the portfolios within our strategies are subject to inherent risks, biases and uncertainties that are beyond SKY Harbor's control and may cause actual results to differ materially from the expectations expressed herein.

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The market price of a security may decline due to general market conditions that are not specifically related to a particular company, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment. The prices of fixed income securities respond to economic developments as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. High yield bonds are debt securities rated below investment grade and are speculative, involve greater risks of default, downgrade, or price declines and are more volatile and tend to be less liquid than investment-grade securities. If an issuer of a debt security held by the Fund defaults or is downgraded, or if the value of the assets underlying a security declines, the value of the Fund's portfolio will typically decline. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, with longer-term securities being more sensitive than shorter-term securities. While the Sub-Adviser believes that the integration of ESG analysis as part of the investment process contributes to its risk management approach, the Fund's consideration of ESG criteria in making its investment decisions may affect the Fund's exposure to risks associated with certain issuers, industries and sectors, which may impact the Fund's investment performance.

Investors should carefully consider the investment objectives, risks, charges and expenses of AXS Sustainable Income Fund. This and other important information about the Fund is contained in the Prospectus, which can be obtained by calling 833.AXS.ALTS (833.297.2587). The Prospectus should be read carefully before investing.

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