AXS INCOME OPPORTUNITIES FUND

Class I: OIOIX   Class A: OIOAX   Class D: OIODX

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Executive Summary

Renewed inflation concerns and the resultant increase in longer term interest rates dampened enthusiasm for rate sensitive sectors, including REITs, during the fourth quarter. Full year 2024 total return performance held up well despite weakness late in the year.

Quarterly Performance Overview

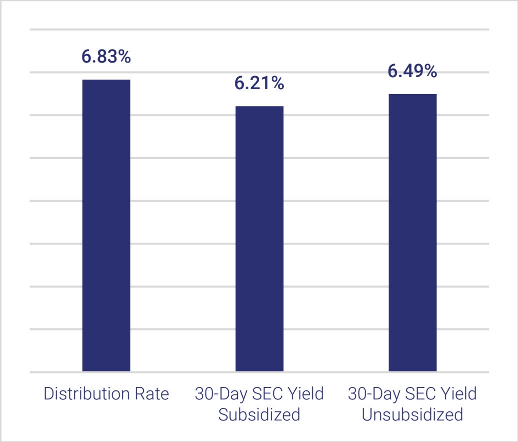
RETURNS

For the quarter and year ended December 31, 2024, the AXS Income Opportunities Fund Class I (OIOIX) shares registered total returns of -2.97% and 10.67%, respectively. The Bloomberg Barclays U.S. Aggregate Bond Index returned -3.06% and 1.25% for the same periods.

The Fund's 3-year annualized total return was 2.37% compared to -2.41% for the Index through the end of December 2024.

DISTRIBUTION RATE

The fund's quarter-end distribution rate was 6.83%. With continued earnings growth for many of the portfolio companies, there may be an ability to increase common stock dividends in future periods, helping to support Fund dividends.



For class A share. Distribution rate is calculated by dividing the current distribution paid for the quarter (annualized at a quarterly rate) by the NAV at 12/31/2024. The Fund's distribution rate includes a return of capital component. The 30-Day SEC Yield is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The 30-Day unsubsidized SEC Yield does not reflect any fee waivers/reimbursements/limits in effect.

Fund Performance as of 12/31/2024

			ANNUALIZED RATES OF RETURN				
(%)	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
Class I	-2.97	10.67	10.67	2.37	1.18	2.93	3.20
Class A	-2.99	10.49	10.49	2.13	0.93	2.65	2.91
Class A (with max. 5.75% sales charge)	-8.55	4.16	4.16	0.41	-0.11	2.13	2.46
Class D	-3.19	9.59	9.59	1.36	0.18	1.93	2.25
Bloomberg U.S. Agg Bond Index	-3.06	1.25	1.25	-2.41	-0.33	1.35	1.72

Fund inception date for Class I and A is 6/28/2013 and 9/27/2013 for Class D. The Management Fee is 1.00% and the Gross/Net Expense Ratios for Class I, A and D are 2.70%/2.20%, 2.95%/2.45%, and 3.70%/3.20%, respectively. 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 (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with SEC Form N-1A), expenses incurred in connection with any merger or reorganization and extraordinary expenses such as litigation expenses) do not exceed: 1.40% Class I, 1.65% Class A, and 2.40% Class D of the Fund's average daily net assets through at least 1/31/2025.

The performance data quoted represents past performance and there 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 axsinvestments.com.

MARKET SUMMARY

The 10-year US Treasury Note yield backed up from 3.81% at the end of the third quarter to 4.58% by the end of the fourth. Some investors and analysts are estimating that in light of accelerating inflation data the rate could end up exceeding 5% in 2025, which would likely put pressure on rate sensitive sectors like REITs.

With the renewed intense focus on inflation, the Fed Funds futures curve now indicates that over the course of the eight Federal Reserve meetings in 2025 just over one reduction of 25 basis points in the Fed Funds rate is expected to occur. This indicates that the Fed is projected essentially to be on hold for the year. A very different scenario than what was projected just a few months ago, when multiple cuts were anticipated.

Solid leasing activity and growing profitability are driving increased earnings growth projections for the REIT sector in 2024 and 2025, of 3.6% and 5.0% respectively.[1] This earnings growth along with the yield generated by the sector sets up the potential for attractive total returns.

In the public capital markets in 2024 REITs raised $84.7 billion, through both equity and debt (corporate bond) issuance.[2] While not eclipsing the total raised in 2019, pre-pandemic, of $112.9 billion, REITs did see increased investor appetite for new capital issuance.

For capital intensive businesses like REITs, the ability to consistently access capital at attractive pricing is a must. Maintaining this access requires solid balance sheets, healthy cash balances and readily available longstanding lines of credit with multiple lenders, as well as debt maturities spread over multiple years without outsized loan maturities in any single year. With typically large, well understood property portfolios, lenders have readily made debt capital available to many companies in the REIT sector.

REIT preferred stocks traded at yield spreads averaging 265 basis points over the 10-year US Treasury Note yield at quarter-end. This represented a tightening of 35 basis points over the course of the quarter, primarily as a result of the significant backup in the 10-year Treasury yield discussed above. With their competitive yield profile and consistent history of dividend payments, preferred stocks remain the primary focus of the portfolio.

AXS Income Opportunities Fund

PORTFOLIO IMPLICATION

With some REIT common stocks trading at attractive discounts to net asset value, we have maintained heightened levels of common stock exposure over the last several quarters, ending 2024 at 12%.

PORTFOLIO BY SECURITY TYPE

	Preferreds	Equities
Number of Positions	43	12
Number of Issuers	27	12
Net Invested	100%	12%

TOP 5 NET SECTOR COMPOSITION

SECTOR	Preferreds	SECTOR	Equities
Mortgage	34%	Diversified	4%
Hotels	31%	Industrial	2%
Diversified	12%	Retail	2%
Asset Mgmt.	6%	Mortgage	2%
Single Family Residential	5%	Health Care	1%

Holdings are subject to change and should not be considered investment advice.

[1] BTIG, "REITs Weekly," January 13, 2025, page 29.

[2] NAREIT.com, "Historical Offerings of Securities," December 31, 2024

DEFINITIONS

Basis points (bps): Refers to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument.

Bloomberg U.S. Aggregate Bond Index: An unmanaged, market capitalization-weighted index, comprised predominately of U.S. traded investment grade bonds with maturities of one year or more. The index includes Treasury securities, Government agency bonds, mortgage-backed bonds, and corporate bonds. The index is representative of intermediate duration US investment grade debt securities.

Cash flow yield: Cash flow per share that a company is expected to earn against its market value per share. The ratio is calculated by taking the cash flow per share divided by the current share price.

Real Estate Investment Trust (REIT): A company that owns, operates or finances income-generating real estate, enabling individual investors to earn dividends from real estate investments without having to buy, manage or finance properties themselves.

IMPORTANT RISK DISCLOSURE

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

A small portion of the S&P 500 may include return of capital; Bonds, Corporate Bonds and High Yield Bonds generally do not have return of capital. A stock may trade with more or less liquidity than a bond depending on the number of shares and bonds outstanding, the size of the company, and the demand for the securities. Tax features of a Bond, Corporate Bond, Stock, and High Yield Bond may vary based on an individual circumstances. Consult a tax professional for additional information. The Fund can make short sales of securities, which involves the risk that losses in securities may exceed the original amount invested. The Fund may use leverage which may exaggerate the effect of any increase or decrease in the value of portfolio securities or the Net Asset Value of the Fund, and money borrowed will be subject to interest costs. Investments in smaller and medium companies involve greater risks such as limited liquidity and greater volatility. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities.

The Fund may use certain types of investment derivatives such as futures, forwards, and swaps. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Investments in asset backed and mortgage-backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. To the extent that a Master Limited Partnership's (MLP's) interests are all in a particular industry, the MLP will be negatively impacted by economic events adversely impacting that industry. The risks of investing in an MLP are generally those involved in investing in a partnership as opposed to a corporation. Exchange Traded Funds (ETFs) are typically open- end investment companies that are bought and sold on a national securities exchange. When the Fund invests in an ETF, it will bear additional expenses based on its pro rata share of the ETF's operating expenses, including the potential duplication of management fees. The risk of owning an ETF generally reflects the risks of owning the underlying securities it holds. Rule 144A securities carry the risk that the trading market may not continue and the Fund might be unable to dispose of these securities promptly or at reasonable prices and might thereby experience difficulty satisfying redemption requirements. The risk exists that the market value of Initial Public Offering (IPO) shares will fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. The purchase of IPO shares may involve high transaction costs. IPO shares are subject to market risk and liquidity risk. The Fund is non-diversified, which means that there is no restriction on how much the Fund may invest in the securities of an issuer under the 1940 Act. Some of the risks involved in investing in Real Estate Investment Trusts (REITs) include a general decline in the value of real estate, fluctuations in rental income, changes in interest rates, increases in property taxes, increased operating costs, overbuilding, changes in zoning laws, and changes in consumer demand for real estate.

This material must be preceded or accompanied by a prospectus. Investors should carefully consider the investment objectives, risks, charges and expenses of AXS Income Opportunities 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) or downloading it here. The Prospectus should be read carefully before investing.

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