

AXS INCOME OPPORTUNITIES FUND

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



Executive Summary

The Fund performed well during the final quarter of 2023 as commercial real estate generally outperformed lowered expectations, inflation metrics on balance continued to cool, and the Fed sustained its rate hike pause.

As had been the case for several quarters, capital markets participants across all sectors remained highly focused on incoming economic data that might suggest the observed decline in inflation was reversing. Well laddered debt maturities and heightened balance sheet liquidity persisted as issues of urgent priority for commercial real estate owners and investors.

Quarterly Performance Overview

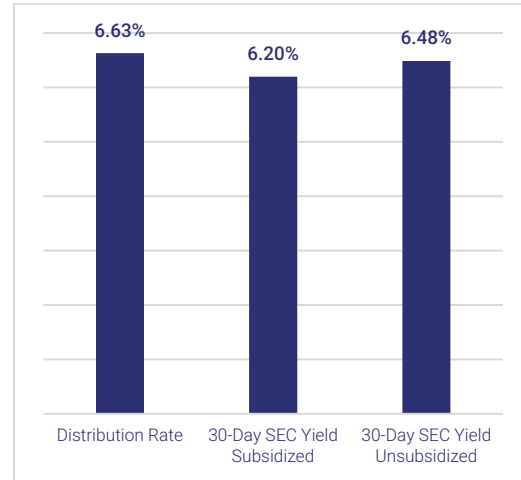
RETURNS

For the fourth quarter and full year 2023, the AXS Income Opportunities Fund Class I (OIOIX) shares registered total returns of 11.66% and 22.04%, respectively. The Bloomberg Barclays U.S. Aggregate Bond Index returned 6.82% and 5.53% for the same periods.

The Fund's 3-year total return was 5.49% annualized compared to -3.31% for the Index through year end 2023.

DISTRIBUTION RATE

We are pleased that the fund's fourth quarter-end distribution rate was 6.63%. For many of the portfolio companies, as earnings growth continues 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 9/30/2023. 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 12/31/2023

ANNUALIZED RATES OF RETURN							
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
(%)							
Class I	11.66	22.04	22.04	5.49	3.00	2.57	2.52
Class A	11.56	21.65	21.65	5.21	2.71	2.27	2.22
Class A (with max. 5.75% sales charge)	5.13	14.68	14.68	3.44	1.67	1.74	1.72
Class D	11.42	20.79	20.79	4.44	1.97	1.56	1.56
Bloomberg U.S. Agg Bond Index	6.82	5.53	5.53	-3.31	1.10	1.81	1.76

Fund inception date for Class I and A is 6/28/2013 and 9/27/2013 for Class D. Total fund operating expenses for class I, A and D are 1.45%, 1.70% and 2.45%, 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 do not exceed on an annual basis: 1.40% Class I, 1.65% Class A, and 2.40% Class D of the Fund's average daily net assets through at least 5/13/2024.

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 axsinvestments.com.

MARKET SUMMARY

Public REITs saw a partial recovery in the fourth quarter, generally both in operations on the ground and in the debt and equity capital markets. As financing stresses induced by regional bank failures earlier in 2023 continued to fade, the relative calming that occurred through the balance of the year was a welcomed change. Companies in the REIT sector generally had solid earnings results quarter-to-quarter over the course of the year, which analysts and investors will learn more about when results are announced for the fourth quarter, full year, and earnings guidance for 2024 are discussed during the upcoming earnings season.

Stock price discounts (or premiums) to net asset value (NAV) by property type in the REIT sector are indicated in the table below, note the unevenness of the recovery thus far. The apartment, hotel, and office subsectors are priced in the stock market with large discounts, while several other subsectors are trading at significant premiums. These attractive discounts make it sensible to include a meaningful allocation in the portfolio to REIT common stocks. Solid balance sheets, dividends well covered by cash flow, and valuation, continue to drive stock selection.

Property Type	Average Discount/(Premium) to NAV
Apartments	12.1%
Data Centers and Towers	-1.7%
Diversified/Misc.	-6.2%
Health Care	-19.3%
Hotels	17.5%
Industrial	-1.6%
Non-Apartment Residential	5.5%
Office	19.2%
Retail (Malls & Strip Centers)	2.9%
Storage	-1.9%
Triple Net-Lease	-2.7%
Weighted Average Discount	0.2%

Source: "Weekly REITCap," Janney Montgomery Scott LLC report, dated January 4, 2024.

If the consensus rolldown in interest rates unfolds in the second half of 2024 as expected, there likely will be some reductions in capitalization rates used when calculating NAVs, this would drive higher NAVs and potentially further support REIT common stock prices.

Access to debt capital for publicly traded REITs is critically important in the current environment, given the travails of the commercial real estate sector in recent years. The capacity of REIT management teams to maintain control over their assets, not being forced to forfeit them through

foreclosure, remains vital. This control results from balance sheet liquidity, healthy cash balances and access to longstanding lines of credit with multiple lenders, as well as debt maturities spread over multiple years without outsized maturity exposure in any single year.

The risk that some highly leveraged real estate owners will make very negative headlines remains firmly in place, as the cash flow from their real estate fails to cover the debt service, and/or the diminished value of the assets make refinancing difficult or impossible. Some REITs may profit from the resulting attractively priced real estate, but the larger commercial real estate industry will likely continue to see very negative anecdotes highlighted publicly.

REIT preferred stocks traded at spreads averaging 352 basis points over the 10-year US Treasury bond yield at quarter-end. 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 the attractive pricing available as discussed, we have maintained elevated levels of commons stock exposure over the last several quarters, ending 2023 at 20%.

PORTFOLIO BY SECURITY TYPE

	Preferreds	Equities
Number of Positions	49	23
Number of Issuers	30	23
Net Invested	89%	20%

TOP 5 NET SECTOR COMPOSITION

SECTOR	Preferreds	SECTOR	Equities
Mortgage	32%	Retail	6%
Hotels	28%	Office	4%
Diversified	8%	Mortgage	3%
REOCs	7%	Diversified	3%
Single Family Residential	4%	Other Specialized	2%

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

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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