

Angel Oak Multi-Strategy Income Fund

Exploring opportunities in structured credit
outside of traditional indices.

December 31, 2018



Angel Oak

FUNDS

The Angel Oak Multi-Strategy Income Fund (the “Fund” or “ANGIX”) seeks the best risk-adjusted return opportunities in fixed income that offer the potential for stable monthly dividends and price appreciation. The investment team utilizes a top-down and bottom-up investment approach with the goal of constructing a low-volatility and low-correlation portfolio. The Fund has the ability to invest across credit assets without benchmark constraints and specifically targets opportunities in:

- Non-Agency Residential Mortgage-Backed Securities (Non-Agency RMBS)
- Commercial Mortgage-Backed Securities (CMBS)
- Collateralized Loan Obligations (CLOs)
- Asset-Backed Securities (ABS)
- Agency Residential Mortgage-Backed Securities (RMBS)

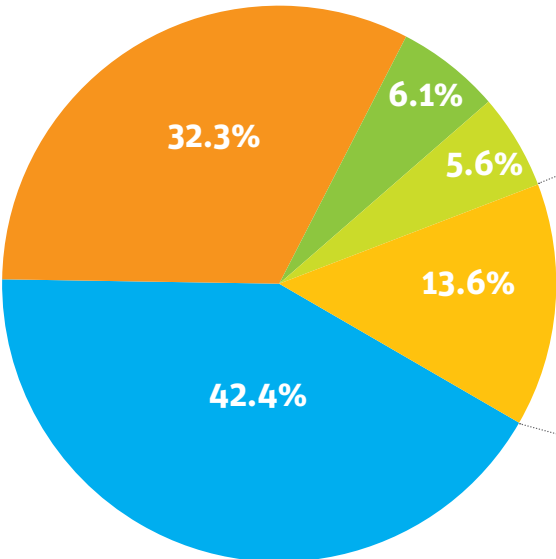
**Uncover New Growth
Opportunities In Fixed Income
Investing.**

Offering a Different Perspective in Fixed Income Investing

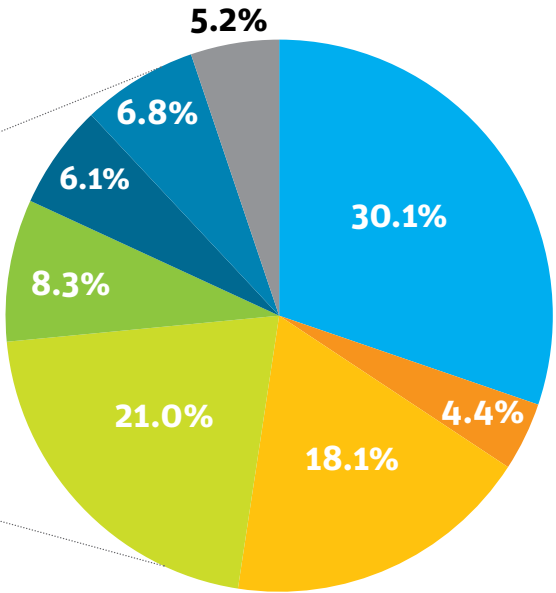
Diverse Structured Credit Expertise

Our experience and expertise in the structured credit markets allow us to bring more institutionally dominated asset classes to the retail investor. This is done within a \$19.8T playing field of select traditional U.S. fixed income sectors and securitized products, giving us room to grow and move nimbly as markets evolve.

SIZE OF SELECT U.S. FIXED INCOME MARKET IS APPROXIMATELY \$19.8 TRILLION IN SIZE:



U.S. STRUCTURED CREDIT MARKET (EXCLUDING AGENCY RMBS*) IS APPROXIMATELY \$2.7 TRILLION IN SIZE:



- Agency RMBS/CMOs: \$8.4T
- IG Corporate Bonds: \$6.4T
- HY Corporate Bonds: \$1.2T
- Leveraged Loans: \$1.1T
- Structured Credit (ex-Agency RMBS): \$2.7T

- Non-Agency RMBS: \$817B
- CDO: \$120B
- CMBS: \$490B
- Corporate (CLO): \$569B
- Auto Loans: \$225B
- Credit Cards: \$165B
- Student Loans: \$183B
- Other: \$142B

Source: Bank of America Merrill Lynch and SIFMA; par amount outstanding as of 12/31/18.
 *Agency RMBS market is approximately \$8.4 trillion in size as of 12/31/18.

A Distinct Portfolio Construction Process within Structured Credit

The Angel Oak portfolio management team follows a multi-stage investment process with top-down views guiding sector and security selection. The team seeks to identify opportunities in areas of the \$11.1 trillion* structured credit market where they identify the greatest inefficiencies to then construct a portfolio that captures their best ideas at any given point in the market cycle. Integral to the investment process, risk management provides oversight regarding portfolio exposures and helps ensure compliance with the Fund's overall investment objective.

TOP-DOWN IDEA GENERATION: Considers global macro views, geopolitical events, and regulatory developments that shape investment ideas.

IN-DEPTH SECTOR ANALYSIS: Evaluates relative value within credit to identify sectors or areas of the market that offer attractive risk-return opportunities.

BOTTOM-UP SECURITY SELECTION: Managers utilize rigorous fundamental credit analysis to manage individual security credit risk.

ONGOING MONITORING AND ANALYSIS: Assesses performance versus underwritten assumptions to ensure compliance with defined risk parameters and objectives.

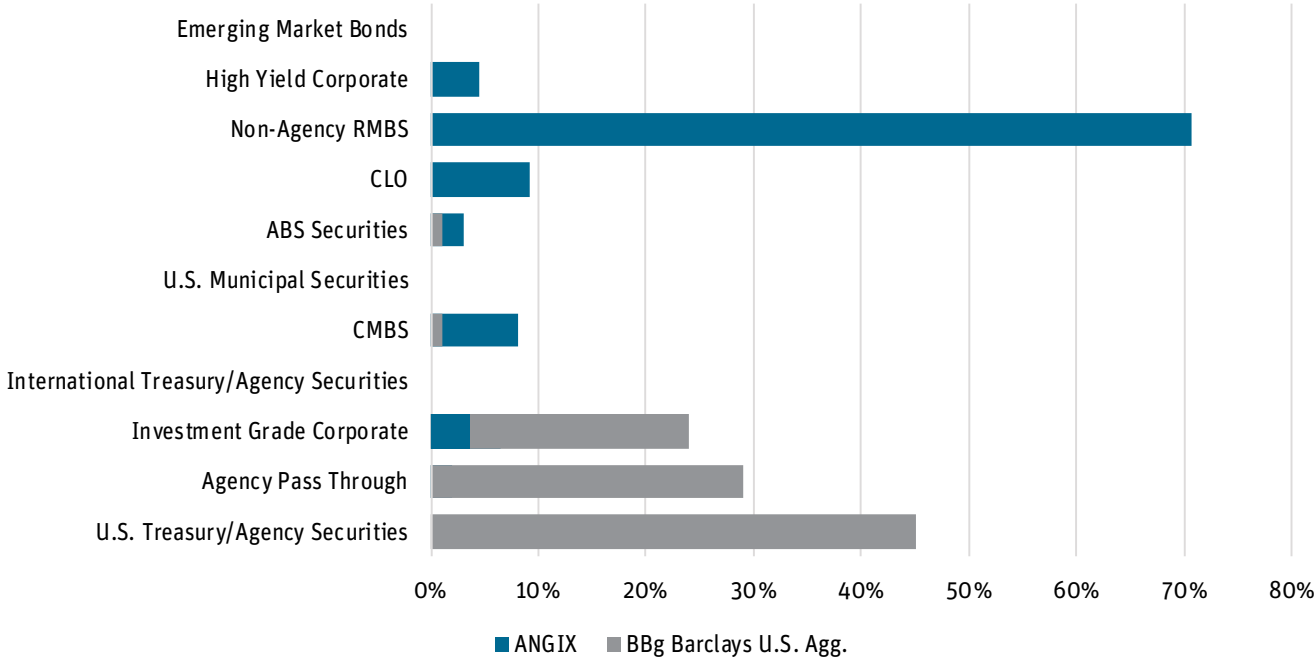
*U.S. structured credit market including Agency RMBS.

Investing in Fixed Income Classes Outside of Traditional Indices

A Focus on Alternative Fixed Income Market Segments

The Fund takes advantage of structured credit sectors—non-agency RMBS, CMBS, CLOs, and ABS—that have significantly different characteristics than the key sectors (Treasuries, agencies, and corporates) traditionally found in fixed income indices like the Bloomberg Barclays U.S. Aggregate Bond Index. This provides the potential for low correlation and less sensitivity to increases in interest rates.

MULTI-STRATEGY INCOME FUND HAS LITTLE OVERLAP WITH THE BLOOMBERG BARCLAYS U.S. AGGREGATE BOND INDEX



As of 12/31/18.
Weightings exclude cash. Totals may not equal 100% due to rounding.

Structured credit may deliver both alpha potential and uncorrelated investment results while also offering attractive income characteristics.

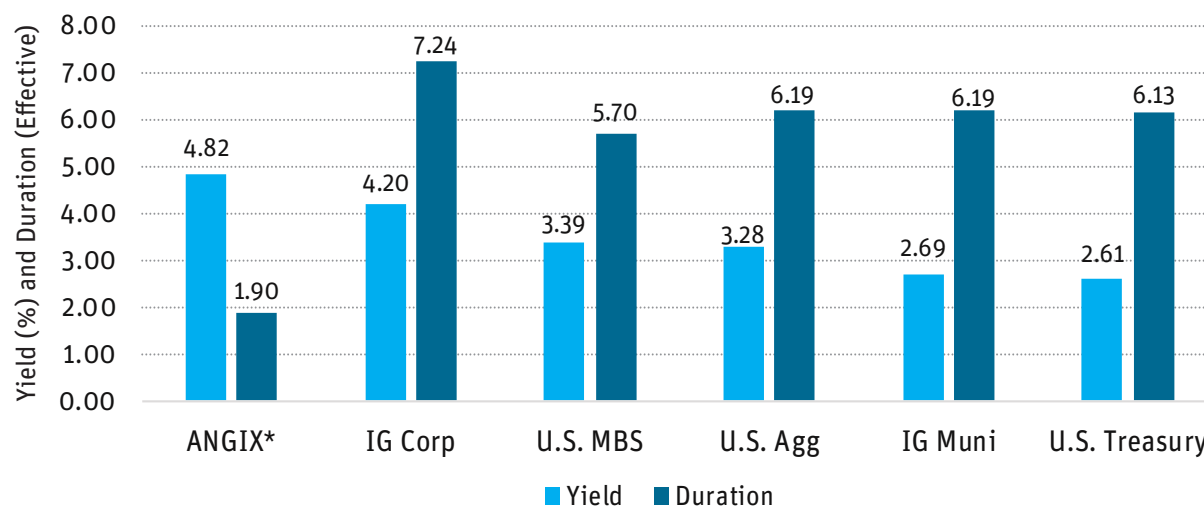
Why We Believe the Fund Makes Sense in Today's Market Environment

Years of Government Intervention Have Led to Low Yields Across Core Fixed Income

1. Access to asset classes outside of traditional fixed income indices.
2. Low sensitivity to interest rate volatility.
3. Minimal correlation to both the Bloomberg Barclays U.S. Aggregate Bond Index (0.1) and the S&P 500 (0.0).
4. Attractive yield and low duration compared with the broader fixed income market.

We Believe the Multi-Strategy Income Fund is Well-Positioned to Deliver Higher Yield with Less Interest Rate Sensitivity

FIXED INCOME YIELDS VS. DURATION



Source: Bloomberg as of 12/31/18.

IG Corp: Bloomberg Barclays U.S. Corporate Investment Grade Index
U.S. MBS: Bloomberg Barclays U.S. MBS Index
U.S. Agg: Bloomberg Barclays U.S. Aggregate Bond Index
IG Muni: Bloomberg Barclays U.S. Municipal Bond Index
U.S. Treasury: Bloomberg Barclays U.S. Treasury Index

Past performance does not guarantee future results.

*Yield shown is 30-Day SEC yield. For the Angel Oak Multi-Strategy Income Fund (ANGIX), subsidized yields reflect fee waivers in effect. Without such waiver, yields would be reduced. Unsubsidized yields do not reflect fee waivers in effect. As of 12/31/18, the subsidized and unsubsidized 30-Day SEC yield for ANGIX was 4.82% and 4.82%, respectively.

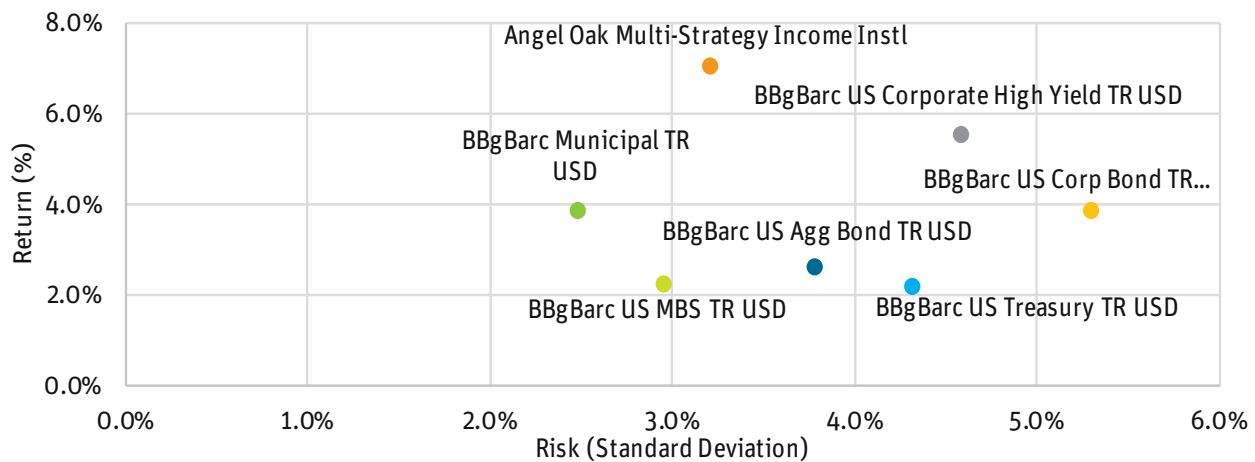
Performance data represents past performance. Past performance does not guarantee future results. Current performance may be lower or higher than performance data quoted. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month end may be obtained by calling 855.751.4324.

A Complement to Your Traditional Fixed Income Allocation

Given the Fund's allocation to sectors outside of traditional fixed income indices, it could serve as a complement to fixed income portfolios. The Fund's low duration (1.9) and heavy exposure to floating rate securities (66.9%) has it well-positioned for a rising rate environment. Historically, the Fund has provided a distinct risk-adjusted performance advantage over traditional fixed income.

Lower Risk and Higher Return Than Other Bond Classes

HIGHER RETURNS WITH A RISK LEVEL NEAR TRADITIONAL BOND INDEXES (6/30/11 THROUGH 12/31/18)



As of 12/31/18.

A Structured Credit Focus and Disciplined Investment Approach Offer Investors an Opportunity to Diversify Their Fixed Income Holdings and Generate Additional Income

Total Returns (as of 12/31/18)	4Q18	YTD	1 Year	3 Years	5 Years	Since Inception ¹
ANGIX	0.11%	2.85%	2.85%	4.29%	4.13%	7.06%
Class A at NAV	0.05%	2.61%	2.61%	4.04%	3.86%	6.84%
Class A at MOP ²	-2.23%	0.30%	0.30%	3.27%	3.38%	6.52%
Bloomberg Barclays U.S. Corporate High Yield Index	-4.53%	-2.08%	-2.08%	7.23%	-4.53%	5.66%
Bloomberg Barclays U.S. Corporate Investment Grade Index	-0.18%	-2.51%	-2.51%	3.26%	-0.18%	3.87%
Bloomberg Barclays U.S. MBS Index	2.08%	0.99%	0.99%	1.71%	2.08%	2.26%
Bloomberg Barclays U.S. Municipal Bond Index	1.69%	1.28%	1.28%	2.30%	3.82%	3.83%
Bloomberg Barclays U.S. Treasury Index	2.57%	0.86%	0.86%	1.40%	2.01%	2.14%
Bloomberg Barclays U.S. Aggregate Bond Index	1.64%	0.01%	0.01%	2.06%	2.52%	2.59%

¹The inception date of the Angel Oak Multi-Strategy Income Fund A Class (ANGLX) was 6/28/11, while the inception date of the Institutional Class (ANGIX) was 8/16/12. The returns of ANGIX shown for periods prior to the inception date include the returns of ANGLX and are adjusted to reflect the operating expenses of ANGIX. ²Maximum Offering Price takes into account the 2.25% maximum initial sales charge.

Expense Ratios	Class A	Class I
Gross	1.37%	1.12%
Net	1.24%	0.99%

Gross expense ratios are reported as of the 5/31/18 prospectus. The net expense ratios are reported as of the 1/31/18 Annual Report and are referenced in the 5/31/18 prospectus. The Adviser has contractually agreed to waive fees through 5/31/19. **Past performance does not guarantee future results.**

→ Visit AngelOakCapital.com or call 888.685.2915 for more information.

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Alpha: Measures the difference between a fund's actual returns and its expected performance, given its level of risk (as measured by beta). A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates a fund has underperformed, given the expectations established by the fund's beta.

Correlation: A statistical measure of how two securities move in relation to another. The index used for comparison is the Bloomberg Barclays U.S. Aggregate Bond Index.

Duration: Measures a portfolio's sensitivity to changes in interest rates. Generally, the longer the duration, the greater the price change relative to interest rate movements.

Floating Rate: A floating rate security is an investment with interest payments that float or adjust periodically based upon a predetermined benchmark.

Standard Deviation: A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility—calculated since inception.

Bloomberg Barclays U.S. Aggregate Bond Index: An unmanaged index that measures the performance of the investment-grade universe of bonds issued in the United States. The index includes institutionally traded U.S. Treasury, government-sponsored, mortgage and corporate securities.

Bloomberg Barclays U.S. Corporate High Yield Index: An unmanaged market value-weighted index that covers the universe of fixed-rate, non-investment grade debt.

Bloomberg Barclays U.S. Investment Grade Corporate Index: An index that covers the publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

Bloomberg Barclays U.S. MBS Index: An index that covers the mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Bloomberg Barclays U.S. Municipal Bond Index: A rules-based, market-value-weighted index engineered for the long-term, tax-exempt bond market.

Bloomberg Barclays U.S. Treasury Index: An index that covers the public obligations of the U.S. Treasury with a remaining maturity of one year or more.

S&P 500 Index: An American stock market index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ.

It is not possible to invest directly in an index.

Must be preceded or accompanied by a prospectus. To obtain an electronic copy of the prospectus, please visit www.angeloakcapital.com.

Diversification does not guarantee a profit or protect from loss in a declining market.

Mutual fund investing involves risk; Principal loss is possible. Investments in debt securities typically decreases when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities. Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Derivatives may involve certain costs and risks such as illiquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. The Fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. For more information on these risks and other risks of the Fund, please see the Prospectus.

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