

Angel Oak Capital Advisors Announces Organizational Developments and Milestones

Asset growth coincides with fund accomplishments, new headquarters and promotion of key executives

ATLANTA – (June 14, 2019) – Angel Oak Capital Advisors, LLC (Angel Oak), announces that Managing Partner, Brad Friedlander, is retiring from Angel Oak to pursue personal interests after a six-week transition period. Angel Oak appreciates Brad's contribution to Angel Oak's past growth and wishes him well in his new endeavors. Co-founders Sreeni Prabhu and Michael Fierman will increase their controlling interests, and Brad will retain a passive, minority ownership in Angel Oak.

The team-based investment approach Angel Oak has employed since inception is well established and will remain in place. The 12-person senior investment team, led by Sreeni Prabhu, will continue to set investment policy and portfolio direction, while the 11 senior portfolio managers will continue their daily management responsibilities for all Angel Oak strategies (as they have done as a team for the past eight years). Sreeni will continue in his role as Chief Investment Officer, which he has held since the firm's inception. Sreeni's vision was instrumental in building the team-based approach with tenured experience across all asset classes and sectors in which the firm invests.

Angel Oak's portfolio management team employs a top-down strategy focused on identifying valuation dislocations within the U.S. structured credit markets combined with a bottom-up credit selection process. The team invests opportunistically across the capital structure, with a focus on relative value to maximize risk-adjusted returns over a full credit cycle.

In following with Angel Oak's team approach, Angel Oak recently announced the following executive promotions, to ensure effective management of future growth and enhance operational efficiencies:

- Clayton Triick, CFA®, and Colin McBurnette have been promoted to Senior Portfolio Managers, and Cheryl Pate, CFA®, has been promoted to a Portfolio Manager. All three demonstrate the strong investment and analytical skills Angel Oak requires, and have been important contributors to the success of the firm's strategies.
- David Silvera has been named Angel Oak's Chief Operating Officer. He will coordinate the firm's non-investment functions in order to support its investment performance, asset growth and organizational excellence.
- Randy Chrisman becomes the firm's Chief Marketing Officer. He will continue to lead the firm's marketing and public relations efforts, while increasing his collaboration with the Angel Oak sales team.
- Lu Chang, CFA®, FRM, CAIA, assumes the role of Chief Risk and Operations Officer. She has overseen risk management efforts at Angel Oak for four and a half years. Chang's new duties will include oversight of operations.

Additionally, Angel Oak is pleased to report the following significant milestones for the year:

- Successfully raised \$215 million in its first public closed-end fund offering, the Angel Oak Financial Strategies Income Term Trust (NYSE: FINS), which invests in the community bank debt sector.
- Completed its ninth and 10th non-qualified mortgage securitizations in Q1 2019, continuing to lead the growth of the non-QM securitization market. AOMT 2019-1 and AOMT 2019-2 were issued at a respective \$609 million and \$621 million. Both transactions combined to make up 23% of the total Q1 2019 non-QM securitization volume.
- Celebrated the one-year anniversary of the Angel Oak UltraShort Income Fund (AOUIX). As of May 31, 2019, the Fund's one-year total return of 3.64%, versus 2.59% for the Morningstar Ultrashort Bond Fund category, placed it in the top 2% of 193 funds in that category.
- Surpassed the 10-year mark for the Angel Oak High Yield Opportunities Fund (ANHIX). For the three- and five-year periods ending May 31, 2019, the Fund delivered annualized returns of 7.44% and 4.64%, respectively, outperforming its benchmark by 0.40% and 0.24% on an annualized basis over the same time periods.



“We are fortunate to have skilled professionals from top to bottom,” Prabhu said. “Our success is the result of their hard work, and we could not be more proud of their efforts. As we look forward to the growth opportunities ahead, Angel Oak Capital Advisors will continue to hire and develop exceptional talent. We have clear goals for the future of Angel Oak Capital, and I am confident in our team’s ability to accomplish them.”

To accommodate its growing workforce, Angel Oak Capital Advisors moved to an expanded, LEED certified headquarters as of June 3, 2019. The firm’s new address is 3344 Peachtree Road NE, Suite 1725, Atlanta, GA 30326.

To learn more about Angel Oak Capital Advisors and the firm’s work in specialized fixed-income markets, visit www.angeloakcapital.com.

ABOUT ANGEL OAK CAPITAL ADVISORS, LLC

Angel Oak Capital Advisors is an investment management firm focused on providing compelling fixed-income investment solutions for its clients. Backed by a value-driven approach, Angel Oak Capital Advisors seeks to deliver attractive risk-adjusted returns through a combination of stable current income and price appreciation. Its experienced investment team seeks the best opportunities in fixed income, with a specialization in mortgage-backed securities and other areas of structured credit.

For more information, please visit www.angeloakcapital.com.

Angel Oak UltraShort Income Fund

Total Returns (as of 3/31/19)	1Q19	YTD	Inception ¹
AOUIX	1.07%	1.07%	3.35%
Bloomberg Barclays 9-12 Month U.S. Treasury Bill Index	0.81%	0.81%	2.42%
Morningstar Ultrashort Bond Fund Category	1.02%	1.02%	2.39%
Expense Ratios			
AOUIX			
Gross	0.78%		
Net	0.25%		

*The Adviser has contractually agreed to waive its fees to limit the Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement to 0.49% of the Fund’s average daily net assets through 5/31/20. In addition, the Adviser has voluntarily agreed to limit these expenses to 0.25%; this expense limit is applicable to current investors.

¹The inception date of the Angel Oak UltraShort Income Fund I Class (AOUIX) was 4/2/18.

Angel Oak High Yield Opportunities Fund

Total Returns (as of 3/31/19)	3 Mo.	YTD	1 Year	3 Year	5 Year	10 Year
ANHIX	7.18%	7.18%	5.08%	8.75%	5.05%	9.09%
Bloomberg Barclays U.S. Corporate High Yield Bond Index	7.26%	7.26%	5.93%	8.56%	4.68%	11.26%
Expense Ratios						
ANHIX						
Gross	1.00%					
Net	0.65%					

*The Adviser has contractually agreed to waive fees through 5/31/20.

The inception date of the Angel Oak High Yield Opportunities Fund I Class (ANHIX) was 3/31/09.

Performance data quoted represents past performance. Past performance is no guarantee of future results. 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. Current performance may be lower or higher than what is stated and may be obtained by calling 855-751-4324.

Investing involves risk. Principal loss is possible. The Funds’ derivative investments have risks, including the imperfect correlation between the value of such instruments and the underlying asset, rate or index, which creates the possibility that the loss on such instruments may be greater than the gain in the value of the underlying asset, rate or index; the loss of principal; the possible default of the other party to the transaction; and illiquidity of the derivative investments. The Funds may invest in illiquid securities and restricted securities. Investments in restricted securities could have the effect of increasing the amount of the Fund’s assets invested in illiquid securities if qualified institutional buyers are unwilling to purchase these securities. Changes in interest rates generally will cause the value of fixed-income instruments held by the Fund to vary inversely to such changes. Below investment grade instruments are commonly referred to as “junk” or high-yield instruments and are regarded as predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal. Lower grade instruments may be particularly susceptible to economic downturns. The price paid by the Fund for asset-backed securities, including CLOs, the yield the Fund expects to receive from such securities and the average life of such securities are based on a number of factors, including the anticipated rate of prepayment of the underlying assets. Mortgage-backed securities are subject to the general risks associated with investing in real estate securities; that is, they may lose value if the value of the underlying real estate to which a pool of mortgages relates declines. See the prospectus for a more detailed description of the Funds’ risks.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Angel Oak Mutual Funds. This and other important information about each Fund are contained in the Prospectus or Summary Prospectus for each Fund, which can be obtained by calling Shareholder Services at 855-751-4324. The Prospectus or Summary Prospectus should be read and carefully considered before investing.

Quasar Distributors, LLC, is the distributor for the series of Angel Oak Funds Trust and the Angel Oak Strategic Credit Fund.

The Morningstar Ultrashort Bond Fund Category average represents an average of all of the funds in the Morningstar Ultrashort Bond Fund Category.

Morningstar Rankings represent a fund’s total-return percentile rank relative to all funds that are in the same Morningstar Category. The highest percentile rank is 1 and the lowest is 100. It is based on Morningstar total return, which includes both income and capital gains or losses and is not adjusted for sales charges or redemption fees.