

Angel Oak Strategic Credit Fund Breaks \$100M Asset Mark as Investors Turn to Interval Fund Structure

ATLANTA — (August 7, 2024) — **Angel Oak Capital Advisors, LLC**, a leading structured credit investment management firm, announced today that the **Angel Oak Strategic Credit Fund** (ASCIX or the Fund) has surpassed \$100 million in assets under management. The interval fund, which invests primarily in non-agency residential mortgage-backed securities and other asset-backed securities, has delivered compelling risk-adjusted returns over its six-year lifespan — a span that has included periods of quite volatile investment environments.

“Angel Oak was an early mover on delivering structured credit opportunities in an interval fund. That allows us to be opportunistic in times of volatility while still shielding the Fund from liquidity and redemption risk driven by short-term uncertainty,” said Sreeni Prabhu, Managing Partner and Group Chief Investment Officer for Angel Oak. “We are continuing to see increased interest in ASCIX. In this macroeconomic climate, advisors and institutions seek differentiated fixed-income strategies that align with their risk needs. Angel Oak has an impressive history of offering such strategies.”

The interval fund structure has proven to be a significant advantage during periods of economic fluctuation. Angel Oak’s approach allows the Fund to go further down in credit quality, which results in higher-yielding positions. At a sector level, ASCIX expresses the firm’s best ideas in structured credit with allocations across RMBS, ABS, CLOs, CMBS and corporate debt. The Fund’s strategy includes a distinct overweight to strategic credit assets, offering diversification not typically found in traditional fixed-income funds.

“For more than a decade, investors have been largely under-allocated to key areas of structured credit, but we’re seeing an uptick in interest now as traditional fixed-income assets and passive strategies are struggling to keep up with the changing market dynamics,” said Clayton Triick, CFA, Head of Portfolio Management of Public Strategies at Angel Oak. “We’re really pleased with how the Fund has performed and believe we are well positioned to continue uncovering new opportunities that will drive yield.”

Registered investment advisors and institutional investors have used ASCIX primarily as a diversifier in their fixed-income sleeve while potentially benefiting from the additional yield the Fund seeks to achieve. The interval fund structure provides the flexibility and strategic benefits that enable Angel Oak to hold positions during volatile times while maintaining the liquidity necessary to potentially capitalize on market opportunities as they arise.

To learn more about Angel Oak and its investment solutions, click [here](#).

NET TOTAL RETURNS AS OF 6/30/24	YTD	1YR	3YR	5YR	SINCE INCEPTION ¹	GROSS EXP. RATIO ²	NET EXP. RATIO ²
Angel Oak Strategic Credit Fund (ASCIX)	6.38%	12.93%	7.79%	6.73%	6.57%	2.14%	2.14%
Bloomberg U.S. Aggregate Bond Index	-0.71%	2.63%	-3.02%	-0.23%	0.80%	-	-

¹The inception date of the Angel Oak Strategic Credit Fund Class I (ASCIX) was 12/26/17.

²Gross and net expense ratios are reported as of the 5/30/24 prospectus.

ABOUT ANGEL OAK CAPITAL ADVISORS, LLC

Angel Oak is an investment management firm focused on providing compelling fixed-income investment solutions to its clients. Backed by a value-driven approach, Angel Oak 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.

DEFINITIONS:

ABS: Asset-backed security.

CLO: Collateralized loan obligation.

CMBS: Commercial mortgage-backed security.

RMBS: Residential mortgage-backed security.

Performance quoted is past performance and is no guarantee of future results. The 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 shown. Current performance for the most recent month end can be obtained by calling 855-751-4324 or by visiting www.angeloakcapital.com.

Investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other important information about the funds is contained in the Prospectus which can be obtained by calling Shareholder Services at 855-751-4324 or from www.angeloakcapital.com. The Prospectus should be read carefully before investing.

Investing involves risk; principal loss is possible. The Strategic Credit Fund is a closed-end Interval Fund. The Fund's shares will not be listed on an exchange in the foreseeable future, if at all. It is possible that a repurchase offer may be oversubscribed, in which case shareholders may only have a portion of their shares repurchased. Quarterly repurchase offers and liquidity are limited. The Fund's 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 Fund 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. The Fund will be subject to risks associated with adverse political and economic developments in foreign countries, including seizure or nationalization of foreign deposits, the imposition of economic sanctions, different legal systems and laws relating to bankruptcy and creditors' rights, and the potential inability to enforce legal judgments, all of which could cause the Fund to lose money on its investments in non-U.S. 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. For more information on these risks and other risks of the Fund, please see the Prospectus.