Angel Oak Total Return ETF Strategy Overview Q&A

Why is Angel Oak launching the Total Return ETF (Ticker: TRBF)?

- Angel Oak is extending its core fixed income expertise to a broader set of investors.
- TRBF is designed to provide higher yields and tactical opportunities within a disciplined core-plus fixed income framework.

What is the objective of the Total Return ETF?

- It seeks total return, targeting the best risk-adjusted opportunities in fixed income with potential for stable income and price appreciation.
- Duration will be managed opportunistically relative to its benchmark, the Bloomberg U.S. Aggregate Bond Index.

Which areas of the market will be the focus of this strategy?

- TRBF will invest across the credit spectrum, with a focus on corporate bonds and securitized credit, adjusting allocations based on relative value opportunities.
- Core holdings are expected to include corporate bonds, non-agency residential mortgage-backed securities (RMBS), asset-backed securities, and agency RMBS, which should support income generation and price stability.

What does Angel Oak believe differentiates the ETF's strategy?

- Most credit-focused ETFs today are concentrated in corporate bonds.
- TRBF expands that exposure by incorporating securitized credit within an Intermediate Core-Plus framework, offering broader diversification.
- Angel Oak believes the current market backdrop is attractive, with securitized credit trading at more compelling valuations than those of corporate bonds.

How does the investment team manage the strategy?

- Angel Oak's experienced portfolio management team makes broad allocation decisions collaboratively, while senior portfolio managers for each asset class lead security selection and trade execution.
- Daily meetings review relative value across fixed-income sectors and adjust positioning as conditions evolve.
- Monthly Investment Committee meetings assess valuations, performance, counterparties, and overall allocation. Voting members set target allocations as well as effective and spread duration targets.

How do you view liquidity for this ETF and its holdings?

Liquidity can be considered in two parts: the underlying assets the ETF invests in, and the liquidity of the ETF shares themselves:

- Underlying assets: The strategy focuses on a diversified mix of higher-income, higher-quality bond markets, delivering substantial liquidity through a total return ETF. Angel Oak has managed mortgage, corporate, and securitized assets in public strategies for more than a decade.
- ETF shares: Three factors support strong liquidity and effective execution:
  1. Partnership with Virtu, a premier market maker.
  2. Oversight from Angel Oak's capital markets desk.
  3. A portfolio of high-quality securities, primarily investment-grade credit quality with exposure to government-backed mortgages, supporting tight bid/offer spreads.

How might this strategy fit within an investor's portfolio?

- The Total Return ETF may appeal to investors seeking higher yields and total return potential than those of traditional Intermediate Core-Plus mutual funds or passive ETFs.
- Its focus on securitized credit, especially mortgage credit, should provide diversification for portfolios that rely heavily on corporate bond ETFs for credit exposure.

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

Investing involves risk; principal loss is possible. The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decisions. The Fund is non-diversified and, therefore, may be more susceptible than a diversified fund to being adversely affected by a single corporate, economic, political, or regulatory occurrence. The Fund may, at times, hold illiquid investments and could lose money if unable to dispose of an investment at a time or price that is most beneficial. Investments in fixed-income instruments generally fluctuate more than the prices of shorter-term fixed-income instruments as interest rates change. Investments in defaulted and distressed securities entail significant uncertainty regarding repayment. The Fund's assets will be concentrated. The risks of concentrating in mortgage loans, RMBS (agency and non-agency) and CMBS include susceptibility to changes in lending standards, interest rates and lending rates; the risks associated with the market's perception of issuers; the creditworthiness of the parties involved; and investing in real estate securities. For more information regarding these and other risks, please see the Prospectus.

ETFs may trade at a premium or discount to NAV. Shares of any ETF are bought and sold at market prices (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. The Fund is an actively managed ETF, which is a fund that trades like other publicly-traded securities. The Fund is not an index fund and does not seek to replicate the performance of a specified index.

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