

Angel Oak Financial Strategies Income Term Trust Declares September 2023 Distribution

ATLANTA (September 1, 2023) — Angel Oak Financial Strategies Income Term Trust (the “Fund”), a closed-end fund traded on the New York Stock Exchange under the symbol FINS, today declared a distribution of \$0.109 per share for the month of September 2023. The record date for the distribution is September 15, 2023, and the payable date is September 29, 2023. The Fund will trade ex-distribution on September 14, 2023.

We are increasing our monthly distribution from \$0.0905 to \$0.109 given the upside to NAV we expect as the banking sector continues to recover from the regional bank failures earlier this year. The market dislocation and its impact on pricing present a compelling opportunity for bank debt to outperform in the current environment: 1) the fear of contagion risk in the banking sector has faded, 2) the Federal Reserve is near the end of its rate hiking cycle, 3) Q1 and Q2 bank earnings have demonstrated the resiliency of the banking sector, 4) bank equities have begun to recover, 5) large and regional banks have resumed issuing debt, and 6) M&A is returning to the sector. Additionally, nearly 60% of the Fund will transition from fixed to floating rate over the next 36 months as the bonds enter their call period, resulting in higher coupons and/or the bonds getting called and refinanced by the issuer.

The Fund seeks to pay a distribution at a rate that reflects net investment income actually earned. A portion of each distribution may be treated as paid from sources other than net investment income, including but not limited to short-term capital gain, long-term capital gain, or return of capital. As required by Section 19(a) of the Investment Company Act of 1940, a notice will be distributed to shareholders in the event that a portion of a monthly distribution is derived from sources other than undistributed net investment income. The final determination of the source and tax characteristics of these distributions will depend upon the Fund’s investment experience during its fiscal year and will be made after the Fund’s year end. The Fund will send to investors a Form 1099-DIV for the calendar year that will define how to report these distributions for federal income tax purposes.

ABOUT FINS

Led by Angel Oak’s experienced financial services team, FINS invests predominantly in U.S. financial sector debt as well as selective opportunities across financial sector preferred and common equity. Under normal circumstances, at least 50% of FINS’ portfolio is publicly rated investment grade or, if unrated, judged to be of investment grade quality by Angel Oak.

ABOUT ANGEL OAK CAPITAL ADVISORS, LLC

Angel Oak Capital Advisors is an investment management firm focused on providing compelling fixed-income investment solutions to 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.

Information regarding the Fund and Angel Oak Capital Advisors can be found at www.angeloakcapital.com.

Past performance is neither indicative nor a guarantee of future results. Investors should consider the investment objective and policies, risk considerations, charges and ongoing expenses of an investment carefully before investing. For more information please contact your investment representative or Destra Capital Advisors LLC at 877.855.3434.