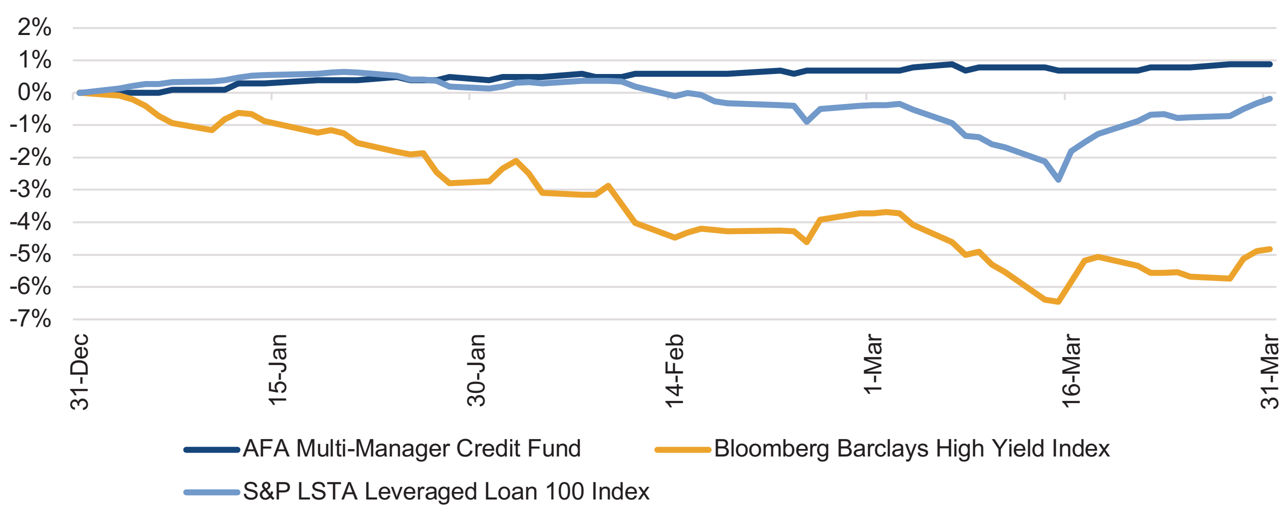
Portfolio Review
First Quarter 2022

AFA Multi-Manager Credit Fund (AMCLX)

Performance Summary

The institutional share class of the AFA Multi-Manager Credit Fund (the "Fund") returned 0.81% for the first quarter. This compares to a quarterly return of -0.18% for the S&P LSTA Leveraged Loan Index and -4.84% for the Bloomberg High Yield Corporate Index. The Fund's outperformance was achieved with significantly lower volatility than these public markets credit indices.

AFA Multi-Manager Credit Fund (AMCLX):
First Quarter 2022 Cumulative Performance (January 1, 2022 – March 31, 2022)



The performance data quoted represents past performance and is no guarantee of future results. 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. This chart does not imply future performance. Current performance may be lower or higher than the performance data quoted. Performance for the most recent month end can be obtained by calling 800-452-6804.Total returns include reinvestment of distributions (dividends and capital gains) and are net of the Fund's net expenses. The Fund's gross expense ratio is 2.98%.

The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high-yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The S&P LSTA US Leveraged Loan 100 Index is designed to reflect performance of the 100 largest facilities in the leveraged loan market. Index performance is discussed for illustrative purposes only as a benchmark for Fund performance and does not predict or depict performance of that strategy. While index comparisons may be useful to provide a benchmark for the Fund's performance, it must be noted that investments are not limited to the investments comprising the indices. Each of the benchmark indices are unmanaged and cannot be purchased directly by investors.

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Performance Attribution by Sector

The AFA Multi-Manager Credit Fund is composed of three portfolio strategy buckets: Specialty Finance, Stressed and Distressed, and Opportunistic strategies. The Specialty Finance and Stressed and Distressed buckets contributed positively to the performance this quarter. However, the Opportunistic bucket was slightly negative for the quarter. The Fund held seven different investments throughout the quarter. On April 1, 2022, the Fund added two new managers, both specialists in asset-based lending.

Notably during the quarter, the Fund closed a revolving line of credit with a banking partner. This line of credit is intended to provide additional investment flexibility and help minimize the cash drag that can be inherent in private asset strategies.

A summary of recent results and current activity for each bucket follows:

Specialty Finance Strategies

Specialty Finance continued to provide attractive and steady returns for the quarter, contributing 1.06% to the Fund. All underlying strategies generated positive results, with a return driven almost exclusively by strong yields. There were no material credit events in the portfolio. Most importantly, we have seen very steady yields in the current strategies, despite extreme volatility in the public credit markets over the quarter.

As we communicated last quarter, we are focused on identifying and adding unique managers and strategies primarily focused on asset-based lending. While cash flow lending strategies such as sponsored middle- market direct lending have delivered fruitful returns over the last several years to the private credit universe, we believe more secured structures such as asset-based lending will benefit from the challenging backdrop over the coming years. We believe asset-based lending delivers a yield, volatility, and duration profile similar to cash flow lending, yet is far better positioned to weather a downturn in credit, given its stronger loan covenants and the ability of the lender to assume ownership of assets in the event of a default.

The two managers added to the Fund on April 1, 2022, are in the Specialty Finance bucket: Old Hill Partners and CoVenture. Old Hill Partners is an asset-based lender focused on small to middle-market enterprises. Examples of collateral they lend against include accounts receivable, inventory, machines, and equipment. CoVenture, also an asset-based lender, focuses on early-stage financial technology companies. Examples of collateral they lend against include digital video advertising revenues, accounts receivable, and consumer loans. We believe these new additions to the Fund will provide attractive returns as well as diversification across the niche markets of asset-based lending.

Stressed and Distressed Strategies

Stressed and Distressed strategies contributed 0.17% to the Fund for the quarter. This bucket consists of one strategy, the Lynx EBO Fund, which we added to the Fund on November 1, 2021. The Lynx EBO Fund holds non-performing government-backed mortgages, which we believe offer a favorable downside protection, since these mortgages are covered by government insurance. The Lynx team and their partners work directly with the underlying borrowers to either modify loans or create incentives to bring the borrowers current on their payments. They then sell the performing mortgages at a premium. This investment has performed well since we included it in the Fund.

Opportunities remain limited in this category, but we continue to evaluate managers so we can quickly deploy capital when they arise.

Opportunistic Strategies

Opportunistic strategies tend to invest in the less liquid segments of the public markets, such as structured credit, tradeable loans, convertible bonds, and high-yield bonds. The Fund's Opportunistic bucket struggled this quarter, detracting -0.10% to the Fund. Due to the combination of Russia's invasion of Ukraine and the US Federal Reserve actions of combating inflation with measured interest rate hikes, public credit markets experienced one of their worst quarters in recent history. Despite this backdrop, our managers that specialize in these more liquid markets held up extremely well, even though they delivered slightly negative returns.

We do not anticipate adding any new strategies to this bucket over the next few quarters, as we believe more attractive opportunities lie elsewhere in the market.

Liquidity

Liquidity holdings were a -.025 detractor to the Fund. The Fund's holding in the Vanguard Short-Term Bond ETF was the main culprit for this loss, as yields at the front end of the curve increased substantially due to a more hawkish Fed stance. We exited this position during the quarter as the market repriced the Fed hiking cycle. Currently our entire liquidity sleeve is in a money market account.

Transaction Highlight – Health Care Receivables

Each quarter we highlight one position within the portfolio to provide existing and prospective investors in the Fund with an inside look into the ways our managers seek to generate attractive returns. This month we showcase a new loan issued by CNH Finance (CNHF), our health care lending specialist.

During the quarter, CNHF made a loan to an operator of skilled nursing facilities located in the Northeast. The borrower recently purchased three facilities and required cash to support the ownership transition period and ongoing working capital needs. Given CNHF's specialty in the health care industry—particularly with skilled nursing facilities—a loan broker connected the borrower with CNHF. From there, CNHF performed rigorous due diligence on the borrower, including a field examination and detailed analysis of their books and records. They negotiated with the borrower to extend a line of credit, backed by the borrower's receivables due to them primarily from private insurance companies and government programs such as Medicare and Medicaid. As part of the terms of the loan, CNHF negotiated various covenants that the borrower must pass. Should the borrower default, CNHF will collect these payments due to the borrower, with no additional exposure to the borrower's business itself.

Concluding Thoughts

The first quarter of 2022 certainly proved eventful, with war in Eastern Europe, the highest reported inflation since the mid-1980s, and volatility in the bond markets not seen since the early 1990s. Given those challenges, we were pleased with how the Fund performed through that turbulence and how it's positioned for the second quarter and beyond. We thank you for your continued interest and support as the Fund continues to grow. We look forward to supporting you in your quest to help clients achieve their financial goals, and are always available to discuss the Fund and the role it may play in client portfolios.

Disclosures

Investors should carefully consider the Fund's investment objectives, risks, charges, and expenses before investing. This information is included in the Fund Prospectus and can be accessed by calling 800-452-6804 or by email at info@alternativefundadvisors.com. Read the prospectus carefully before you invest.

An investment in the Fund involves a high degree of risk. An investment in the Fund should be viewed only as part of an overall investment program and you should invest only if you can sustain a complete loss of your principal. Please read the prospectus carefully. An investment in the Fund is subject to, among others, the following risks:

- The Fund is not intended as a complete investment program, but rather the Fund is designed to help investors diversify into private credit investments.
- The Fund is a "non-diversified" management investment company registered under the Investment Company Act of 1940.
- An investment in the Fund involves risk. The Fund is new with no significant operating history by which to evaluate its potential performance. There can be no assurance that the Fund's strategy will be successful.
- Shares of the Fund are not listed on any securities exchange and it is not anticipated that a secondary market for shares will develop.
- Shares are appropriate only for those investors who can tolerate a high degree of risk and do not require a liquid investment.
- There is no assurance that you will be able to tender your shares when or in the amount that you desire. Although the Fund will offer quarterly liquidity through a quarterly repurchase process, an investor may not be able to sell or otherwise liquidate all their shares tendered during a quarterly repurchase offer.
- The Fund's investment in private credit companies is speculative and involves a high degree of risk, including the risk associated with leverage.

The Fund has an interval fund structure pursuant to which the Fund, subject to applicable law, conducts quarterly repurchase offers for no less than 5% of the Fund's Shares outstanding at NAV. While the quarterly repurchase offer is expected to be 5%, the amount of each quarterly repurchase offer may be 5% to 25% subject to approval of the Board of Trustees (the "Board" and each of the trustees on the Board, a "Trustee"). It is also possible that a repurchase offer may be oversubscribed, with the result that shareholders may only be able to have a portion of their Shares repurchased. There is no assurance that you will be able to tender your Shares when or in the amount that you desire.

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