



# DDJ Opportunistic High Yield Fund

## TIMELINE



### INVESTMENT OBJECTIVE

The Fund's investment objective is overall total return consisting of a high level of current income together with long-term capital appreciation.

### FUND HIGHLIGHTS

#### Invest across the capital structure

- Flexibility to invest in high yield bonds and bank loans
- Target securities with a yield premium relative to the benchmark of 200-400 bps

#### Exploit inefficiencies in leveraged credit markets

- Middle market companies are typically under-followed by analysts and brokers
- Middle market companies are often 'mis-rated' by ratings agencies, which have a market cap bias

#### Construct a high conviction portfolio

- Typically 60-80 issuers, which provides ample diversification while enabling extensive on-going monitoring of positions
- "Private equity-like" research conducted by the DDJ investment team with extensive financial, credit, legal and portfolio management expertise

#### Focus on downside risk management

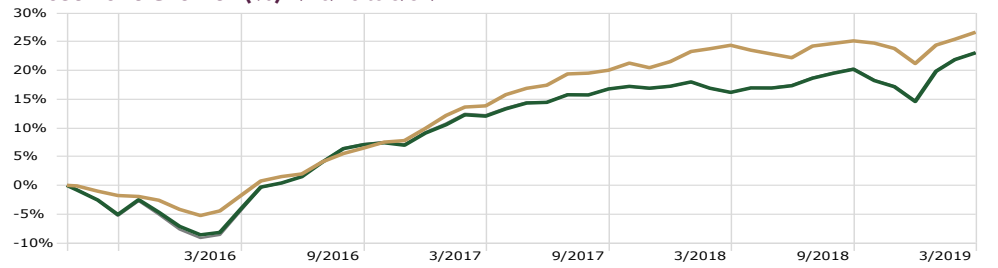
- Risk/reward analysis is paramount in seeking to outperform the benchmark with less realized default losses relative to the broader market over a full credit cycle
- In-house attorneys on the investment team are a differentiator and provide unique expertise on the downside risk of an investment compared with its potential return

### ABOUT DDJ

Since its founding in 1996, DDJ Capital Management, the Fund's investment adviser, has specialized in investing in high yield bonds and bank loans. DDJ believes that securities issued by middle market companies, which are underfollowed and oftentimes mis-rated, comprise the most inefficient area of the high yield market and are ripe with investment potential. By performing exhaustive fundamental and legal analysis of each investment opportunity, DDJ believes that it can construct diversified high yield portfolios with an attractive risk-reward profile relative to the overall high yield market.

## PERFORMANCE

### Investment Growth (%) 7/16/15 to 3/31/19



### Annualized Returns\*

	QTD	YTD	1 Year	2 Years	3 Years	Since Inception (7/16/15)
DDJ Opportunistic High Yield (DDJIX) (net)	4.50%	4.50%	1.83%	5.48%	8.85%	6.58%
ICE BofAML Non-Financial High Yield Index	7.37%	7.37%	5.96%	4.72%	8.80%	5.71%
ICE BofAML US High Yield Index	7.40%	7.40%	5.94%	4.81%	8.69%	5.76%

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance data may be higher or lower than actual data quoted. For the most current month-end performance data, please call 1.844.363.4898.

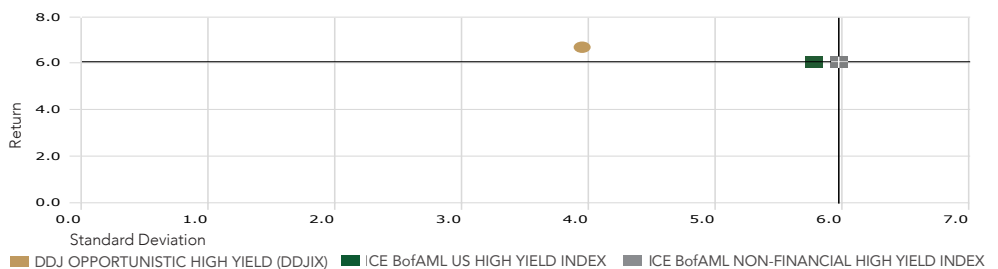
\*Performance less than 1 year is cumulative. Performance is net of all fees.

The Fund imposes a 1.00% redemption fee on shares held for 60 days or less.

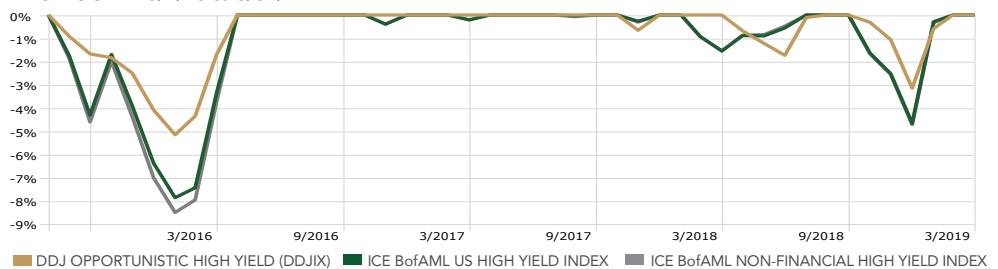
DDJ has contractually agreed to limit the amount of the Fund's Total Annual Fund Operating Expenses, exclusive of Distribution and Service (12b-1) fees, Shareholder Servicing expenses, brokerage expenses, interest expenses, taxes and extraordinary expenses, to an annual rate of 0.79% of the Fund's average daily net assets for all share classes. This agreement is in effect through January 31, 2020. See the prospectus for more details. The Gross Expense Ratio is 3.81%, 3.14%, 3.89% and the Net Expense Ratio is 0.79%, 0.89% and 1.14% for DDJIX, DDJCX and DDJRX, respectively.

## RISK

### Risk/Return 8/1/15 to 3/31/19



### Drawdown 8/1/15 to 3/31/19



Please see accompanying disclosures on the ensuing page.

## FUND DETAILS

Institutional (DDJIX) Expense Ratio	0.79%
Class I (DDJCX) Expense Ratio	0.89%
Class II (DDJRX) Expense Ratio	1.14%
Inception Date	7/16/15
NAV	\$9.20
Total Net Assets	\$16,394,532
Number of Holdings	89
Firm AUM	\$8.4 billion
Strategy AUM	\$6.6 billion

## PORTFOLIO CHARACTERISTICS

	Fund	Benchmark
Number of Issuers	71	781
Adjusted Effective Duration	2.08	3.64
Average Blended Yield	9.46%	6.52%

Assuming the inclusion of temporary expense waivers or reimbursements, the 30-day yield would have been 8.45%, 8.90%, and 8.10% for DDJIX, DDJCX and DDJRX, respectively. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 6.33%, 6.78%, and 5.98% for DDJIX, DDJCX and DDJRX, respectively.

## PORTFOLIO MANAGERS



**David J. Breazzano**  
President, CIO, Portfolio Manager  
39 years experience



**Benjamin J. Santonelli**  
Portfolio Manager  
15 years experience



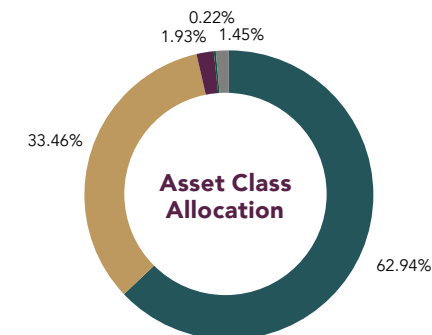
**John W. Sherman**  
Portfolio Manager  
14 years experience

**DDJ CAPITAL MANAGEMENT**  
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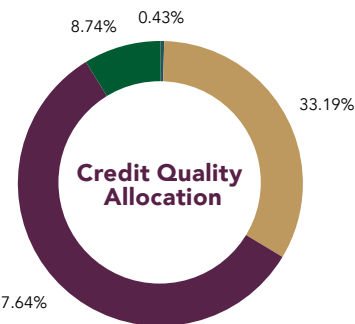
“ At DDJ, we believe that conducting fundamental analysis similar to private equity investors allows us to gain a deep understanding of risk, which in turn enables DDJ to identify securities that are often misunderstood and mispriced by the market. ”

-DAVID J. BREAZZANO

## PORTFOLIO



■ HIGH YIELD BONDS ■ WARRANTS  
■ SENIOR BANK LOANS ■ CASH  
■ COMMON STOCK



■ BB AND ABOVE ■ CCC AND BELOW  
■ B ■ NOT RATED

## Portfolio Statistics\*

	DDJIX	Benchmark
Cumulative Return (%)	26.79	24.00
Cumulative Excess Return (%)	0.65	NA
Annualized Return (%)	6.69	6.04
Annualized Excess Return(%)	0.65	0.00
Alpha	2.72	0.00
Sharpe Ratio	1.37	0.83
Information Ratio	0.19	-
Standard Deviation	3.96	5.98
Beta	0.56	1.00
Correlation	0.83	1.00
Tracking Error	3.45	0.00
Max Drawdown (%)	-5.16	-8.50

## Top Ten Holdings\* by issuer

Asurion LLC	4.37%
Alliant Holdings Intermediate	3.46%
One Call Medical	3.25%
MultiPlan Inc.	3.22%
US Renal Care Inc	2.87%
GTT Communications Inc	2.68%
MEG Energy Corp	2.45%
Carlson Travel Holdings, Inc.	2.42%
Uniti Group Inc	2.37%
Internet Brands (WebMD)	2.23%

\* Source data: monthly returns; time period: 8/1/15 - 3/31/19  
+Holdings are subject to change.

## DISCLOSURES

This material must be preceded or accompanied by a prospectus, available at [ddj-funds.com](http://ddj-funds.com). Please read it carefully before investing. The DDJ Opportunistic High Yield Fund is not suitable for all investors.

Risks: It is possible to lose money on an investment in the Fund. Fixed-income investments are subject to interest rate risk; as interest rates rise, their value will decline. Lower-rated securities are subject to additional credit and default risks. Investments in bank loans, which are made by banks or other financial intermediaries to borrowers, will depend primarily upon the creditworthiness of the borrower for payment of principal and interest. Trading in Rule 144A securities may be less active than trading in publicly traded securities. Investments with low trading volumes may be difficult to sell at quoted market prices.

The ICE BofA Merrill Lynch U.S. Non-Financial High Yield Index, which is the designated benchmark of the DDJ Opportunistic High Yield Fund, is a subset of the ICE BofA Merrill Lynch U.S. High Yield Index excluding all securities of Financial issuers. ICE BofA Merrill Lynch Index composite ratings are the simple averages of ratings from three agencies. For the majority of the ICE BofA Merrill Lynch index universe, the composite rating is based on the average of Moody's, Standard & Poor's ("S&P") and Fitch. For Canadian credit indices only, Fitch is replaced by DBRS. The ICE BofA Merrill Lynch U.S. High Yield Index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by DDJ. ICE Data and its third party suppliers accept no liability in connection with its use. Please contact DDJ for a full copy of the disclaimer. Additional information about ratings can be found at [www.moody.com](http://www.moody.com) and [www.standardandpoors.com](http://www.standardandpoors.com). Credit ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). All Fund securities except for those labeled "Not Rated" and "Other" have been rated by Moody's, S&P or Fitch, which are each a Nationally Recognized Statistical Rating Organization ("NRSRO"). All Index securities except for those labeled "Not Rated" have been rated by Moody's or S&P. Credit ratings are subject to change. One cannot invest directly into an index. The DDJ Opportunistic High Yield Fund uses the same ratings methodology described above.

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## GLOSSARY

**30-Day Yield** (also known as "SEC yield"): For each share class, SEC yield is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period, and reflects the maximum offering price per Fund share. The standardized computation is designed to facilitate yield comparisons among different funds.

**Alpha:** A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta.

**Adjusted Effective Duration:** With respect to the portfolio, the adjusted effective duration statistic provided is calculated by taking a weighted average of (i) modified duration to next reset date for all floating rate instruments, and (ii) effective duration for all fixed coupon instruments. With respect to the benchmark, duration is shown as effective duration.

**Average Blended Yield:** The weighted average of (i) for instruments priced at or above par, yield to worst for bonds and yield to three year take out for loans, and (ii) for instruments trading at a discount, yield to maturity. Yield to worst is the lowest possible yield from owning a bond considering all potential call dates prior to maturity and is the statistic provided for the index as it is comprised of high yield bonds only. Yield to three year take out is the yield from owning a senior bank loan assuming the loan is retired in three years, or yield to maturity if the loan's maturity date is in less than three years.

**Beta:** A measure of systematic risk with respect to a benchmark. Systematic risk is the tendency of the value of the Fund and the value of benchmark to move together.

**High Yield Bond:** A debt security issued by a corporate entity where the debt has lower than investment grade ratings. It is a major component, along with leveraged loans, of the leveraged credit market.

**Information Ratio:** Measure of portfolio returns above the returns of a benchmark, usually an index, to the volatility of those returns.

**Max Drawdown:** Maximum loss from a peak to a trough of a portfolio, before the prior peak is reattained. Drawdown for the Fund, ICE BofA U.S. Non-Financial High Yield, and ICE BofA U.S. High Yield indices represent the percentage market value loss for each peak-to-trough decline over the time period stated. The lines representing each of the Fund and indices reset at "0.0%" once a new peak market value is reached and remain at "0.0%" thereafter until the next decline in market value begins.

**Middle Market:** DDJ considers middle market companies to be those with normalized earnings before interest, taxes, depreciation and amortization ("EBITDA") in the range of \$75-250 million.

**Senior Bank Loan:** A debt instrument arranged by a bank (or similar financial institution) to a company that typically holds legal claim to borrower's assets that are senior to all (or substantially all) other debt obligations.

**Sharpe Ratio:** A risk-adjusted measure calculated by using standard deviation and excess return to determine reward per unit of risk.

**Standard Deviation:** A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

**Tracking Error:** The difference between the performance of a stock or mutual fund and its benchmark.