AlphaCentric Prime Meridian Income Fund
Quarterly Commentary 1Q2021

PMIFX

March 31, 2021 — Performance in the first quarter of 2021 was positive for the AlphaCentric Prime Meridian Income Fund ("the Fund") but not for all of its comparable indexes. The Fund was +1.95% for the period, compared to -0.02% for the Bloomberg Barclays 1-3 year Credit Index and +0.85% for the Bloomberg Barclays U.S. High Yield Corporate Bond Index. While performance in the fixed income market was largely negative during the period, the Fund out-performed due to its unique credit portfolio that has little interest rate risk relative to traditional fixed income benchmarks.

Fund Performance as of 3/31/21 (Annualized if greater than 1 year)

*Inception Date: 12/31/19**	QTD	6 Mos	YTD	1YR	Inception
Class I	1.95	3.38	1.95	9.12	8.06
Bloomberg Barclays U.S. High Yield Corporate Bond Index	0.85	7.35	0.85	23.72	6.37
Bloomberg Barclays U.S. Credit 1-3 Year Index (USD)	-0.02	0.54	-0.02	4.39	2.92

*Inception: The Fund's inception date was 10/01/19 but the Fund first began to invest assets on 12/31/19, which the data in the above table reflects.

Expense Ratio: Net 2.97% | Gross 4.33%

The Advisor has contractually agreed to limit certain fees and expenses until January 31, 2022.

Past performance does not guarantee future results and there is no assurance that the Fund will achieve its investment objective.

The maximum sales charge for Class "A" Shares is 5.75%. Past performance is no guarantee of future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance or the funds prospectus please visit www.AlphaCentricFunds.com, or call toll free at 1-844-ACFUNDS (844-223-8637).

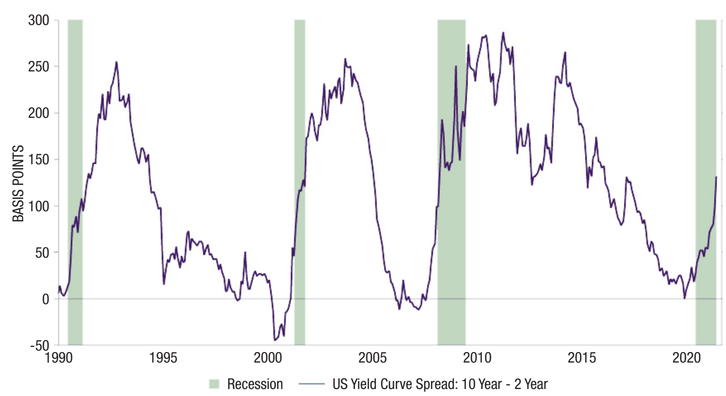
The Fed plans to keep short-term interest rates low for the foreseeable future, resulting in higher expected headline inflation

Market Overview

Traditional fixed income benchmarks have had a rough start in 2021. As of the end of March, the Bloomberg Barclays US Aggregate Bond Index was down 4.45% for the year, after interest rates rose on inflation fears associated with the expectation of new economic stimulus – combined with an economic recovery already under way. After getting as low as 0.53% last summer, the yield on the 10-year Treasury bond is now above where it was just before COVID hit. And as interest rates have increased, prices of other assets, primarily those with very high valuations, have also been adjusted.

Taking the excesses out of the market is generally a good thing as long as investor sentiment doesn't swing too bearish and result in a loss of appetite to take prudent risk. So far this does not seem to be the case, and investors appear to have adjusted to the fact that rates are going up this year – possibly 100 basis points or so more on the 10-year Treasury bond if history is any indication (see graphic below).

Rising Yields and a Steeper Curve: Par for the Course



Source: Loomis/Sayles, Refinitiv Datastream. Data as of 3/4/2021.
Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index. Past performance is no guarantee of future results.

The Federal reserve (the "Fed") has reiterated that they plan to keep short-term interest rates low for the foreseeable future, which has also resulted in higher expected headline inflation. As deflation has been the Fed's biggest challenge the last decade, they are now more accepting of some inflation and have updated their target on sustained inflation to above 2%.

Fund Overview

The quarter was the Fund's fifth consecutive profitable quarter, with positive performance coming from both of the Fund's significant positions in consumer and real estate bridge loans. These two loan types continue to comprise the majority of the Fund's assets, with the remainder held in cash and cash equivalents.

Roughly 49% of the Fund's assets were also invested in dozens of first lien real estate bridge loans, all with very favorable fundamentals such as loan to value and loan to cost characteristics. These loans were geographically diversified and primarily single-family (49%) and multi-family loans (44%) loans, principally used to rehab these properties, and were also used for refinancing and construction purposes. A new real estate bridge loan originator was added during the quarter to further diversify and increase the overall allocation to real estate loans.

> "Above-average consumer savings, fiscal stimulus, and proactive hardship programs that helped borrowers through the difficult year remain **supportive of loan performance** during the recession."

Performance of consumer loans, which made up roughly 43% of the Fund's assets at the end of the period, continued to be better than expected. Above-average consumer savings, fiscal stimulus, and proactive hardship programs that helped borrowers through the difficult year remain supportive of loan performance during the recession. During the period, the Fund's consumer loan portfolio was made up of hundreds of individual domestic loans across prime, near prime and emerging consumer loan types. At the end of the period the Fund's individual consumer loans have an average weighted FICO of over 690 across both traditional prime and near prime loan holdings (near prime being defined as loans with FICO scores between 620 and 659). Additionally, within the consumer asset class PMIFX had increased exposure to a portfolio of domestic emerging creditor loans originated by an innovative loan originator with digital banking services.

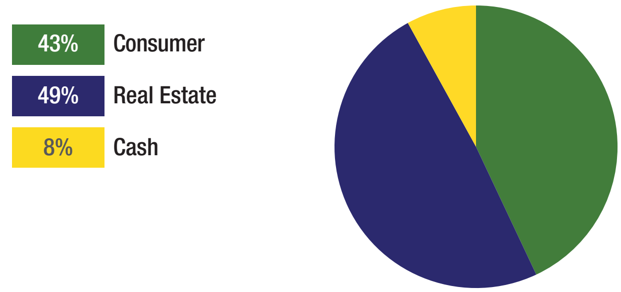
As of March 31, the Fund's overall portfolio had a McCauley duration of just under 11 months and a 31+ day delinquency rate of 2.22%. PMIFX's holdings overall saw a slight increase in loan delinquency during the quarter, but at a rate that is consistent with expectations for a diversified and performing loan portfolio.

Outlook

While traditional bond indexes are likely to continue to struggle this year with interest rates rising, quality credit-related investments with shorter durations such as those in the Fund are likely to fare much better with the improving economy.

We remain pleased with the PMFIX's performance to date and believe the Fund is a quality, value-added holding for a diversified investment portfolio. *α*

Investment Allocation (Market Value) as of 3/31/21



Important Risk Information

INVESTING IN THE FUND INVOLVES A HIGH DEGREE OF RISK, INCLUDING THE RISK THAT YOU MAY RECEIVE LITTLE OR NO RETURN ON YOUR INVESTMENT OR THAT YOU MAY LOSE PART OR ALL OF YOUR INVESTMENT. THIS IS A CONTINUOUSLY-OFFERED, NON-DIVERSIFIED, CLOSED-END INTERVAL FUND AND IS NOT INTENDED TO BE A TYPICAL TRADED INVESTMENT. LIMITED LIQUIDITY IS PROVIDED TO SHAREHOLDERS ONLY THROUGH THE FUND'S QUARTERLY REPURCHASE OFFERS FOR NO LESS THAN 5% OF THE FUND'S SHARES OUTSTANDING AT NET ASSET VALUE. REGARDLESS OF HOW THE FUND PERFORMS, THERE IS NO GUARANTEE THAT SHAREHOLDERS WILL BE ABLE TO SELL ALL OF THE SHARES THEY DESIRE IN A QUARTERLY REPURCHASE OFFER.

There currently is no secondary market for the Fund's shares and the Fund expects that no secondary market will develop. Shares of the Fund will not be listed on any securities exchange, which makes them inherently illiquid.

Investing involves risk. The Fund will invest in Marketplace Lending Instruments which are generally not rated and constitute a highly risky and speculative investment, similar to an investment in "junk" bonds. Below-investment-grade ("high yield" or "junk") bonds are more at risk of default and are subject to liquidity risk. There can be no assurance that payments due on underlying Marketplace Loans will be made. The Shares therefore should be purchased only by investors who could afford the loss of the entire amount of their investment.

Many of the Fund's investments are associated with loans that are unsecured obligations of borrowers. This means that they are not secured by any collateral, not insured by any third party, not backed by any governmental authority in any way and, except in the case of certain loans to businesses, not guaranteed by any third party.

Distressed credit investments are inherently speculative and are subject to a high degree of risk. Leverage (borrowing) may be considered speculative and involves transaction and interest costs on amounts borrowed, which may reduce performance. The Fund is classified as "non-diversified" and may invest a greater portion of its assets in the securities of a single issuer.

Key Definitions

Bloomberg Barclays U.S. Credit 1-3 Year Index: Measures the performance of investment grade, US dollar-denominated, fixed-rate, taxable corporate and government-related debt with 1 to 2.9999 years to maturity. It is composed of a corporate and a non-corporate component that includes non-US agencies, sovereigns, supranationals and local authorities.

Bloomberg Barclays US Corporate High Yield Bond Index: Measures the USD-denominated, high yield, fixed-rate corporate bond market. There is no assurance that the Fund will achieve its investment objective. You cannot invest directly in an index. Unmanaged index returns do not reflect fees, expenses or sales charges.

All data is as of the most recent quarter-end other than the annual return which is annualized.

Delinquency: The percentage of loans within a financial institution's loan portfolio whose payments are delinquent. When analyzing and investing in loans, the delinquency rate is an important metric to follow; it is easy to find comprehensive statistics on the delinquencies of all types of loans.

Duration: A measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

McCauley Duration: The weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Macaulay duration is frequently used by portfolio managers who use an immunization strategy.

Investors should carefully consider the investment objectives, risks, charges and expenses of the AlphaCentric Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 844-ACFUNDS (844-223-8637) or at www.AlphaCentricFunds.com. The prospectus should be read carefully before investing.

The Fund is distributed by Foreside Fund Services, LLC

Prime Meridian Capital Management

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Portfolio Manager

Investment Sub-Advisor
Prime Meridian Capital Management

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Don Davis

- Portfolio Manager since Fund inception
- Managing Partner and Lead Portfolio Manager of Prime Meridian Capital Management
- Served as Principal and Portfolio Manager of Prime Meridian since 2012

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