AlphaCentric Prime Meridian Income Fund
Quarterly Commentary 2Q2022

PMIFX

June 30, 2022 — The AlphaCentric Prime Meridian Fund ("the Fund") returned +1.17% for the second quarter of 2022, bringing the Fund's year-to-date returns to +2.95%. The Fund continues to outperform its benchmarks including both the Bloomberg US Credit 1-3 Year Index which returned –0.91% for the quarter and -3.35% on a year-to-date basis, and the Bloomberg US High Yield Index which returned -9.83% for the quarter and -14.19% on a year-to-date basis.

Fund Performance as of 6/30/22 (Annualized if greater than 1 year)

*Inception Date: 12/31/19**	QTD	6 Mos	YTD	1YR	2 YR	Inception
Class I	1.17	2.95	2.95	6.30	7.74	7.41
Bloomberg U.S. High Yield Corporate Bond Index	-9.83	-14.19	-14.19	-12.81	0.29	-1.31
Bloomberg U.S. Credit 1-3 Year Index (USD)	-0.64	-3.13	-3.13	-3.58	-1.63	-0.25

*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 2.41% | Gross 32.46%. The Advisor has contractually agreed to limit certain fees and expenses until January 31, 2023.

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

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).

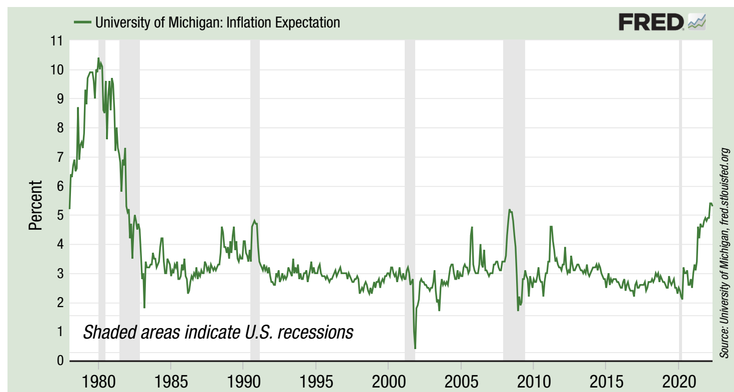
Market Overview

The second quarter of 2022 remained challenging for investors as both the equity and fixed income markets finished lower for the period and added to year-to-date losses. The S&P 500 Index returned -16.10% for the quarter and -19.96% on a year-to-date basis. The Barclays US Aggregate Index returned -4.69% for the quarter and -10.35% on a year-to-date basis.

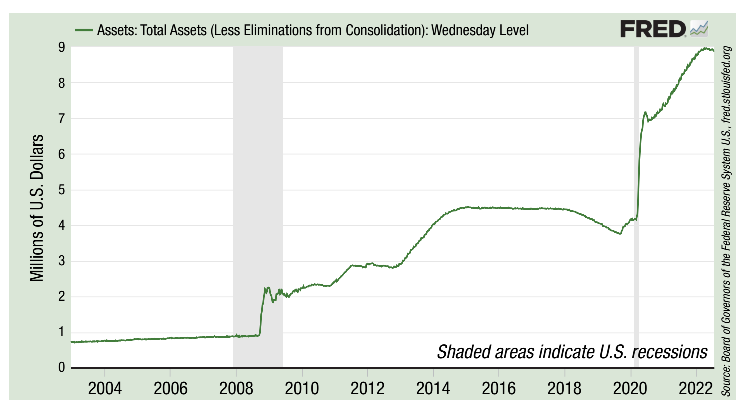
> "Persistent **high inflation** and **increasing interest rates** have both contributed to uncertainty and increased market volatility."

Persistent high inflation and increasing interest rates have both contributed to uncertainty and increased market volatility. In an effort to address high inflation the Federal Reserve ("the Fed") increased its benchmark rate in June by 0.75% to a target range of 1.50%–1.75%. The June increase followed a 0.50% increase in May 2022 and was the largest one-month rate hike since 1994.

Fed Chairman Powell referenced higher consumer inflation expectations as one of the primary drivers of the decision to increase the target rate 75 basis points in June. The University of Michigan published updated surveys showing consumer inflation expectations increasing dramatically in April 2022 just prior to the Fed meeting. According to the April survey, respondents anticipated inflation rising 5.4% in the year ahead, the highest level since 1981 (see chart below).



In addition to aggressively increasing interest rates, the Fed began reducing its $9 trillion balance sheet by $47.5 billion per month effective June 1, 2022 (see chart below). The planned reduction in the Fed balance sheet will increase to $95 billion per month in September 2022. Reducing the Fed's balance sheet will have the effect of removing liquidity from the fixed income markets. The reduction in the Fed balance sheet combined with higher interest rates will likely result in continued volatility in the equity and fixed income markets through 2022.



Fund Overview

The Fund generated a return of +1.17% for the second quarter of 2022 and +2.95% on a year-to-date basis, with positive performance coming from the Fund's positions in consumer and real estate loans. These two loan types continued to comprise the majority of the Fund's assets, with the remainder held in cash and cash equivalents.

Record low unemployment, record high job openings, and historically high savings levels create a positive outlook on consumer ability to pay down debts.

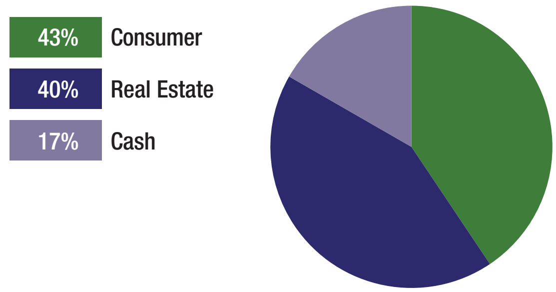
Consumer loans have been a steady contributor to positive performance for the quarter. The Fund's consumer loan portfolio consisted of thousands of individual domestic loans across the prime and near prime sectors. While consumer confidence was down, it should be noted that consumer savings remained strong. According to Forbes, consumers in the United States saved $1.2 trillion in 2019 and stimulus checks helped further increase consumer savings to $2.9 trillion in 2020, before ultimately stabilizing at approximately $2.3 trillion in 2021. With record low unemployment, record high unfilled job openings and historically high savings levels, we remain positive on the outlook for the consumer's ability to service their debts.

The Fund's diversified real estate portfolio was also a steady contributor to the Fund's performance for the quarter. The real estate portfolio consisted primarily of first lien real estate bridge loans, all with favorable fundamentals such as low loan to value and low loan to cost characteristics. These loans were geographically diversified and were primarily used to rehab properties, to refinance properties and for general construction purposes. Many local markets continue to have a shortage of available housing units and we remain positive on the outlook for our niche borrowers.

> "Markets are **beginning to adjust to the new reality of higher interest rates** and the Fund's cash balance will be gradually deployed at higher interest rates..."

The Fund's cash balance was a modest drag on performance, as cash was allowed to accumulate while waiting for the market to better reflect a higher interest rate environment. Markets are beginning to adjust to the new reality of higher interest rates and the Fund's cash balance will be gradually deployed at higher interest rates than what were available just three months earlier.

Investment Allocation (Market Value) as of 6/30/22



Outlook

We expect the equity and fixed income markets to remain volatile and generally under pressure in 2022, due to the Fed increasing short term interest rates and reducing its balance sheet to combat inflation. Recent stock and bond market volatility illustrates the diversification benefits of the Fund's differentiated holdings and their short duration, high yield characteristics. We remain pleased with the Fund's performance to date and believe it to be a quality, uncorrelated, value-added holding for a diversified portfolio.

Thank you for your continued support and we look forward to strong risk-adjusted performance in 2022.

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 US 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 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.

Macaulay 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

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Portfolio Manager

Investment Sub-Advisor
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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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