
AUXIER FOCUS FUND

Annual Report

June 30, 2022

Fund Adviser:

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Market Commentary

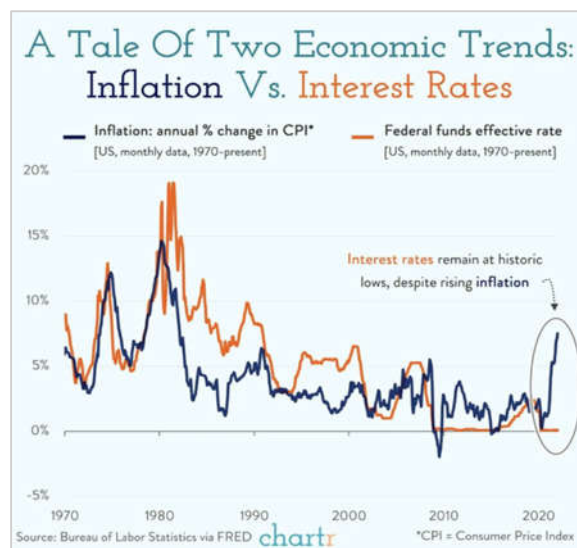
The S&P 500 experienced the worst first half in 52 years and second worst half since its inception as the market declined 16% for the quarter and 20.1% year-to-date. Rising rates in response to surging inflation compressed valuations. The bond market as measured by intermediate 10-year treasuries had its worst six month decline since 1788, down 11%. Long duration, money-losing growth stocks were hit hard. The tech-heavy Nasdaq Composite lost 22.3% for the quarter. The Morningstar US Growth Index lost 25.3%, its biggest decline since the 2008 financial crisis. The Morningstar Large Growth Index was down 29.6%, which was its worst since Q4 2000. The best performing sectors were consumer staples, healthcare, utilities and energy. This was only the second time in the last 40 years where both bonds and stocks recorded losses for two straight quarters. The S&P Global Developed Aggregate (Ex-Collateralized) Bond Index fell 8.51% in Q2. The labor market remained tight with a 3.6% unemployment rate and jobless claims consistently fell during the quarter. At the end of April there were nearly two job openings for every unemployed person. Inflation creates a whole new challenge increasing the importance of valuation, enduring business models and sustainable cash flows.

The blistering pace of new initial public offerings (IPOs) has slowed now that rising rates and growing inflation have elevated the risk of betting on money-losing companies at any cost. 2021 was a record year for IPOs with over 1,000 new listings in the US, up from 471 in 2020 and 242 in 2019. 59% of these offerings were done through special purpose acquisition companies (SPACs). Around 80% of the IPOs in 2021 had operating losses. US IPO volume is down 95% in the first six months of 2022 compared to 2021. Biotech IPOs have also slowed, and the second quarter was the slowest for new offerings since 2009. Only about 10% of the 111 biotech IPOs in 2021 are trading at or above their offering price. Investors have been turning their eyes to companies with established business models and positive cash flows. Companies with negative cash flows are underperforming companies with positive cash flows for the first time in five years. Furthermore, we see the bubble in venture funding bursting. Venture funding hit \$342 billion in 2021, up from \$130 billion in 2020. This compares to \$124 billion in the last mania peak in 2000. *Grant's Interest Rate Observer*

Inflation Driving Recession Risks and Repricing Valuations

Inflation is a top concern for consumers, and many are cutting back on nonessentials. The consumer discretionary segment was the worst performing sector in the S&P 500 during the quarter. Inflation rose 9.1% in June, up 1.3% from May and the largest year-over-year increase since 1981. The Fed has been accelerating their rate increases in an effort to curb inflation hiking rates by 50 basis points in May and 75 basis points in June. This was the first 75 basis point hike since 1994.

The hope is that these aggressive measures will lead to a soft landing for the economy, but with such a wide gap between inflation and the federal funds rate that appears difficult. Since the Fed started in 1913, 90% of attempts at monetary tightening led to hard landings. Economists at Bank of America believe that the rapid push for decarbonization and green energy could also fuel inflation due to the high costs of infrastructure investments that will be required and the increase in energy consumption due to electric vehicle (EV) growth. The International Energy Agency (IEA) estimates that their net zero energy transition will cost about \$116T globally over the next 28 years. Housing costs continue to rise and represent about one third of CPI. According to the Bureau of Labor Statistics the average American is spending about 35% of their income on shelter. In May median rents surpassed \$2,000 for the first time ever. Average rents as of June increased 14.1% year-to-date according to Redfin. In our local market we are seeing renters paying about 40% more than they were last year. The reshoring of supply chains could also contribute to higher inflation going forward.

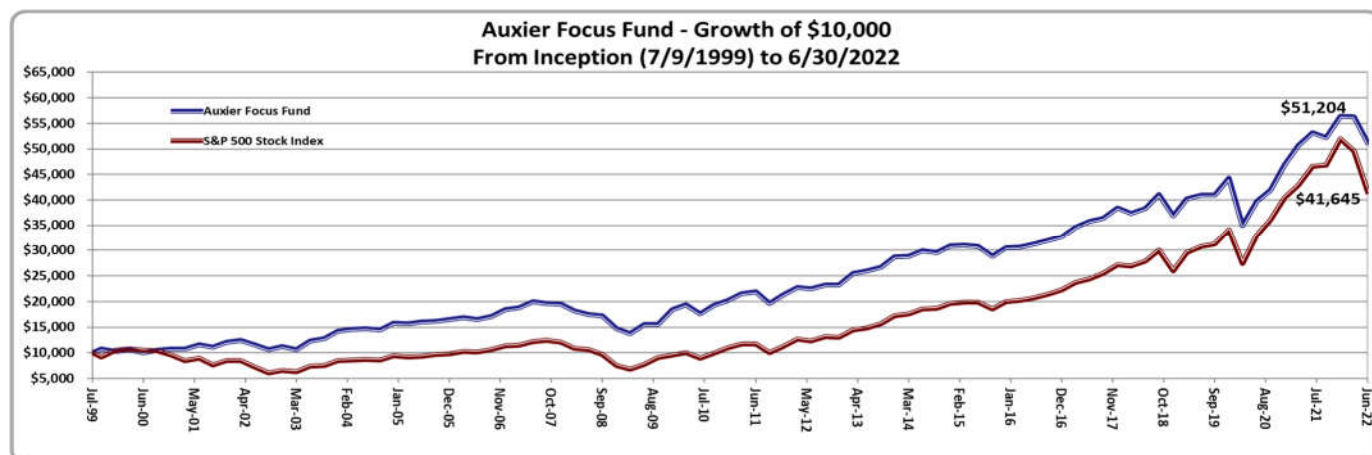


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A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

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Performance Update



Auxier Focus Fund's Investor Class returned -9.11% in the second quarter and -9.17% YTD through June 30. For the quarter the cap-weighted S&P 500 Index declined -16.1% while the DJIA lost -10.78%. Small stocks as measured by the Russell 2000 returned -17.2%. The MSCI Emerging Markets Index shed -11.45%. Stocks in the Fund comprised 89.3% of the portfolio. The equity breakdown was 80.5% domestic and 8.8% foreign, with 10.7% in cash and short-term debt instruments. A hypothetical \$10,000 investment in the Fund since inception on July 9, 1999 to June 30, 2022 is now worth \$51,204 vs \$41,645 for the S&P 500. The equities in the Fund (entire portfolio, not share class specific) have had a cumulative return of 699.92%. The Fund had an average exposure to the market of 81.50% over the entire period. Our results are unleveraged.

Contributors: Our outlook on sectors and positions with a positive impact on the portfolio for the quarter ended 6/30/2022.

With the rising rate of inflation and borrowing consumers have been spending more on necessities with regard to goods. Inflation restricts many discretionary purchases. This past quarter stocks of insurers, food, beverage, energy and healthcare outperformed. Major retailers selling non-essentials like Target are suffering from excess inventories and material markdowns. Travel and spending on services and "experiences" has been strong as people are getting out of the house after being locked down for two years. Marriott sees 25% gains in revenue per available room (RevPAR). Pent-up demand for international travel is showing up in surging cross-border volumes for Mastercard, up 58% in the recent quarter. Energy-related stocks continue to do well given the favorable supply-demand imbalance globally. Natural gas prices are soaring as Russia is drastically reducing supplies into Europe.

Auxier Focus Fund – Investor Class

Average Annual Total Returns (6/30/2022)

Since Inception (07/09/1999) 7.37%

10-year 8.54%

5-year 7.42%

1-year -3.77%

3-month -9.11%

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. As stated in the current prospectus, the Fund's Investor Class Share's annual operating expense (gross) is 1.09%. The Fund's adviser has contractually agreed to waive a portion of its fee and/or reimburse Fund expenses to limit total annual operating expenses at 0.92%, which is in effect until October 31, 2022. Other share classes may vary. The Fund charges a 2.0% redemption fee on shares redeemed within 180 days of purchase. For the most recent month-end performance, please call (877) 328-9437 or visit the Adviser's website at www.auxierasset.com.

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The US is now the number one exporter of liquified natural gas (LNG). Gasoline, diesel and jet fuel demand is firm with the resurgence of travel. This helps downstream operations of the major integrated oils and independent refiners like Valero. Aerospace and defense industries are showing improving fundamentals from the escalation of the war in Ukraine as well as positive air travel trends. The Marsh Global Insurance Market Index recently showed price increases of 9% year-over-year. Since going public in 1962, insurance broker Marsh & McLennan has grown earnings in all recessions. Insurance bills have to be paid.

The healthcare industry was a strong performer with a combination of low valuations and improving demographic demand. Health insurers like UnitedHealth, Elevance (formerly Anthem), CVS and Cigna have all maintained consistent top-line growth throughout the second quarter and through the entire pandemic. The Bureau of Labor Statistics projects that healthcare industry employment will grow 16% from 2020 to 2030, faster than the average for all other occupations. According to the Centers for Medicare & Medicaid Services, national health spending is expected to reach \$6.2 trillion by 2028.

Detractors: Our outlook on sectors and positions with a negative impact on the portfolio for the quarter ended 6/30/2022.

Late in the quarter fears of a recession permeated the market. Economically sensitive stocks tied to advertising, industrials, many commodities and banks suffered meaningful corrections. Margin pressure due to surging costs and supply chain interruptions continues to be a challenge for most companies. Major banks tied to the capital markets saw a sharp decrease in investment fees from less underwriting of IPOs. Added reserves may be needed in areas of private equity and hedge fund lending going forward.

Top Equity Holdings	
Security	% Assets
UnitedHealth Group Inc.	7.8
Microsoft Corp.	5.2
Mastercard Inc.	4.8
Kroger Co.	3.6
Elevance Health Inc.	3.5
Philip Morris International	3.3
Johnson & Johnson	2.9
Medtronic PLC	2.8
Pepsico Inc.	2.7
Merck & Co. Inc. New	2.6

In Closing

The results for the first six months show that momentum-based investment strategies in long duration (money-losing) assets that work in a world of free and easy money struggle in an environment of higher rates of inflation and more restrictive central bank policies.

The speculative excesses and avarice driven by historically cheap money and record fiscal stimulus have been sharply correcting in 2022. Roger Lowenstein, author of “When Genius Failed: The Rise and Fall of Long-Term Capital Management” writes, “Finance is often poetically just; it punishes the reckless with special fervor.” Higher inflation and interest rates compress valuations leading to greater importance of individual business selection utilizing price, value and a margin of safety. We anticipate more headwinds and bond market volatility as the Fed reduces their massive \$8.9 trillion balance sheet.

Over the very long term it has been important to pay close attention to intrinsic value, earnings and cash flows with the performance advantage favoring smaller businesses. Currently we are seeing some of the best bargains in smaller businesses. Cumulative knowledge of sustainable business models and proven capital allocators is important. Managerial diligence becomes much more apparent in tough times. The old adage on Wall Street is that financial genius is “leverage in an up market.” We are now seeing the pain and downside of excessive leverage combined with overpriced assets. Going forward we are positioning for higher imbedded inflation given the reversal of globalization, growing acceptance of socialism, government interventions relating to pandemics and reshoring supply chains. Furthermore, the political decarbonization trend is expensive with high-cost construction and extraction which is prone to cost overruns.

Ideally in this climate, we look for undervalued businesses that earn high returns on equity, have freedom to price, and achieve growing free cash flow yields with nominal mandatory capital spending. We like low ticket products or services with high

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inventory turns that are deemed essential. It is important to make exceptional buys as historically the stock market indexes tend to be rangebound in a higher inflation environment. This requires a rigorous research effort to identify compelling opportunities. We see the next ten years as similar to 1999-2009, when the indexes were negative due to a plethora of overpriced stocks. Through careful security selection, patience and discipline the Fund outperformed the S&P 500 by 87.94 percentage points cumulative during that negative period.

Another valuable observation by Roger Lowenstein, “Investors long for steady waters, but paradoxically, the opportunities are richest when the markets turn turbulent.” Former US Treasury Secretary Larry Summers highlights the risk of blindly buying into indexes: “The efficient market hypothesis is the most remarkable error in the history of economic theory.” Looking back, some of the greatest bargains in quality companies took place when energy prices went parabolic in 1973-74 during the OPEC oil embargo and in 1979 during the Iranian revolution. In addition, some of our best returns followed price declines from financial panics and rising interest rate cycles. The 1987 crash, the 1990 thrift crisis and the 1994 rate cycle, to name a few. Bear markets tend to be brutal grinding affairs. To benefit from the ultimate bargains, we first look to protect and mitigate the risk on the downside as the market cleanses the excesses.

We appreciate your trust.

Jeff Auxier

Fund returns (i) assume the reinvestment of all dividends and capital gain distributions and (ii) would have been lower during the period if certain fees and expenses had not been waived. Performance shown is for the Fund’s Investor Class shares; returns for other share classes will vary. Performance for Investor Class shares for periods prior to December 10, 2004 reflects performance of the applicable share class of Auxier Focus Fund, a series of Unified Series Trust (the “Predecessor Fund”). Prior to January 3, 2003, the Predecessor Fund was a series of Ameriprime Funds. The performance of the Fund’s Investor Class shares for the period prior to December 10, 2004 reflects the expenses of the Predecessor Fund.

The Fund may invest in value and/or growth stocks. Investments in value stocks are subject to risk that their intrinsic value may never be realized and investments in growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty. In addition, the Fund may invest in mid-sized companies which generally carry greater risk than is customarily associated with larger companies. Moreover, if the Fund's portfolio is overweighted in a sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not overweighted in that sector. An increase in interest rates typically causes a fall in the value of a debt security (Fixed-Income Securities Risk) with corresponding changes to the Fund’s value.

Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on 500 market-capitalization-weighted widely held common stocks. Morningstar US Growth Index measures the performance of US stocks that are expected to grow at a faster pace than the rest of the market as measured by forward earnings, historical earnings, book value, cash flow and sales. Morningstar Large Growth Index measures the performance of US large-cap stocks that are expected to grow at a faster pace than the rest of the market as measured by forward earnings, historical earnings, book value, cash flow and sales. Stocks in the top 70% of the capitalization of the US equity market are defined as large-cap. The Dow Jones Industrial Average is a price weighted index designed to represent the stock performance of large, well-known U.S. companies within the utilities industry. The MSCI Emerging Markets Index captures large and mid-cap representation across 24 Emerging Markets (EM) countries. S&P Global Developed Aggregate (Ex-Collateralized) Bond Index (USD) seeks to track the performance of investment-grade debt publicly issued by sovereign, quasi-government, and investment-grade corporate entities, excluding collateralized/securitized bonds. The Nasdaq Composite Index is the market capitalization-weighted index of over 2,500 common equities listed on the Nasdaq stock exchange. The Russell 2000 index is an index measuring the performance of

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approximately 2,000 smallest-cap American companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks. It is a market-cap weighted index. The Marsh Global Insurance Market Index is a proprietary measure of global commercial insurance premium pricing change at renewal, providing insights on the world's major insurance markets. One cannot invest directly in an index or average

A basis point is one hundredth of one percent.

Cash flow is the net amount of cash and cash-equivalents being transferred into and out of a business.

The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care.

Free cash flow yield is a financial solvency ratio that compares the free cash flow per share a company is expected to earn against its market value per share. The ratio is calculated by taking the free cash flow per share divided by the current share price

Long Duration Growth Stock - Although long-term is relative to an investor's time horizons and individual style, generally long-term growth means over a period of ten years or more.

Margin of safety is a principle of investing in which an investor only purchases securities when their market price is significantly below their intrinsic value. In other words, when the market price of a security is significantly below your estimation of its intrinsic value, the difference is the margin of safety.

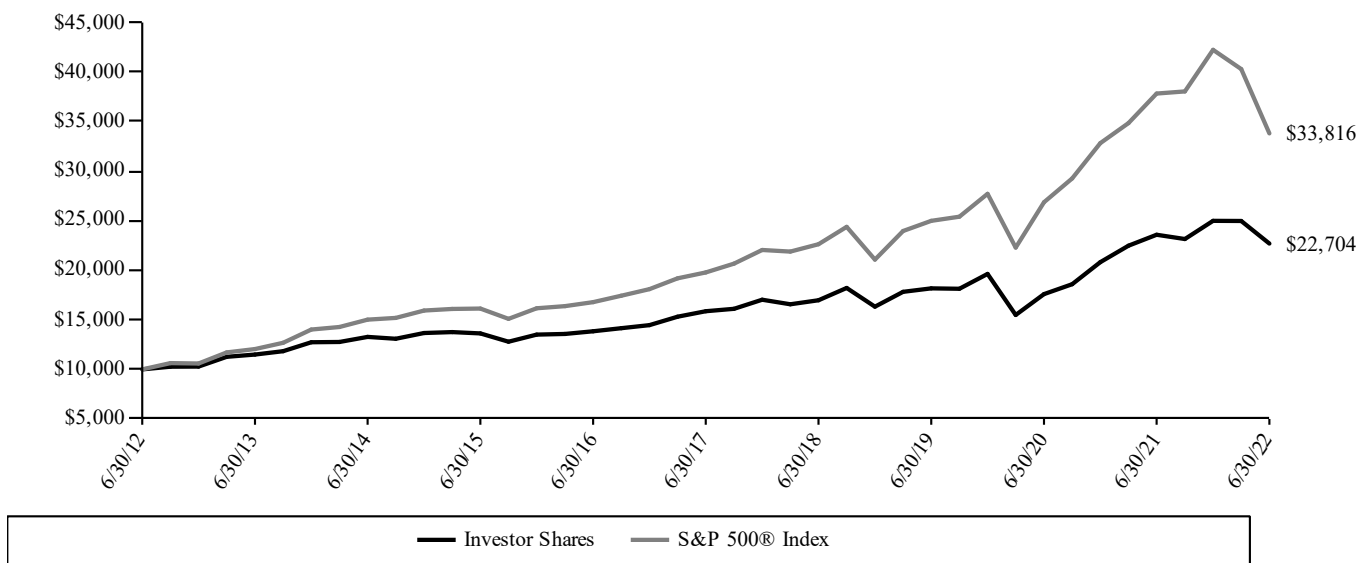
Return on equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity.

The views in this shareholder letter were those of the Fund Manager as of the letter's publication date and may not reflect his views on the date this letter is first distributed or anytime thereafter. These views are intended to assist readers in understanding the Fund's investment methodology and do not constitute investment advice.

AUXIER FOCUS FUND
PERFORMANCE CHART AND ANALYSIS (Unaudited)
JUNE 30, 2022

The following chart reflects the change in the value of a hypothetical \$10,000 investment in Investor Shares, including reinvested dividends and distributions, in the Auxier Focus Fund (the “Fund”) compared with the performance of the benchmark, the S&P 500 Index (“S&P 500”), over the past ten fiscal years. The S&P 500 is a broad-based measurement of the U.S. stock market based on the performance of 500 widely held large capitalization common stocks. The total return of the Fund’s classes includes the maximum sales charge of 5.75% (A Shares only) and operating expenses that reduce returns, while the total return of the S&P 500® does not include the effect of sales charges and expenses. A Shares are subject to a 1.00% contingent deferred sales charge on shares purchased without an initial sales charge and redeemed less than one year after purchase. The total return of the index includes the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the index does not include expenses. The Fund is professionally managed, while the index is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$10,000 Investment
Investor Shares vs. S&P 500 Index**



**Average Annual Total Returns
Periods Ended June 30, 2022**

	One Year	Five Years	Ten Years	Since Inception ⁽¹⁾
Investor Shares	-3.77%	7.42%	8.54%	7.37%
S&P 500® Index (Since July 9, 1999)	-10.62%	11.31%	12.96%	6.41%
A Shares (with sales charge) ⁽²⁾⁽³⁾	-9.59%	5.85%	7.71%	7.00%
Institutional Shares ⁽³⁾	-3.66%	7.59%	8.74%	7.45%

⁽¹⁾ Institutional, A Shares and Investor Shares commenced operations on May 9, 2012, July 8, 2005 and July 9, 1999, respectively.

⁽²⁾ Due to shareholder redemptions on August 21, 2005, net assets of the class were zero from the close of business on that date until September 22, 2005. Financial information presented for the period August 21, 2005 to September 22, 2005 reflects performance of Investor Shares of the Fund.

⁽³⁾ For Institutional Shares and A Shares, performance for the since inception period is a blended average annual return which includes the return of the Investor Shares prior to commencement of operations of the Institutional Shares and A Shares.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than original cost. As stated in the Fund’s prospectus, the annual operating expense ratios (gross) for Investor Shares, A Shares and Institutional Shares are 1.09%, 1.52% and 1.09%, respectively. However, the Fund’s Adviser has contractually agreed to waive its fee and/or reimburse Fund expenses to limit Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (excluding all taxes, interest, portfolio transaction expenses, dividend expenses on short sales, and extraordinary expenses) to 0.92%, 1.25% and 0.80% of the Investor Shares, A Shares and Institutional Shares, respectively, through October 31, 2022 (the “Expense Cap”). The Expense Cap may be raised or eliminated only with the consent of the Board of Trustees. The Adviser may be reimbursed by the Fund for fees waived and expenses reimbursed by the Adviser pursuant to the Expense Cap if such payment is made within three years of the fee waiver or expense reimbursement, and does not cause the Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement to exceed the lesser of (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived/reimbursed. Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement will increase if exclusions from the Expense Cap apply. Shares redeemed or exchanged within 180 days of purchase will be charged a 2.00% redemption fee. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns greater than one year are annualized. For the most recent month-end performance, please call (877) 328-9437 or visit www.auxierasset.com.

Performance for Investor Shares for periods prior to December 10, 2004, reflects performance and expenses of Auxier Focus Fund, a series of Unified Series Trust (the “Predecessor Fund”). Prior to January 3, 2003, the Predecessor Fund was a series of Ameriprime Funds.

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SCHEDULE OF INVESTMENTS
JUNE 30, 2022

Shares	Security Description	Value	Shares	Security Description	Value
Equity Securities - 89.2%			Financials - 19.7% (continued)		
Common Stock - 89.2%			63,668	Franklin Resources, Inc.	\$ 1,484,101
Communications - 0.8%			2,025	Marsh & McLennan Cos., Inc.	314,381
23,800	America Movil SAB de CV, ADR	\$ 486,234	38,815	Mastercard, Inc., Class A	12,245,356
1,719	Cisco Systems, Inc.	73,298	1,100	PayPal Holdings, Inc. ^(a)	76,824
10,750	Lumen Technologies, Inc.	117,282	1,700	Ryan Specialty Holdings, Inc. ^(a)	66,623
4,081	Paramount Global, Class B	100,719	149,625	The Bank of New York Mellon Corp.	6,240,859
7,119	Telefonica SA, ADR	36,523	12,298	The Travelers Cos., Inc.	2,079,961
93,168	Warner Bros Discovery, Inc. ^(a)	1,250,315	3,200	U.S. Bancorp	147,264
		<u>2,064,371</u>	15,249	Unum Group	518,771
Consumer Cyclical - 1.4%			30,100	Visa, Inc., Class A	5,926,389
3,576	Alibaba Group Holding, Ltd., ADR ^(a)	406,520	6,200	Wells Fargo & Co.	242,854
1,241	Booking Holdings, Inc. ^(a)	2,170,496			<u>50,135,160</u>
14,025	DR Horton, Inc.	928,315	Health Care - 26.1%		
		<u>3,505,331</u>	31,284	Abbott Laboratories	3,399,007
Consumer Discretionary - 6.0%			3,663	AbbVie, Inc.	561,025
117,368	Arcos Dorados Holdings, Inc., Class A	791,060	4,950	Becton Dickinson and Co.	1,220,323
34,000	Beckle SAB de CV	72,760	10,250	Biogen, Inc. ^(a)	2,090,385
44,408	Comcast Corp., Class A	1,742,570	13,990	Cigna Corp.	3,686,645
15,650	CVS Health Corp.	1,450,129	18,226	Elevance Health, Inc.	8,795,503
100	Domino's Pizza, Inc.	38,971	990	Embeckta Corp. ^(a)	25,067
16,250	General Motors Co. ^(a)	516,100	42,108	Johnson & Johnson	7,474,591
11,000	Grand Canyon Education, Inc. ^(a)	1,036,090	80,518	Medtronic PLC	7,226,491
193,644	Lincoln Educational Services Corp. ^(a)	1,221,894	72,354	Merck & Co., Inc.	6,596,514
17,725	Lowe's Cos., Inc.	3,096,026	8,370	Organon & Co.	282,488
4,756	McDonald's Corp.	1,174,161	6,282	Pfizer, Inc.	329,365
46,302	Sally Beauty Holdings, Inc. ^(a)	551,920	16,397	Quest Diagnostics, Inc.	2,180,473
3,870	The Home Depot, Inc.	1,061,425	38,421	UnitedHealth Group, Inc.	19,734,178
12,850	Walmart, Inc.	1,562,303	903	Viatis, Inc.	9,454
4,550	Yum China Holdings, Inc.	220,675	26,750	Zimmer Biomet Holdings, Inc.	2,810,355
7,050	Yum! Brands, Inc.	800,245	2,675	Zimvie, Inc. ^(a)	42,827
		<u>15,336,329</u>			<u>66,464,691</u>
Consumer Staples - 16.0%			Industrials - 4.4%		
65,455	Altria Group, Inc.	2,734,055	30,135	CAE, Inc. ^(a)	741,924
34,455	British American Tobacco PLC, ADR	1,478,464	1,240	Caterpillar, Inc.	221,662
13,200	Coca-Cola HBC AG, ADR	295,284	119,491	Corning, Inc.	3,765,161
3,135	Diageo PLC, ADR	545,866	3,695	FedEx Corp.	837,694
50,327	Molson Coors Beverage Co., Class B	2,743,325	49,482	Gates Industrial Corp. PLC ^(a)	534,900
34,800	Monster Beverage Corp. ^(a)	3,225,960	85,521	Manitex International, Inc. ^(a)	555,031
41,895	PepsiCo., Inc.	6,982,221	26,700	Raytheon Technologies Corp.	2,566,137
84,525	Philip Morris International, Inc.	8,345,998	1,335	Stanley Black & Decker, Inc.	139,988
37,544	The Coca-Cola Co.	2,361,893	2,780	The Boeing Co. ^(a)	380,082
195,126	The Kroger Co.	9,235,314	7,440	United Parcel Service, Inc., Class B	1,358,098
3,140	The Procter & Gamble Co.	451,501			<u>11,100,677</u>
54,421	Unilever PLC, ADR	2,494,114	Information Technology - 7.8%		
		<u>40,893,995</u>	1,926	Alphabet, Inc., Class A ^(a)	4,197,255
Energy - 3.3%			18,125	Cognizant Technology Solutions Corp., Class A	1,223,256
136,810	BP PLC, ADR	3,878,564	19,000	Forrester Research, Inc. ^(a)	908,960
7,430	Chevron Corp.	1,075,715	3,155	Meta Platforms, Inc., Class A ^(a)	508,744
13,600	ConocoPhillips	1,221,416	51,022	Microsoft Corp.	13,103,980
7,800	Phillips 66	639,522	100	MSCI, Inc.	41,215
14,415	Valero Energy Corp.	1,532,026			<u>19,983,410</u>
		<u>8,347,243</u>	Materials - 3.5%		
Financials - 19.7%			14,225	Celanese Corp., Class A	1,673,002
53,260	Aflac, Inc.	2,946,876	28,458	Corteva, Inc.	1,540,716
49,495	American International Group, Inc.	2,530,679	28,458	Dow, Inc.	1,468,718
2,480	Ameriprise Financial, Inc.	589,447	25,464	DuPont de Nemours, Inc.	1,415,289
201,099	Bank of America Corp.	6,260,212	2,149	International Flavors & Fragrances, Inc.	255,989
16,545	Berkshire Hathaway, Inc., Class B ^(a)	4,517,116	25,505	LyondellBasell Industries NV, Class A	2,230,667
60,674	Central Pacific Financial Corp.	1,301,457	4,980	The Mosaic Co.	235,206
25,975	Citigroup, Inc.	1,194,590			<u>8,819,587</u>
5,616	Colliers International Group, Inc.	616,131			
27,268	Credit Suisse Group AG, ADR	154,610			
5,616	FirstService Corp.	680,659			

See Notes to Financial Statements.

AUXIER FOCUS FUND
STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2022

ASSETS	
Investments, at value (Cost \$106,189,931)	\$ 238,563,832
Cash	15,546,309
Receivables:	
Fund shares sold	160,416
Investment securities sold	257,296
Dividends and interest	357,038
Prepaid expenses	26,135
Total Assets	<u>254,911,026</u>
LIABILITIES	
Payables:	
Fund shares redeemed	33,884
Accrued Liabilities:	
Investment Adviser fees	118,350
Fund services fees	25,983
Other expenses	64,158
Total Liabilities	<u>242,375</u>
NET ASSETS	<u>\$ 254,668,651</u>
COMPONENTS OF NET ASSETS	
Paid-in capital	\$ 116,410,599
Distributable earnings	<u>138,258,052</u>
NET ASSETS	<u>\$ 254,668,651</u>
SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)	
Investor Shares	5,639,238
A Shares	66,520
Institutional Shares	4,340,351
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE*	
Investor Shares (based on net assets of \$141,242,475)	<u>\$ 25.05</u>
A Shares (based on net assets of \$1,702,851)	<u>\$ 25.60</u>
A Shares Maximum Public Offering Price Per Share (net asset value per share/(100%-5.75%))	<u>\$ 27.16</u>
Institutional Shares (based on net assets of \$111,723,325)	<u>\$ 25.74</u>

*Shares redeemed or exchanged within 180 days of purchase are charged a 2.00% redemption fee.

AUXIER FOCUS FUND
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2022

INVESTMENT INCOME	
Dividend income (Net of foreign withholding taxes of \$1,108)	\$ 5,009,491
Interest income	124,854
Total Investment Income	<u>5,134,345</u>
EXPENSES	
Investment Adviser fees	2,146,799
Fund services fees	341,763
Transfer agent fees:	
Investor Shares	53,470
A Shares	1,058
Institutional Shares	11,437
Distribution fees:	
A Shares	5,333
Custodian fees	28,062
Registration fees:	
Investor Shares	16,706
A Shares	4,472
Institutional Shares	16,128
Professional fees	45,409
Trustees' fees and expenses	8,767
Other expenses	227,960
Total Expenses	<u>2,907,364</u>
Fees waived	<u>(575,210)</u>
Net Expenses	<u>2,332,154</u>
NET INVESTMENT INCOME	<u>2,802,191</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on:	
Investments	5,374,199
Foreign currency transactions	(2)
Net realized gain	<u>5,374,197</u>
Net change in unrealized appreciation (depreciation) on investments	<u>(18,353,028)</u>
NET REALIZED AND UNREALIZED LOSS	<u>(12,978,831)</u>
DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ (10,176,640)</u>

AUXIER FOCUS FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Year Ended June 30, 2022		For the Year Ended June 30, 2021	
		Shares		Shares
OPERATIONS				
Net investment income	\$ 2,802,191		\$ 2,770,668	
Net realized gain	5,374,197		2,955,272	
Net change in unrealized appreciation (depreciation)	(18,353,028)		62,170,452	
Increase (Decrease) in Net Assets Resulting from Operations	<u>(10,176,640)</u>		<u>67,896,392</u>	
DISTRIBUTIONS TO SHAREHOLDERS				
Investor Shares	(3,650,878)		(3,012,681)	
A Shares	(39,990)		(59,813)	
Institutional Shares	<u>(2,962,207)</u>		<u>(2,336,853)</u>	
Total Distributions Paid	<u>(6,653,075)</u>		<u>(5,409,347)</u>	
CAPITAL SHARE TRANSACTIONS				
Sale of shares:				
Investor Shares	17,845,684	654,788	4,680,876	194,993
A Shares	12,724	485	-	-
Institutional Shares	6,388,132	229,916	5,533,880	221,073
Reinvestment of distributions:				
Investor Shares	3,486,919	127,842	2,896,793	123,714
A Shares	39,492	1,425	57,709	2,423
Institutional Shares	2,860,173	102,095	2,260,120	94,164
Redemption of shares:				
Investor Shares	(13,444,920)	(497,940)	(12,864,029)	(546,001)
A Shares	(708,337)	(25,187)	(1,131,536)	(46,041)
Institutional Shares	(7,253,207)	(261,439)	(6,341,551)	(265,234)
Redemption fees:				
Investor Shares	3,856	-	1,470	-
A Shares	43	-	27	-
Institutional Shares	2,934	-	1,162	-
Increase (Decrease) in Net Assets from Capital Share Transactions	<u>9,233,493</u>	<u>331,985</u>	<u>(4,905,079)</u>	<u>(220,909)</u>
Increase (Decrease) in Net Assets	<u>(7,596,222)</u>		<u>57,581,966</u>	
NET ASSETS				
Beginning of Year	<u>262,264,873</u>		<u>204,682,907</u>	
End of Year	<u>\$ 254,668,651</u>		<u>\$ 262,264,873</u>	

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

These financial highlights reflect selected data for a share outstanding throughout each year.

	For the Years Ended June 30,				
	2022	2021	2020	2019	2018
INVESTOR SHARES					
NET ASSET VALUE, Beginning of Year	\$ 26.69	\$ 20.39	\$ 22.34	\$ 22.25	\$ 21.95
INVESTMENT OPERATIONS					
Net investment income (a)	0.27	0.27	0.29	0.28	0.26
Net realized and unrealized gain (loss)	(1.22)	6.59	(0.87)	1.18	1.28
Total from Investment Operations	(0.95)	6.86	(0.58)	1.46	1.54
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.28)	(0.30)	(0.29)	(0.30)	(0.25)
Net realized gain	(0.41)	(0.26)	(1.08)	(1.07)	(0.99)
Total Distributions to Shareholders	(0.69)	(0.56)	(1.37)	(1.37)	(1.24)
REDEMPTION FEES(a)	0.00(b)	0.00(b)	0.00(b)	0.00(b)	0.00(b)
NET ASSET VALUE, End of Year	\$ 25.05	\$ 26.69	\$ 20.39	\$ 22.34	\$ 22.25
TOTAL RETURN	(3.77)%	34.03%	(3.17)%	7.08%	6.97%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000s omitted)	\$ 141,242	\$ 142,915	\$ 113,810	\$ 137,995	\$ 161,032
Ratios to Average Net Assets:					
Net investment income	0.99%	1.13%	1.34%	1.25%	1.14%
Net expenses	0.92%	0.92%	0.95%	0.98%	0.98%
Gross expenses (c)	1.08%	1.09%	1.10%	1.11%	1.10%
PORTFOLIO TURNOVER RATE	1%	1%	2%	3%	3%

- (a) Calculated based on average shares outstanding during each year.
(b) Less than \$0.01 per share.
(c) Reflects the expense ratio excluding any waivers and/or reimbursements.

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

These financial highlights reflect selected data for a share outstanding throughout each year.

	For the Years Ended June 30,				
	2022	2021	2020	2019	2018
A SHARES SHARES					
NET ASSET VALUE, Beginning of Year	\$ 27.20	\$ 20.76	\$ 22.70	\$ 22.56	\$ 22.23
INVESTMENT OPERATIONS					
Net investment income (a)	0.18	0.19	0.23	0.22	0.20
Net realized and unrealized gain (loss)	(1.25)	6.72	(0.89)	1.21	1.29
Total from Investment Operations	(1.07)	6.91	(0.66)	1.43	1.49
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.12)	(0.21)	(0.20)	(0.22)	(0.17)
Net realized gain	(0.41)	(0.26)	(1.08)	(1.07)	(0.99)
Total Distributions to Shareholders	(0.53)	(0.47)	(1.28)	(1.29)	(1.16)
REDEMPTION FEES(a)	0.00(b)	0.00(b)	0.00(b)	0.00(b)	0.00(b)
NET ASSET VALUE, End of Year	\$ 25.60	\$ 27.20	\$ 20.76	\$ 22.70	\$ 22.56
TOTAL RETURN(c)	(4.07)%	33.60%	(3.47)%	6.80%	6.68%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000s omitted)	\$ 1,703	\$ 2,443	\$ 2,770	\$ 2,664	\$ 2,782
Ratios to Average Net Assets:					
Net investment income	0.64%	0.78%	1.06%	0.98%	0.87%
Net expenses	1.25%	1.25%	1.25%	1.25%	1.25%
Gross expenses (d)	1.65%	1.52%	1.51%	1.53%	1.44%
PORTFOLIO TURNOVER RATE	1%	1%	2%	3%	3%

-
- (a) Calculated based on average shares outstanding during each year.
(b) Less than \$0.01 per share.
(c) Total Return does not include the effect of front end sales charge or contingent deferred sales charge.
(d) Reflects the expense ratio excluding any waivers and/or reimbursements.

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

These financial highlights reflect selected data for a share outstanding throughout each year.

	For the Years Ended June 30,				
	2022	2021	2020	2019	2018
INSTITUTIONAL SHARES					
NET ASSET VALUE, Beginning of Year	\$ 27.38	\$ 20.88	\$ 22.81	\$ 22.66	\$ 22.29
INVESTMENT OPERATIONS					
Net investment income (a)	0.31	0.31	0.33	0.33	0.31
Net realized and unrealized gain (loss)	(1.26)	6.75	(0.88)	1.19	1.30
Total from Investment Operations	(0.95)	7.06	(0.55)	1.52	1.61
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.28)	(0.30)	(0.30)	(0.30)	(0.25)
Net realized gain	(0.41)	(0.26)	(1.08)	(1.07)	(0.99)
Total Distributions to Shareholders	(0.69)	(0.56)	(1.38)	(1.37)	(1.24)
REDEMPTION FEES(a)	0.00(b)	0.00(b)	0.00(b)	0.00(b)	0.00(b)
NET ASSET VALUE, End of Year	\$ 25.74	\$ 27.38	\$ 20.88	\$ 22.81	\$ 22.66
TOTAL RETURN	(3.66)%	34.19%	(3.00)%	7.24%	7.20%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000s omitted)	\$ 111,723	\$ 116,907	\$ 88,103	\$ 90,958	\$ 71,644
Ratios to Average Net Assets:					
Net investment income	1.11%	1.25%	1.51%	1.43%	1.34%
Net expenses	0.80%	0.80%	0.80%	0.80%	0.80%
Gross expenses (c)	1.08%	1.09%	1.10%	1.10%	1.10%
PORTFOLIO TURNOVER RATE	1%	1%	2%	3%	3%

- (a) Calculated based on average shares outstanding during each year.
(b) Less than \$0.01 per share.
(c) Reflects the expense ratio excluding any waivers and/or reimbursements.

Note 1. Organization

The Auxier Focus Fund (the “Fund”) is a diversified portfolio of Forum Funds (the “Trust”). The Trust is a Delaware statutory trust that is registered as an open-end, management investment company under the Investment Company Act of 1940, as amended (the “Act”). Under its Trust Instrument, the Trust is authorized to issue an unlimited number of the Fund’s shares of beneficial interest without par value.

The Fund currently offers three classes of shares: Investor Shares, A Shares and Institutional Shares. A Shares are offered at net asset value plus a maximum sales charge of 5.75%. A Shares are also subject to contingent deferred sales charge (“CDSC”) of 1.00% on purchases without an initial sales charge and redeemed less than one year after they are purchased. Investor Shares and Institutional Shares are not subject to a sales charge. Investor Shares, A Shares and Institutional Shares commenced operations on July 9, 1999, July 8, 2005 and May 9, 2012, respectively. The Fund’s investment objective is to provide long-term capital appreciation.

Note 2. Summary of Significant Accounting Policies

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946, “Financial Services – Investment Companies.” These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of increases and decreases in net assets from operations during the fiscal year. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of the Fund:

Security Valuation – Securities are valued at market prices using the last quoted trade or official closing price from the principal exchange where the security is traded, as provided by independent pricing services on each Fund business day. In the absence of a last trade, securities are valued at the mean of the last bid and ask price provided by the pricing service. Debt securities may be valued at prices supplied by a fund’s pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. Shares of non-exchange traded open-end mutual funds are valued at net asset value (“NAV”). Short-term investments that mature in sixty days or less may be valued at amortized cost.

The Fund values its investments at fair value pursuant to procedures adopted by the Trust’s Board of Trustees (the “Board”) if (1) market quotations are not readily available or (2) the Adviser, as defined in Note 4, believes that the values available are unreliable. The Trust’s Valuation Committee, as defined in the Fund’s registration statement, performs certain functions as they relate to the administration and oversight of the Fund’s valuation procedures. Under these procedures, the Valuation Committee convenes on a regular and ad hoc basis to review such investments and considers a number of factors, including valuation methodologies and significant unobservable inputs, when arriving at fair value.

The Valuation Committee may work with the Adviser to provide valuation inputs. In determining fair valuations, inputs may include market-based analytics that may consider related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant investment information. Adviser inputs may include an income-based approach in which the anticipated future cash flows of the investment are discounted in determining fair value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The Valuation Committee performs regular reviews of valuation methodologies, key inputs and assumptions, disposition analysis and market activity.

Fair valuation is based on subjective factors and, as a result, the fair value price of an investment may differ from the security’s market price and may not be the price at which the asset may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

GAAP has a three-tier fair value hierarchy. The basis of the tiers is dependent upon the various “inputs” used to determine the value of the Fund’s investments. These inputs are summarized in the three broad levels listed below:

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Prices determined using significant other observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Short-term securities with maturities of sixty days or less are valued at amortized cost, which approximates market value, and are categorized as Level 2 in the hierarchy. Municipal securities, long-term U.S. government obligations and corporate debt securities are valued in accordance with the evaluated price supplied by a pricing service and generally categorized as Level 2 in the hierarchy. Other securities that are categorized as Level 2 in the hierarchy include, but are not limited to, warrants that do not trade on an exchange, securities valued at the mean between the last reported bid and ask quotation and international equity securities valued by an independent third party with adjustments for changes in value between the time of the securities' respective local market closes and the close of the U.S. market.

Level 3 - Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The aggregate value by input level, as of June 30, 2022, for the Fund's investments is included at the end of the Fund's Schedule of Investments.

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as possible after determining the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. Premium is amortized to the next call date above par and discount is accreted to maturity using the effective interest method. Identified cost of investments sold is used to determine the gain and loss for both financial statement and federal income tax purposes.

Foreign Currency Translations – Foreign currency amounts are translated into U.S. dollars as follows: (1) assets and liabilities at the rate of exchange at the end of the respective period; and (2) purchases and sales of securities and income and expenses at the rate of exchange prevailing on the dates of such transactions. The portion of the results of operations arising from changes in the exchange rates and the portion due to fluctuations arising from changes in the market prices of securities are not isolated. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Distributions to Shareholders – The Fund declares any dividends from net investment income and pays them annually. Any net capital gains and net foreign currency gains realized by the Fund are distributed at least annually. Distributions to shareholders are recorded on the ex-dividend date. Distributions are based on amounts calculated in accordance with applicable federal income tax regulations, which may differ from GAAP. These differences are due primarily to differing treatments of income and gain on various investment securities held by the Fund, timing differences and differing characterizations of distributions made by the Fund.

Federal Taxes – The Fund intends to continue to qualify each year as a regulated investment company under Subchapter M of Chapter 1, Subtitle A, of the Internal Revenue Code of 1986, as amended (“Code”), and to distribute all of its taxable income to shareholders. In addition, by distributing in each calendar year substantially all of its net investment income and capital gains, if any, the Fund will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. The Fund files a U.S. federal income and excise tax return as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service for a period of three fiscal years after they are filed. As of June 30, 2022, there are no uncertain tax positions that would require financial statement recognition, de-recognition or disclosure.

Income and Expense Allocation – The Trust accounts separately for the assets, liabilities and operations of each of its investment portfolios. Expenses that are directly attributable to more than one investment portfolio are allocated among the respective investment portfolios in an equitable manner.

The Fund's class-specific expenses are charged to the operations of that class of shares. Income and expenses (other than expenses attributable to a specific class) and realized and unrealized gains or losses on investments are allocated to each class of shares based on the class' respective net assets to the total net assets of the Fund.

Redemption Fees – A shareholder who redeems or exchanges shares within 180 days of purchase will incur a redemption fee of 2.00% of the current NAV of shares redeemed or exchanged, subject to certain limitations. The fee is charged for the benefit of the remaining shareholders and will be paid to the Fund to help offset transaction costs. The fee is accounted for as an addition to paid-in capital. The Fund reserves the right to modify the terms of or terminate the fee at any time. There are limited exceptions to

the imposition of the redemption fee. Redemption fees incurred for the Fund, if any, are reflected on the Statements of Changes in Net Assets.

Commitments and Contingencies – In the normal course of business, the Fund enters into contracts that provide general indemnifications by the Fund to the counterparty to the contract. The Fund’s maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote. The Fund has determined that none of these arrangements requires disclosure on the Fund’s balance sheet.

Note 3. Cash – Concentration in Uninsured Account

For cash management purposes, the Fund may concentrate cash with the Fund’s custodian. This typically results in cash balances exceeding the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of June 30, 2022, the Fund had \$15,296,309 at U.S. Bank that exceeded the FDIC insurance limit.

Note 4. Fees and Expenses

Investment Adviser – Auxier Asset Management LLC (the “Adviser”) is the investment adviser to the Fund. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee, payable monthly, from the Fund at an annual rate of 0.80% of the Fund’s average daily net assets.

Distribution – Foreside Fund Services, LLC (the “Distributor”), a wholly owned subsidiary of Foreside Financial Group, LLC (doing business as ACA Group), acts as the agent of the Trust in connection with the continuous offering of shares of the Fund. The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC, a wholly owned subsidiary of Apex US Holdings LLC (d/b/a Apex Fund Services) (“Apex”) or their affiliates. The Fund has adopted a Distribution Plan (the “Plan”) for A Shares of the Fund in accordance with Rule 12b-1 of the Act. Under the Plan, the Fund pays the Distributor and/or any other entity as authorized by the Board a fee of up to 0.25% of the average daily net assets of A Shares. The Distributor has no role in determining the investment policies or which securities are to be purchased or sold by the Trust or its Funds.

For the year ended June 30, 2022, there were \$775 front-end sales charges assessed on the sale of A Shares and no contingent deferred sales charges were assessed on the sale of A Shares. The Distributor received \$101 of the total front-end sales charge.

Other Service Providers – Apex provides fund accounting, fund administration, compliance and transfer agency services to the Fund. The fees related to these services are included in Fund services fees within the Statement of Operations. Apex also provides certain shareholder report production and EDGAR conversion and filing services. Apex provides a Principal Executive Officer, a Principal Financial Officer, a Chief Compliance Officer and an Anti-Money Laundering Officer to the Fund, as well as certain additional compliance support functions.

Trustees and Officers – Through the calendar year ended December 31, 2021, each Independent Trustee’s annual retainer was \$31,000 (\$41,000 for the Chairman). Effective January 1, 2022, each Independent Trustee’s annual retainer is \$45,000 (\$55,000 for the Chairman), and the Audit Committee Chairman receives an additional \$2,000 annually. The Trustees and Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his or her duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees’ fees attributable to the Fund is disclosed in the Statement of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from the Fund.

Note 5. Expense Reimbursement and Fees Waived

The Adviser has contractually agreed to waive its fee and/or reimburse Fund expenses to limit Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (excluding all taxes, interest, portfolio transaction expenses, dividend expenses on short sales, and extraordinary expenses) to 0.92%, 1.25% and 0.80% of the Investor Shares, A Shares and Institutional Shares, respectively, through at least October 31, 2022. These contractual waivers may only be raised or eliminated with consent

AUXIER FOCUS FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

of the Board. Other fund service providers have voluntarily agreed to waive a portion of their fees. These voluntary reductions may be reduced or eliminated at any time. For the year ended June 30, 2022, the fees waived and expenses reimbursed were as follows:

<u>Investment Adviser Expenses Reimbursed</u>	<u>Other Waivers</u>	<u>Total Fees Waived and Expenses Reimbursed</u>
\$ 485,293	\$ 89,917	\$ 575,210

The Adviser may be reimbursed by the Fund for fees waived and expenses reimbursed by the Adviser pursuant to the Expense Cap if such payment is made within three years of the fee waiver or expense reimbursement, and does not cause the Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement to exceed the lesser of (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived/reimbursed. As of June 30, 2022, \$1,294,885 is subject to recapture by the Adviser. Other Waivers are not eligible for recoupment.

Note 6. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments, during the year ended June 30, 2022, totaled \$2,321,981 and \$15,093,208.

Note 7. Federal Income Tax

As of June 30, 2022, cost for federal income tax purposes is \$106,198,640 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$ 139,748,905
Gross Unrealized Depreciation	(7,383,713)
Net Unrealized Appreciation	<u>\$ 132,365,192</u>

Distributions paid during the fiscal years ended as noted were characterized for tax purposes as follows:

	<u>2022</u>	<u>2021</u>
Ordinary Income	\$ 2,713,355	\$ 2,913,466
Long-Term Capital Gain	3,939,720	2,495,881
	<u>\$ 6,653,075</u>	<u>\$ 5,409,347</u>

As of June 30, 2022, distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed Ordinary Income	\$ 1,444,982
Undistributed Long-Term Gain	4,447,878
Unrealized Appreciation	132,365,192
Total	<u>\$ 138,258,052</u>

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to wash sales and equity return of capital.

Note 8. Subsequent Events

Subsequent events occurring after the date of this report through the date these financial statements were issued have been evaluated for potential impact, and the Fund has had no such events. Management has evaluated the need for additional disclosures and/or adjustments resulting from subsequent events. Based on this evaluation, no additional disclosures or adjustments were required.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of Forum Funds
and the Shareholders of Auxier Focus Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Auxier Focus Fund, a series of shares of beneficial interest in Forum Funds (the "Fund"), including the schedule of investments, as of June 30, 2022, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the five-year period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of June 30, 2022, and the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended and its financial highlights for each of the years in the five-year period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities law and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of June 30, 2022 by correspondence with the custodian, brokers, or by other appropriate auditing procedures where replies from brokers were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

BBD, LLP

BBD, LLP

We have served as the auditor of one or more of the Funds in the Forum Funds since 2009.

Philadelphia, Pennsylvania
August 24, 2022

AUXIER FOCUS FUND
ADDITIONAL INFORMATION (Unaudited)
JUNE 30, 2022

Proxy Voting Information

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling (877) 328-9437 and on the SEC's website at www.sec.gov. The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (877) 328-9437 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available free of charge on the SEC's website at www.sec.gov.

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments on certain classes, redemption fees, exchange fees and CDSC fees, and (2) ongoing costs, including management fees, 12b-1 fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund, and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from January 1, 2022 through June 30, 2022.

Actual Expenses – The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes – The second line under each share class of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads) on purchase payments on certain classes, redemption fees, exchange fees, and CDSC fees. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value January 1, 2022	Ending Account Value June 30, 2022	Expenses Paid During Period*	Annualized Expense Ratio*
Investor Shares				
Actual	\$ 1,000.00	\$ 908.26	\$ 4.35	0.92%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,020.23	\$ 4.61	0.92%
A Shares				
Actual	\$ 1,000.00	\$ 906.52	\$ 5.91	1.25%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,018.60	\$ 6.26	1.25%
Institutional Shares				
Actual	\$ 1,000.00	\$ 908.57	\$ 3.79	0.80%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,020.83	\$ 4.01	0.80%

* Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (181) divided by 365 to reflect the half-year period.

AUXIER FOCUS FUND
ADDITIONAL INFORMATION (Unaudited)
JUNE 30, 2022

Federal Tax Status of Dividends Declared during the Fiscal Year

For federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Fund designates 100% of its income dividend distributed as qualifying for the corporate dividends-received deduction (DRD), 100% for the qualified dividend rate (QDI) and 2.22% of its income dividends as qualified interest income exempt from U.S. tax for foreign shareholders (QII) as defined in Section 1(h)(11) of the Code. The Fund also designates 0.01% as short-term capital gain dividends exempt from U.S. tax for foreign shareholders (QSD). Pursuant to Section 852 (b)(3) of the Internal Revenue Code, the Fund designates \$3,939,720 as long term capital gain dividends for the year.

Trustees and Officers of the Trust

The Board is responsible for oversight of the management of the Trust’s business affairs and of the exercise of all the Trust’s powers except those reserved for the shareholders. The following table provides information about each Trustee and certain officers of the Trust. Each Trustee and officer holds office until the person resigns, is removed or is replaced. Unless otherwise noted, the persons have held their principal occupations for more than five years. The address for all Trustees and officers is Three Canal Plaza, Suite 600, Portland, Maine 04101. The Fund’s Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (877) 328-9437.

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series in Fund Complex Overseen By Trustee	Other Directorships Held By Trustee During Past Five Years
Independent Trustees					
David Tucker Born: 1958	Trustee; Chairman of the Board	Since 2011 and Chairman since 2018	Director, Blue Sky Experience (a charitable endeavor) since 2008; Senior Vice President & General Counsel, American Century Companies (an investment management firm) 1998-2008.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Mark D. Moyer Born: 1959	Trustee; Chairman of the Audit Committee	Since 2018	Chief Financial Officer, Freedom House (a NGO advocating political freedom and democracy) 2017-2021; independent consultant providing interim CFO services, principally to non-profit organizations, 2011-2017.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Jennifer Brown-Strabley Born: 1964	Trustee	Since 2018	Principal, Portland Global Advisors (a registered investment adviser), 1996-2010.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Interested Trustees⁽¹⁾					
Jessica Chase Born: 1970	Trustee	Since 2018	Director, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.	1	Trustee, Forum Funds II and U.S. Global Investors Funds

⁽¹⁾Jessica Chase is currently an interested person of the Trust, as defined in the 1940 Act, due to her affiliation with Apex Fund Services and her role as President of the Trust. Apex Fund Services is a wholly owned subsidiary of Apex US Holdings LLC.

AUXIER FOCUS FUND
ADDITIONAL INFORMATION (Unaudited)
JUNE 30, 2022

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Officers			
Jessica Chase Born: 1970	President; Principal Executive Officer	Since 2015	Director, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.
Zachary Tackett Born: 1988	Vice President; Secretary and Anti-Money Laundering Compliance Officer	Since 2014	Senior Counsel, Apex Fund Services since 2019; Counsel, Atlantic Fund Services 2014-2019.
Michael J. McKeen Born: 1971	Vice President	Since 2009	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.
Timothy Bowden Born: 1969	Vice President	Since 2009	Manager, Apex Fund Services since 2019; Manager, Atlantic Fund Services 2008-2019.
Geoffrey Ney Born: 1975	Vice President	Since 2013	Manager, Apex Fund Services since 2019; Manager, Atlantic Fund Services 2013-2019.
Carlyn Edgar Born: 1963	Chief Compliance Officer and Vice President	Chief Compliance Officer 2008-2016 and 2021-current; Vice President since 2008	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.

AUXIER FOCUS FUND

FOR MORE INFORMATION

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This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's risks, objectives, fees and expenses, experience of its management, and other information.