AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

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Spring 2021 Market Commentary

During the first quarter of 2021, equity markets continued to rally on the back of strong earnings and powerful macro tailwinds. As COVID-19 vaccinations have been widely accessible, local restrictions have eased and demand is rebounding. Monetary and fiscal government accommodation has continued to be aggressive. Money supply growth is still running over 25%. The Fed continues to buy $120 billion in bonds per month for a total in excess of $2.4 trillion from February 2020. Since August of 2020, we have seen a material change in market leadership as cheaper, more cyclical businesses have been outperforming higher priced growth and momentum stocks. Smaller cheaper value stocks in the Fund have been among the best performers. The economic numbers are showing surging domestic demand while supply chain interruptions are leading to material price hikes across many industries. Personal income is hitting records (with over 30% from government payments). Semiconductor shortages are hampering production in numerous industries like autos and appliances. Intel CEO Pat Gelsinger believes semiconductor shortages could extend through 2021 into 2022. Most raw commodities prices are soaring this past year with lumber up over 300% and corn up 80%. Steel is up 60% just in 2021. Data from the Labor Department showed that 916,000 seasonally adjusted jobs were added in March. This was the biggest gain since August and helped drive the unemployment rate down to 6%, the lowest since the beginning of the pandemic. US trucking companies are working to find more drivers as retailers and manufacturers rush to restock their inventory due to strong consumer demand. Knight-Swift Transportation Holdings has been hiring new drivers and their wages have recently increased by 40% or more.

Higher Rates Bad for Bonds, Great for Value Stocks

The first quarter saw a rapid increase in longer-term interest rates, leading to the worst US government bond sell-off in more than 40 years. The 30-year Treasury lost 15.7%. At the end of the quarter, the yield on the 10-year Treasury note was 1.74%, up from 0.93% at year end. The US government is considering pumping another $1.9 trillion into the economy which could further boost growth and lead to even higher bond yields. On a positive note, rising yields have been a boost to the financial sector, cyclicals and many value-oriented businesses which are rebounding solidly in 2021. Many of our smaller companies that have been deeply undervalued and left for dead are now outperforming. The banks in general are benefiting from the pickup in gross domestic product (GDP), a steeper yield curve, the release of reserves, a resumption of stock buybacks and cheap valuations. The smaller banks are seeing a pickup in mergers and acquisitions.

Investments for a Higher Inflation Environment

The rapid recovery in the economy, along with severe supply chain disruptions, has led to strong pricing in most industries. As inflation rises there can be more downward pressure on highly valued momentum stocks. Over the past five years many of the most overpriced, money losing issues fared the best. This changes when inflation and interest rates rise. Price-to-earnings compression becomes a risk for money losing "high expectation" stocks with exciting stories but little value. According to the Department of Labor, the Consumer Price Index (CPI) in March rose by 2.6% from a year ago, the highest year-over-year gain since August 2018. Businesses that do well during inflationary periods ideally have high returns on invested capital, rapid inventory turns, low mandatory capital spending needs with strong franchises, reasonable valuations and the ability to raise prices. The power of compounding is so phenomenal that a business with steady high compounded rates of return over long periods will crush inflation. Nearly half of the 2.6% year-over-year increase in the CPI in March was due to a 9.1% jump in gas prices. Energy prices as a whole ended the quarter up 13.2%, and up 77% over the last six months. In the past 12 months, overall food prices have grown 3.5%. However, take-out and delivery food services rose 6.5% which was the largest annual increase since the index began. In general, higher structural inflation occurs when countries adopt more socialist policies and where free market competition is stifled by government intervention leading to shortages. Venezuela and Argentina are two extreme, modern-day examples. So far, the belief by the Fed is that price pressures are transitory.

Managing Risks

One of the many risks we are seeing today is regulatory risk. Changes in regulation can have long lasting, material impacts on specific companies or entire sectors. Boeing is one company that faces regulatory risk, specifically surrounding their 737 MAX aircraft. After the plane was grounded in March of 2019, Boeing's revenue and profitability fell as customers cancelled or delayed orders for the new plane. Though the FAA has since ungrounded the plane in November, other governing bodies like the US Transportation Department continue to keep a close eye on the company and could be the source of more headwinds in the future. Technology firms also face increased regulatory risks due to the rapid growth of digitization. The Chinese tech leader Alibaba continues to trade at a steep discount as Chinese regulators have been looking closely at the company's competitive position over the last several months. While regulatory pressure for Alibaba has cooled off, there are still risks. The company's largest shareholder, Jack Ma, has spoken out against the Chinese government's control over its corporations leading to increased scrutiny. Alibaba's investment in Ant Group is also facing regulatory headwinds which has led Fidelity to cut their valuation of the company down to $144 billion. Fidelity's valuation of Ant Group reached $295 billion just last August prior to their IPO. Along with technology firms, the recent rise in popularity of cryptocurrency has led to concerns of potential regulatory action in the future. Bitcoin in particular faces increased risk as governments around the world have started to outlaw it as a form of currency. Governments are reluctant to give up control over their currency.

Another risk we are watching is the current trend of excessive borrowing. Synthetic derivatives are a way for institutions to disguise extreme leverage. Recently, the investment firm Archegos was able to borrow over $30 billion against a $10 billion portfolio. The firm collapsed, leading to prime broker losses spread over several firms with aggregate losses totaling over $10 billion. The rapid growth in small individual investors has also increased the borrowed money in the market. Ironically, "payment for order flow" (PFOF) which is how Robinhood charges no commissions was devised by convicted felon Bernie Madoff who committed one of the largest financial frauds in history. He paid discount brokers to access orders before they were routed to the market. The resulting poor execution is largely hidden from the public but can be very expensive. Apps like Robinhood make trading on margin incredibly easy and the app saw a substantial boost in trades during the quarter thanks to a massive short squeeze of GameStop stock and the growing popularity of cryptocurrencies. As of mid-February, FINRA reported that total margin debt stood at a record $813.68 billion. This was up 49% from the previous year and the fastest annual increase since 2007, before the financial crisis. Prior to that, the last time margin debt grew this quickly was during the 1999 dot-com bubble. This increase in borrowing has come from a shift in investors' priorities, away from sustainable cash flow generation and earnings towards exciting stories largely based on momentum. In a momentum driven environment there is often an emphasis on "total addressable market" and revenue growth at any cost. Currently, the market cap of companies that posted negative earnings last year and in the last three years is higher than during the dot-com bubble.

The rate of new initial public offerings (IPOs) is also nearing record levels. There were 457 IPOs in 2020 that raised a record $168 billion. Just through March 10 of this year, 310 IPOs have already raised $102 billion. At this rate, over $400 billion could be raised in 2021. During the 1999 bubble, there were 547 IPOs that raised $108 billion. Hot market environments like we are seeing now can cause many investors to be driven by emotions. Greed, envy and "group think" can be costly, especially when combined with borrowed money. Maintaining a rational temperament is vitally important to investment survival.

https://www.zerohedge.com

Rapid Market Recovery

Last year, the stock market experienced one of the sharpest declines in recent memory due to the COVID-19 pandemic, but in the year since it has also experienced one of the quickest recoveries. While the virus's impact on the market was dramatic, it proved to be more of a temporary shock with a quick reversal due largely to the dramatic response by the Fed and massive government stimulus. The following graphic shows the corrections from notable events in the US stock market over the last 150 years. The graphic also provides a pain index number which considers the severity of the decline and how long the market took to recover.

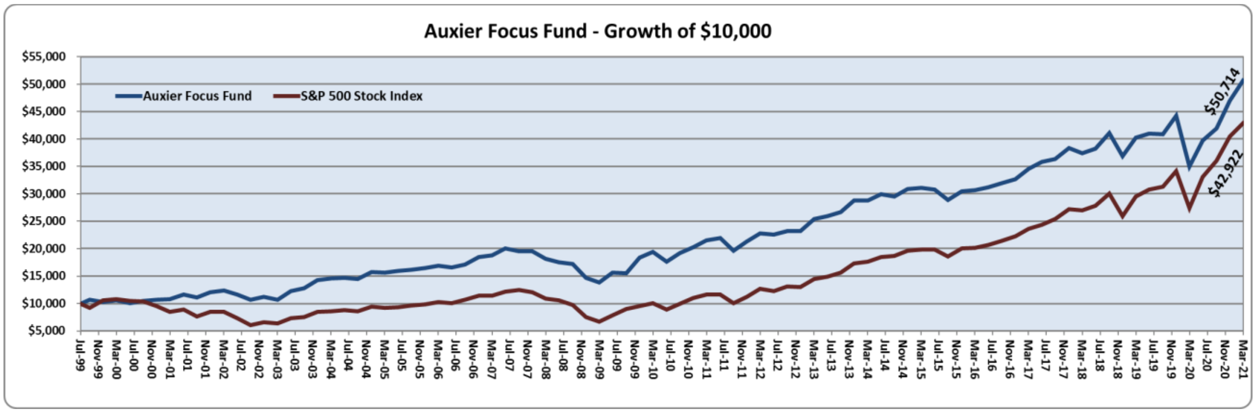
Largest Real Declines in U.S. Stock Market History

Pain Rank	Pain Index (%)	Peak	Trough	Recovery	Decline Rank	Decline (%)	Event(s)
1	100.00	Aug 1929	May 1932	Nov 1936	1	79.00	1929 Crash & Great Depression
2	89.34	Jun 1911	Dec 1920	Dec 1924	4	50.96	WWI & Influenza
3	85.51	Aug 2000	Feb 2009	May 2013	2	54.00	Lost Decade (Dot-Com Bust & Global Financial Crisis)
4	80.41	Dec 1972	Sep 1974	Jun 1983	3	51.87	Inflation, Vietnam, & Watergate
5	59.57	Feb 1937	Mar 1938	Feb 1945	5	49.93	Great Depression & WWII
6	29.06	May 1946	Feb 1948	Oct 1950	6	37.18	Postwar Bear Market
7	14.22	Nov 1968	Jun 1970	Nov 1972	7	35.54	Inflationary Bear Market
8	8.23	Jan 1906	Oct 1907	Aug 1908	8	34.22	Panic of 1907
9	8.18	Apr 1899	Jun 1900	Mar 1901	9	30.41	Cornering of Northern Pacific Stock
10	7.73	Aug 1987	Nov 1987	Jul 1989	10	30.21	Black Monday
11	6.25	Nov 1886	Mar 1888	May 1889	13	22.04	Depression & Railroad Strikes
12	5.00	Apr 1903	Sep 1903	Nov 1904	14	21.67	Rich Man's Panic
13	4.80	May 1890	Jul 1891	Feb 1892	17	20.11	Baring Brothers Crisis
14	3.55	Dec 1961	Jun 1962	Apr 1963	12	22.80	Height of Cold War & Cuban Missile Crisis
15	3.20	Aug 1897	Mar 1898	Aug 1898	15	21.13	Outbreak of Boer War
16	3.14	Oct 1892	Jul 1893	Mar 1894	11	27.32	Silver Agitation
17	3.11	Sep 1909	Jul 1910	Feb 1911	16	20.55	Enforcement of Sherman Antitrust Act
18	1.00	Dec 2019	Mar 2020	Jul 2020	18	20.00	COVID-19 Pandemic

Data as of Feb. 28, 2021. Sources: Kaplan et al. (2009); Ibbotson (2020); Morningstar Direct; Goetzmann, Ibbotson, and Peng (2000); Pierce (1982); www.econ.yale.edu/^shiller/data.htm, Ibbotson Associates SBBI US Large-Cap Stock Inflation Adjusted Total Return Extended Index.

One thing that the pandemic highlighted is the importance of staying the course and knowing market declines and panics are a normal occurrence. The S&P has dropped over 20% 26 times in 90 years according to Dow Jones Market Data. Instead of predicting markets, we focus on businesses and management teams that can endure the most challenging external shocks. Many investors panicked and sold their stock at the start of the pandemic due to uncertainties around how long a recovery would take, but in doing so they missed out on the quick recovery. Knowing what you own through rigorous research and being current on the operating reality of each business helps you stay in the game during the height of panic and uncertainty.

First Quarter 2021 Performance Update



Auxier Focus Fund's Investor Class returned 7.98% in the first quarter vs. 6.17% for the cap-weighted S&P 500 Index and 8.29% for the DJIA. The equal-weight S&P 500 returned 11.49%. Small stocks as measured by the Russell 2000 were up 12.70%. The MSCI Emerging Markets Index gained 2.29%. A 60/40 S&P 500 and Bloomberg Barclays US Aggregate blended index returned 2.31% and bonds, as measured by The Bloomberg Barclays US Aggregate Bond Index, returned -3.37% for the quarter.

Auxier Focus Fund – Investor Class
Average Annual Total Returns (3/31/2021)
Since Inception (07/09/1999) 7.76%
10-year 8.94%
5-year 10.60%
1-year 45.11%
3-month 7.98%

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 1.10%. 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, 2021. Other share classes may vary. The Fund charges a 2.0% redemption fee on shares redeemed within six months of purchase. For the most recent month-end performance, please call (877) 328-9437 or visit the Adviser's website at www.auxierasset.com.

Stocks in the Fund comprised 98.4% of the portfolio. The equity breakdown was 87.2% domestic and 11.2% foreign, with 1.6% in cash and short-term debt instruments. A hypothetical $10,000 investment in the Fund since inception in July 1999 to March 31, 2021 is now worth $50,714 vs. $42,922 for the S&P 500. The equities in the Fund (entire portfolio, not share class specific) have had a cumulative return of 666.52% since inception and the Fund as a whole has had a cumulative return of 407.14% vs. 329.22% for the S&P. This was achieved with an average exposure to the market of 80.6% over the entire period.

Contributors to the quarter: Our outlook on a cross section of positions with a positive impact on the portfolio for the quarter ended 3/31/2021.

Discovery, Inc. Series A (DISCA)
Discovery stock benefited during the first quarter from the launch of Discovery+ and the company's new focus on digital direct-to-consumer content delivery. Since its debut in January, Discovery+ has already gained over 12 million paid subscribers thanks to its unique portfolio of unscripted content that enjoys

worldwide recognition. Its main channel is one of the most widely distributed networks in the world and reaches more than 220 countries. Discovery is hoping to draw this large audience into Discovery+ to help offset continued declines in traditional TV subscriptions. Discovery has been working to expand their reach internationally to help diversify their revenue generation and protect against short-term disruptions. Currently, the company generates about 36% of its revenue from international markets. Management plans to continue investing into Discovery+ to scale up as they aim to shift their revenue mix towards their direct-to-consumer streaming products. Archegos Capital Management, through the use of synthetic derivatives called "total return swaps," was able to apply up to five to one leverage against their portfolio. Their highly levered buying contributed to the huge gain for Discovery in the quarter, but margin calls subsequently led to forced liquidations of the stock. While Discovery has solid and improving fundamentals, the extreme hidden leverage of Archegos has contributed to extraordinary volatility. This shows the importance of knowing what you own, what it is worth and the impact of forced debt liquidations.

Top 10 Sectors	**% Assets**
Healthcare	26.3
Financials	23.7
Consumer Staples	16.5
Information Technology	9.0
Consumer Discretionary	8.0
Industrials	5.1
Materials	4.1
Energy	2.6
Consumer Cyclicals	1.6
Communication Services	1.0

Bank of America Corp. (BAC)
Despite one of the most challenging economic environments in recent memory, Bank of America has been able to maintain positive earnings throughout the pandemic, highlighting the success of their transformation over the last decade. Management anticipates a continued recovery from the pandemic as the company recently decreased their provision for credit losses substantially. Digital banking continues to be a strong point for the company, making up nearly 50% of all consumer banking sales. Bank of America leverages their scale in the banking industry to benefit from cost savings and switching costs. In mid-March, the Fed increased its 2021 GDP growth forecast to 6.5%. Bank stocks tend to perform well as the economy strengthens. Investors have been eying increasing demand for loans and decreasing default rates which boost profit margins for companies like Bank of America.

Corning Inc. (GLW)
Despite substantial headwinds, Corning has been able to successfully navigate the pandemic environment. Earnings returned to positive territory after the first half of 2020 as Corning benefited from recoveries in the medical and technology industries. The company has shipped their Valor Glass vials to support more than 100 million COVID-19 vaccine doses. Corning's toughest glass yet, Gorilla Glass Victus, is featured on some of the highest selling smartphones in the industry like the latest iPhones and Samsung devices. Corning has long been the go-to company for the best smartphone screen glass and Gorilla Glass Victus will help continue their leadership in the market. As a compliment to their contributions to the smartphone industry, Corning will also be a key player in the 5G market due to providing the optical fiber that network operators require. Optical Communications has been the company's highest grossing segment and management is confident that this trend will continue as the digitization of the world accelerates. Corning uses its scale to stay competitive by investing over $1 billion per year in research and development.

Top 10 Equity Holdings	**% Assets**
Mastercard Inc.	6.3
UnitedHealth Group Inc.	5.9
Microsoft Corp.	5.1
Medtronic PLC	3.9
PepsiCo Inc.	3.3
Johnson & Johnson	3.2
Bank of America Corp.	3.1
Philip Morris International	3.0
Bank of New York Mellon Corp.	2.9
Kroger Co.	2.8

Central Pacific Financial Corp. (CPF)
Central Pacific Financial, based in Hawaii, maintained consistent performance even in the face of a disruptive economic environment. The company's most recent quarter saw revenue growth at its highest level since before the pandemic began. Management has attributed the company's success to the completion of their RISE2020 initiative which aimed to increase their digital presence and revitalize their ATMs and physical locations. The company's new online and mobile banking platforms have become popular ways for customers to meet their banking needs. Central Pacific has also been consolidating low-earning branches and their most recent consolidation is expected to bring annual expense savings of $1.8 million. Central Pacific has benefited from a relatively rapid recovery in the Hawaiian market as it has the 2nd lowest per capita COVID-19 case rate in the nation. The company's loan portfolio is diversified with consumers making up 55% of loans and commercial making up 45%. Central Pacific has strong annual free cash flow generation of $50 million and maintains nearly $100 million in cash on their balance sheet.

Detractors to the quarter: Our outlook on a cross section of positions with a negative impact on the portfolio for the quarter ended 3/31/2021.

PepsiCo, Inc. (PEP)
While known for their namesake soda, PepsiCo has a wide variety of offerings in the drink and snack markets including 23 brands with at least $1 billion in annual sales and is the second largest food company, behind Nestle, based on net revenue. With over half its revenue coming from the United States, PepsiCo had a tough macroeconomic environment with lockdowns for COVID-19. However, they still managed to increase core earnings in 2020 by 2% due in part to a 4.3% increase in core organic revenue. Earlier this year PepsiCo announced a 5% dividend increase to $4.30 per year effective June 2021. This marks the 49th consecutive year PepsiCo has increased their dividend.

Merck & Co., Inc. (MRK)
While their COVID-19 vaccine efforts were not fruitful, Merck still has Keytruda, the second largest drug in the world by revenue, and a stellar pipeline with 38 phase two programs, 22 phase three programs, and five programs under review. 70% of its pharma portfolio consists of physician-administered drugs, which has been hurt by reduced patient office visits. Merck ranks number two in the industry for R&D expenditures and, despite being a clear leader in the immuno-oncology market, sells for a very cheap 12 times earnings.

Visa Inc. (V)
Visa has suffered from weak cross border transactions as much of Europe is still in recession. It has been rolling out Visa Direct, which is growing twice as fast as when they rolled out their Debit platform in the '90s. They are trying to be "the network of networks." For example, Visa and Airbnb just partnered to use Visa Direct in order to get hosts paid faster. In March, *The Wall Street Journal* reported that the Justice Department is investigating Visa for anticompetitive practices with their debit card transactions. The DOJ's Antitrust Division is attempting to determine whether Visa limited merchants' ability to use other, less expensive networks. Also in March, Visa announced a partnership with Hong Kong-based Crypto.com. Crypto.com is an online payment and cryptocurrency platform that gives Visa some access to the burgeoning cryptocurrency market.

Medtronic PLC (MDT)
By 2030 all baby boomers will be 65 or older. By 2060, according to the US Census Bureau, the US population will grow by 79 million people to 404 million while the median age will go up five years to 43. Medtronic has a strong culture focused on innovation. It is the largest pure-play medical device maker. They hold 49,000 patents. In March, the FDA approved a new transcatheter pulmonary valve for patients with congenital heart disease. Congenital heart disease is the most common birth defect in the US, affecting an estimated 40,000 infants a year.

Outlook

The overall economic growth this year looks to be the strongest since 1983. Cost pressures and inflation have been making news as core inflation is running the highest in over a decade. During that strong economy back in 1983-84 I remember buying tax free municipal bonds paying 10%. Today they are closer to 1%, a negative real return. We are still able to selectively find high-return, quality businesses, large and small, that enjoy free cash flow and earnings yields far in excess of the prevailing bond yields. While improved pricing is helpful for sales and earnings across many industries, higher, sustained inflation can lead to a compression in overall stock values posing a greater risk to the most overpriced stocks and sectors in the market. We are encouraged the past few months to see a return to investing fundamentals where price and value matter. The spread between the cheapest and most expensive stocks has been the widest in my career and we stand to benefit with a reversion to the mean. We are also seeing the fruits of our numerous management research meetings over the past two years, especially in smaller businesses where many exceptional management teams have been largely ignored as money has flooded into exchange traded funds and passive products.

We appreciate your trust.

Jeff Auxier

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling (877) 328-9437 or visiting the Fund's website. Please read the prospectus carefully before you invest.

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.

Foreside Fund Services, LLC, distributor.

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. 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 S&P 500 Equal Weight Index (EWI) is the equal-weight version of the widely used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, *but each company in the S&P 500 EWI is allocated a fixed weight (0.2%) of the index total at each quarterly rebalance. The Russell 2000 index is an index measuring the performance of 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 MSCI Emerging Market Index captures mid and large caps across more than two dozen emerging market countries. The index is a float-adjusted market capitalization index and represents 13% of global market capitalization. The 60/40 Hybrid of S&P 500 and Bloomberg Barclays U.S. Aggregate Bond Index is a blend of 60% S&P 500 Composite Index and 40% Barclays U.S. Aggregate Bond Index, as calculated by the adviser, and is not available for direct investment. The Bloomberg Barclays US Aggregate Bond Index, or the Agg, is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. One cannot invest directly in an index or average.*

Cryptocurrency (notably bitcoin), often referred to as "virtual currency" or "digital currency", operates as a decentralized peer-to-peer financial exchange and value storage that is used like money. Cryptocurrency operates without control authority or banks and is not backed by any government. Even indirectly, cryptocurrencies may experience very high volatility. Cryptocurrency is not a legal tender. Federal, state or foreign governments may restrict the use and exchange of cryptocurrency and regulation in the U.S. is still developing. Cryptocurrency exchanges may stop operating or shut down due to fraud, technical glitches, hackers, or malware.

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

An initial public offering (IPO) refers to the process of offering shares of a private corporation to the public in a new stock issuance.

Free cash flow (FCF) represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.

The price-to-earnings ratio (P/E ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings (EPS).

A yield curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates.

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.

Return on invested capital (ROIC) is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

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.