

## **Penn Capital Multi-Credit High Income Fund Receives 5-Star Morningstar Rating**

May 16, 2019

*Philadelphia, PA* – Penn Capital Management Company, Inc. (Penn Capital) is pleased to announce that its Multi-Credit High Income Fund (PHYNX) achieved a 5-Star Overall Morningstar Rating out of 607 US High Yield Bond Funds, based on risk-adjusted returns as of April 30, 2019.

“Our unconstrained flexibility to actively invest across the full high yield bond and loan markets enables the Fund to look for market inefficiencies in an effort to achieve attractive risk-adjusted returns. Our bottom-up, multi-credit approach allows the Fund to realize the full potential of the liquid non-investment grade market by utilizing both cross- and inter-market opportunities.” says David Jackson, CFA, Senior Portfolio Manager.

“We believe this achievement is a testament to our dedicated portfolio management team and our unique brand of fully integrating debt and equity research as we continue to provide investors with attractive risk-adjusted return potential.” says Richard Hocker, Founder, Chief Investment Officer & Chief Executive Officer.

### **About Penn Capital Multi-Credit High Income Fund**

The Fund seeks to provide total return through interest income and capital appreciation. The Fund seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its net assets in high yield debt instruments. High yield debt instruments include high yield fixed income securities and senior floating rate bank loans that are generally rated at the time of purchase below investment grade. The Fund expects to engage in tactical allocations of direct investments as well as investment in other investment companies to achieve its investment objective.

Penn Capital, founded in 1987, is an independent investment management firm located in Philadelphia, PA. Penn Capital maintains a fully integrated credit and equity research process and emphasizes *Complete Capital Structure Analysis®* when analyzing investment opportunities. Penn Capital has approximately \$3.0 billion in assets under advisement (*as of March 31, 2019*) and specializes in high yield fixed income and micro-to-mid capitalization equity portfolios for institutions and individuals.

BEFORE INVESTING YOU SHOULD CAREFULLY CONSIDER THE FUND'S INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES. THIS AND OTHER RELEVANT INFORMATION CAN BE FOUND IN THE PROSPECTUS AND STATEMENT OF ADDITIONAL INFORMATION, COPIES OF WHICH MAY BE OBTAINED BY CALLING (844) 302-PENN (7366) OR BY VISITING [WWW.PENNCAPITALFUNDS.COM](http://WWW.PENNCAPITALFUNDS.COM). PLEASE READ THE PROSPECTUS CAREFULLY BEFORE YOU INVEST.

*Foreside Fund Services, LLC, Distributor.*

All investments involve risk, including possible loss of principal. The Fund is subject to the following risks, among others: ETF risk, which is the risk that the fund is subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly; foreign securities and ADRs, which involve certain risks such as currency volatility, political and social instability and reduced market liquidity. Investments in REITs may be more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments. As interest rates rise the value of bond prices will decline. Credit risk refers to the loss in the value of a security based on a default in the payment of principle and/or interest of the security. High-yield bonds have a higher risk of default or other adverse credit events. Bank loans may have similar risks to below investment grade fixed income securities. In the event of the insolvency of an agent bank, a loan could be subject to settlement risk as well as the risk of interruptions in the day to day administration of the loan. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. There is the possibility that the Fund may lose money or be prevented from realizing capital gains if it cannot sell a security at a particular time and price. Liquidity risk can be more pronounced in periods of market turmoil.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within the scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. In the US-domiciled High Yield Bond category, Penn Capital Multi-Credit High Income Fund (Institutional Class) was rated 5 stars out of 607 funds for the 3-year period. Past performance is no guarantee of future results. ©2018 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Inquiries can be sent to David Jordan, Marketing Manager at [djordan@penncapital.com](mailto:djordan@penncapital.com) or (215) 302-1587.