



**ACUITAS INTERNATIONAL SMALL CAP FUND**

**ACUITAS US MICROCAP FUND**

**ANNUAL REPORT**

**JUNE 30, 2017**

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**Acuitas International Small Cap Fund**

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**Acuitas US Microcap Fund**

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**ACUITAS INTERNATIONAL SMALL CAP FUND**  
A MESSAGE TO OUR SHAREHOLDERS (Unaudited)  
JUNE 30, 2017

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Dear Shareholders:

As of June 30, 2017, The Acuitas International Small Cap Fund's (the "Fund") net asset value was \$10.11 per share with total net assets at \$46.3 million. Calendar year-to-date, the Fund has returned 10.86%, compared to 15.23% for the Russell Global ex-US Small Cap Index (the "Index"). This represents 437 basis points of underperformance vs. the Index so far in 2017. Since the July 18, 2014 inception, the Fund has returned an annualized 2.19% underperforming the annualized Index return of 3.57% by 138 basis points over the same time period. While this underperformance relative to the Index has been disappointing, we remain positive about the long term prospects for the Fund.

The Acuitas International Small Cap Fund uses a multi-manager structure to invest in publicly traded international small cap companies. We tend to think of small caps as stocks with market caps of \$4 billion or less. The Fund invests in equity securities and does not use derivative instruments.

Over the trailing year, International Small Cap stocks have slightly underperformed U.S. Small Cap stocks. That said, there have been pockets of strong performance in global stocks, such as Europe. On March 29, British Prime Minister Theresa May triggered Article 50, the next step in the long BREXIT process. Currently, the U.K. is on pace to formally end its membership in the European Union in early 2019. Additionally, the Eurozone reached the European Central Bank's (ECB) 2% inflation target earlier this year, which is a positive sign for the economy. Within France, Marine Le Pen was defeated and equity markets responded positively to this development, as did the Euro. India was another strong point in International Small Cap. Japan has also fared well. In February, the Reserve Bank of India (RBI) forecasted strong domestic growth and left interest rates unchanged, which came as a surprise to investors who were expecting a rate cut. The other major catalyst for the market rally was Prime Minister Modi's BJP party's great showing in state elections, which is expected to provide an easier path for him to implement reforms moving forward. Japan is seeing signs of growth in GDP and industrial output along with a strong labor market, as unemployment has fallen to the lowest level in decades.

From a sector standpoint, the biggest contributors to the Fund over the last 12 months were producer durables, technology, and financial services. Strong stock selection was the main driver of outperformance in these sectors, while overweights to both producer durables and technology added to excess returns. Among the negative contributors, stock misses within energy, consumer discretionary, and consumer staples were the most impactful to the Fund's performance relative to the Russell Global ex-U.S. Small Cap Index. In addition, the overweights to energy and consumer discretionary also detracted from performance relative to the Index.

A few of the leaders for the Fund were:

- **BE Semiconductor Industries NV** – BE Semiconductor is a manufacturer of semiconductor assembly equipment based in the Netherlands. The stock posted strong earnings and had a total return of 103% for the Fund over the trailing year, adding 133 basis points to the overall Fund's returns.
- **King's Town Bank Co., Ltd.** – King's Town is a Taiwanese bank that was founded in 1948. After a large spike in the third quarter of 2016, the stock performed consistently well and had a total return of 64% over the trailing year for the Fund. Overall the stock added 63 basis points to the Fund's total return.
- **Makino Milling Machine Co., Ltd.** – Based in Tokyo, Makino Milling manufactures, sales, and services a variety of machine tools. While underperforming so far in 2017, the stock had a fantastic second half of 2016 and returned a total of 67% for the Fund, adding 62 basis points to the Fund's returns.

A few of the laggards for the Fund were:

- **Adastria Co.** – Adastria is a Tokyo based producer and retailer of clothes. The stock's performance was quite volatile and finished the trailing year down -44% for the Fund, detracting -66 basis points from returns.
- **Cardinal Energy, Ltd.** – Cardinal Energy is a Canadian oil and natural gas E&P (exploration and production) company. Dragged down by declining prices in both commodities, the stock fell -49% for the Fund and also

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detracted -66 basis points from total returns.

- **TORC Oil & Gas, Ltd.** – Similar to Cardinal, TORC is also a Canadian oil and natural gas E&P company. While faring slightly better in the face of the declining commodity prices, the stock declined -36% for the Fund, ultimately detracting 45 basis points from total returns.

See the Schedule of Investments for more information.

As of June 30, 2017, the Fund's sector allocation, as a percentage of common stock, was:

|                        | <u>Acutas International<br/>Small Cap Fund</u> | <u>Russell Global ex-US<br/>Small Cap Index</u> |
|------------------------|--|---|
| Producer Durables      | 25.7%  | 17.8%   |
| Consumer Discretionary | 18.9%  | 15.8%   |
| Financial Services     | 16.8%  | 21.3%   |
| Technology             | 12.4%  | 11.1%   |
| Consumer Staples       | 9.3%   | 6.9%  |
| Materials & Processing | 7.1%   | 13.8%   |
| Energy                 | 5.6%   | 3.9%  |
| Health Care            | 2.9%   | 6.4%  |
| Utilities              | 1.3%   | 3.0%  |

As of June 30, 2017, the Fund's top ten countries, as a percentage of common stock, were:

|                | <u>Acutas International<br/>Small Cap Fund</u> | <u>Russell Global ex-US<br/>Small Cap Index</u> |
|----------------|--|---|
| Japan          | 26.7%  | 22.5%   |
| United Kingdom | 15.1%  | 9.1%  |
| Canada         | 7.5%   | 6.7%  |
| Germany        | 6.2%   | 2.5%  |
| Taiwan         | 5.7%   | 6.4%  |
| South Korea    | 4.6%   | 4.9%  |
| Italy          | 3.4%   | 1.3%  |
| Netherlands    | 3.3%   | 1.3%  |
| Switzerland    | 3.1%   | 2.4%  |
| Australia      | 2.7%   | 5.1%  |

As of June 30, 2017, the 10 largest positions in the Fund, as a percentage of common stock, were:

| <u>Name</u>                    | <u>Weight</u> |
|--------------------------------|---------------|
| BE Semiconductor Industries NV | 2.4%          |
| Pagegroup PLC                  | 1.8%          |
| Miraca Holdings, Inc.          | 1.8%          |
| Kanamoto Co., Ltd.             | 1.7%          |
| Round One Corp.                | 1.6%          |
| Shinmaywa Industries, Ltd.     | 1.5%          |
| TORC Oil & Gas, Ltd.           | 1.3%          |
| Cairo Communication SpA        | 1.3%          |
| Cardinal Energy, Ltd.          | 1.2%          |
| Whitecap Resources, Inc.       | 1.2%          |

Positive signs for European economic expansion and more reasonable valuations are encouraging for non-US markets. The Eurozone just posted its best period of economic growth in over six years and we continue to see positive signals from emerging market economies. Japan also showed signs of continued economic recovery as unemployment fell to levels not seen since the 1970s. Government policies meant to stimulate economic growth are contributing to the recovery of emerging markets from a period of stagnation. While falling oil prices represent a risk to exporters, we continue to see opportunity in non-US stocks. From a political perspective, some of the bold campaign promises to tear up trade deals have yet to materialize and are now being discounted by the market as unlikely. In general, valuations are more attractive in non-US stocks and economic improvement is more broad-based. A key driver has been the more accommodating stance of non-US central banks, although improving economic data in areas such as Europe and Japan are encouraging. On a final note, we

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believe the environment for stock pickers is improved as there has been less risk on/risk off behavior than there has been for the last decade. This leads to lower correlations between assets and we believe a greater opportunity for investment managers to outperform. We look forward to the days ahead and remain optimistic about our prospects in this environment.

We thank you for your continued support.

Best Regards,

A handwritten signature in black ink, appearing to read 'Chris Tessin', written in a cursive style.

Christopher Tessin

**IMPORTANT RISKS AND DISCLOSURE:**

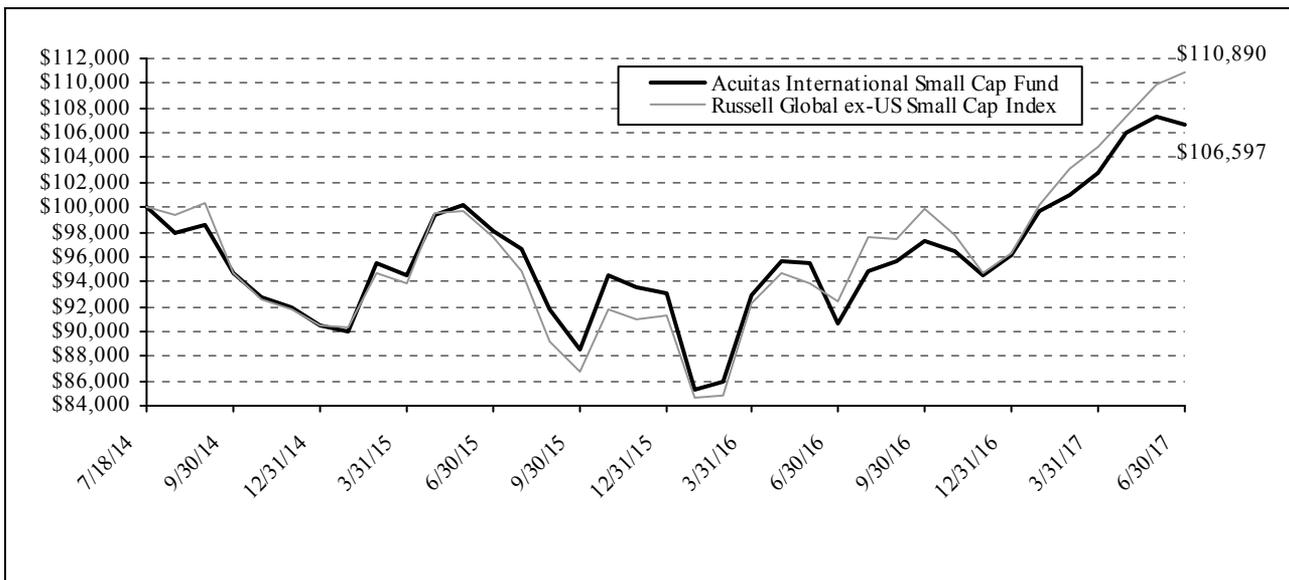
Equity stocks of small-cap companies carry greater risk, and more volatility than equity stocks of larger, more established companies. Foreign securities are more volatile, harder to price and less liquid than U.S. securities; and are subject to different accounting and regulatory standards, and political and economic risks. These risks are enhanced in emerging markets countries. There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

The views in this report were those of the Fund managers as of June 30, 2017 and may not reflect their views on the date this report is first published or any time thereafter. These views are intended to assist shareholders in understanding their investment in the International Fund and do not constitute investment advice. This letter may contain discussions about certain investments both held and not held in the portfolio. All current and future holdings are subject to risk and to change.

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**PERFORMANCE CHART AND ANALYSIS (Unaudited)**  
**JUNE 30, 2017**

The following chart reflects the change in the value of a hypothetical \$100,000 investment in Institutional Shares, including reinvested dividends and distributions, in Acuitas International Small Cap Fund (the "Fund") compared with the performance of the benchmark, Russell Global ex-US Small Cap Index ("Russell Global ex-US"), since inception. The Russell Global ex-US is an unmanaged index that measures the performance of the small cap segment of the global equity market, excluding companies assigned to the US. The total return of the Russell Global ex-US 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 Russell Global ex-US does not include expenses. The Fund is professionally managed, while the Russell Global ex-US is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$100,000 Investment**  
**Acuitas International Small Cap Fund vs. Russell Global ex-US Small Cap Index**



**Average Annual Total Returns**

**Periods Ended June 30, 2017**

Acuitas International Small Cap Fund  
 Russell Global ex-US Small Cap Index

**One Year**

17.57%  
 20.01%

**Since Inception**

**(July 18, 2014)**

2.19%  
 3.57%

**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. For the most recent month-end performance, please call (844) 805-5628. Shares redeemed within 60 days of purchase will be charged a 1.00% redemption fee. As stated in the Fund's prospectus, the annual operating expense ratios (gross) for Institutional and Investor Shares are 2.16% and 2.41%, 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 (excluding all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses, proxy expenses and extraordinary expenses) to 1.50% and 1.75% for Institutional and Investor Shares, respectively, through November 1, 2017. 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, is approved by the Board and does not cause the total annual fund operating expenses after fee waiver and/or expense reimbursement of a class to exceed the (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived. 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.

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

| <b>Shares</b>                    | <b>Security Description</b>                             | <b>Value</b>     | <b>Shares</b>           | <b>Security Description</b>             | <b>Value</b>     |
|----------------------------------|---|------------------|-------------------------|---|------------------|
| <b>Equity Securities - 97.1%</b> |   |                  | 15,502                  | SAF-Holland SA                          | \$ 265,584       |
| <b>Common Stock - 95.7%</b>      |   |                  |                         |   | 2,681,474        |
| <b>Australia - 2.6%</b>          |   |                  | <b>Hong Kong - 1.3%</b> |   |                  |
| 34,058                           | GrainCorp, Ltd., Class A                                | \$ 247,896       | 2,000                   | Kingboard Chemical Holdings, Ltd.       | 7,967            |
| 836,710                          | Metals X, Ltd. <sup>(a)</sup>                           | 430,874          | 84,000                  | Melco International Development, Ltd.   | 224,862          |
| 69,644                           | Tassal Group, Ltd.                                      | 203,943          | 427,680                 | Skyworth Digital Holdings, Ltd.         | 265,675          |
| 89,070                           | The Star Entertainment Group, Ltd.                      | 345,719          | 23,200                  | Television Broadcasts, Ltd.             | 87,363           |
|                                  |   | <u>1,228,432</u> |                         |   | <u>585,867</u>   |
| <b>Austria - 1.8%</b>            |   |                  | <b>Indonesia - 0.5%</b> |   |                  |
| 9,049                            | BUWOG AG <sup>(a)</sup>                                 | 259,985          | 12,011,500              | Panin Financial Tbk PT <sup>(a)</sup>   | 210,894          |
| 5,191                            | Oesterreichische Post AG                                | 225,506          | <b>Ireland - 0.9%</b>   |   |                  |
| 7,281                            | Palfinger AG  | 339,292          | 13,319                  | Smurfit Kappa Group PLC                 | 414,611          |
|                                  |   | <u>824,783</u>   | <b>Italy - 3.3%</b>     |   |                  |
| <b>Belgium - 0.7%</b>            |   |                  | 12,520                  | Banca Generali SpA                      | 372,651          |
| 30,277                           | AGFA-Gevaert NV <sup>(a)</sup>                          | 147,315          | 65,992                  | Beni Stabili SpA SIIQ REIT              | 47,636           |
| 975                              | Barco NV  | 100,123          | 2,620                   | Biesse SpA                              | 93,902           |
| 572                              | Cie d'Entreprises CFE                                   | 81,076           | 135,490                 | Cairo Communication SpA                 | 593,620          |
|                                  |   | <u>328,514</u>   | 28,766                  | Maire Tecnimont SpA                     | 133,654          |
| <b>Brazil - 0.9%</b>             |   |                  | 8,716                   | Sogefi SpA <sup>(a)</sup>               | 46,629           |
| 9,592                            | Cia de Saneamento de Minas Gerais-COPASA <sup>(a)</sup> | 116,827          | 28,440                  | Zignago Vetro SpA                       | 238,911          |
| 13,507                           | Cia Hering  | 80,523           |                         |   | <u>1,527,003</u> |
| 79,500                           | Movida Participacoes SA <sup>(a)</sup>                  | 240,931          | <b>Japan - 26.1%</b>    |   |                  |
|                                  |   | <u>438,281</u>   | 8,400                   | Alps Electric Co., Ltd.                 | 241,974          |
| <b>Canada - 7.3%</b>             |   |                  | 13,900                  | Arcs Co., Ltd.                          | 300,430          |
| 152,550                          | Cardinal Energy, Ltd.                                   | 567,004          | 8,600                   | Avex Group Holdings, Inc.               | 115,074          |
| 70,700                           | DHX Media, Ltd., Class B                                | 312,938          | 12,800                  | BML, Inc.                               | 248,660          |
| 95,702                           | Gran Tierra Energy, Inc. <sup>(a)</sup>                 | 212,540          | 2,700                   | Canon Marketing Japan, Inc.             | 61,358           |
| 80,070                           | Granite Oil Corp.                                       | 285,876          | 92,000                  | Clarion Co., Ltd.                       | 349,269          |
| 117,420                          | Nevsun Resources, Ltd.                                  | 283,409          | 6,950                   | DIC Corp.                               | 249,329          |
| 180,230                          | Surge Energy, Inc.                                      | 290,470          | 11,400                  | Doutor Nichires Holdings Co., Ltd.      | 241,835          |
| 154,760                          | TORC Oil & Gas, Ltd.                                    | 605,053          | 11,200                  | FCC Co., Ltd.                           | 225,245          |
| 147,170                          | Western Forest Products, Inc.                           | 265,560          | 43,200                  | FIDEA Holdings Co., Ltd.                | 71,824           |
| 77,830                           | Whitecap Resources, Inc.                                | 555,757          | 4,000                   | Hogy Medical Co., Ltd.                  | 266,370          |
|                                  |   | <u>3,378,607</u> | 12,000                  | Icom, Inc.                              | 268,753          |
| <b>China - 0.5%</b>              |   |                  | 1,700                   | J-Oil Mills, Inc.                       | 60,382           |
| 324,941                          | China Lesso Group Holdings, Ltd.                        | 249,716          | 5,200                   | Kaga Electronics Co., Ltd.              | 106,427          |
| <b>Denmark - 1.5%</b>            |   |                  | 22,900                  | Kanamoto Co., Ltd.                      | 759,431          |
| 4,270                            | Jyske Bank A/S  | 247,266          | 4,200                   | Kato Sangyo Co., Ltd.                   | 112,585          |
| 12,425                           | Matas A/S   | 196,575          | 3,000                   | Kohnan Shoji Co., Ltd.                  | 55,826           |
| 15,728                           | Scandinavian Tobacco Group A/S <sup>(b)</sup>           | 256,080          | 39,200                  | Makino Milling Machine Co., Ltd.        | 323,080          |
|                                  |   | <u>699,921</u>   | 30,000                  | Marudai Food Co., Ltd.                  | 140,298          |
| <b>Finland - 0.9%</b>            |   |                  | 18,600                  | Miraca Holdings, Inc.                   | 835,119          |
| 25,138                           | Metsa Board OYJ   | 182,461          | 201,300                 | Monex Group, Inc.                       | 531,550          |
| 12,673                           | Valmet OYJ  | 246,210          | 10,100                  | NEC Networks & System Integration Corp. | 219,106          |
|                                  |   | <u>428,671</u>   | 18,000                  | Nippon Kayaku Co., Ltd.                 | 254,457          |
| <b>France - 0.3%</b>             |   |                  | 4,500                   | Nishio Rent All Co., Ltd.               | 143,232          |
| 8,470                            | Derichebourg SA   | 71,587           | 83,800                  | NTN Corp.                               | 385,938          |
| 3,046                            | Metropole Television SA                                 | 70,902           | 20,000                  | Osaki Electric Co., Ltd.                | 149,367          |
|                                  |   | <u>142,489</u>   | 19,000                  | Pacific Industrial Co., Ltd.            | 246,295          |
| <b>Germany - 5.8%</b>            |   |                  | 4,300                   | Plenus Co., Ltd.                        | 90,721           |
| 49,076                           | ADVA Optical Networking SE <sup>(a)</sup>               | 506,095          | 80,000                  | Round One Corp.                         | 756,790          |
| 4,458                            | Bilfinger SE  | 174,645          | 7,300                   | Saizeriya Co., Ltd.                     | 212,234          |
| 1,671                            | Cewe Stiftung & Co. KGAA                                | 140,907          | 30,800                  | Seino Holdings Co., Ltd.                | 408,841          |
| 39,857                           | Deutz AG  | 336,094          | 83,000                  | Shinmaywa Industries, Ltd.              | 699,569          |
| 2,320                            | Duerr AG  | 275,710          | 113,000                 | Shinsei Bank, Ltd.                      | 196,915          |
| 13,498                           | ElringKlinger AG  | 258,693          | 9,300                   | Ship Healthcare Holdings, Inc.          | 288,984          |
| 4,114                            | Jenoptik AG   | 107,908          | 62,900                  | SKY Perfect JSAT Holdings, Inc.         | 270,111          |
| 3,518                            | Rheinmetall AG  | 333,983          | 5,770                   | Star Micronics Co., Ltd.                | 93,161           |
| 9,651                            | RHOEN-KLINIKUM AG                                       | 281,855          | 3,500                   | Studio Alice Co., Ltd.                  | 71,291           |
|                                  |   |                  | 50,100                  | Takara Leben Co., Ltd.                  | 224,498          |
|                                  |   |                  | 25,000                  | Takuma Co., Ltd.                        | 250,722          |
|                                  |   |                  | 4,890                   | TechnoPro Holdings, Inc.                | 196,513          |

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

| Shares                     | Security Description  | Value      | Shares                                 | Security Description                    | Value       |
|----------------------------|---|------------|--|---|-------------|
| 14,700                     | TOMONY Holdings, Inc.   | \$ 71,491  | <b>Switzerland - 3.0%</b>              |   |             |
| 23,700                     | Toppan Forms Co., Ltd.  | 244,428    | 7,258                                  | Aryzta AG <sup>(a)</sup>                | \$ 238,653  |
| 65,000                     | Toshiba TEC Corp.   | 335,763    | 1,432                                  | Bobst Group SA                          | 137,839     |
| 14,700                     | United Arrows, Ltd.   | 476,386    | 38                                     | Forbo Holding AG                        | 62,257      |
| 4,200                      | Xebio Holdings Co., Ltd.  | 74,011     | 26                                     | Inficon Holding AG                      | 12,811      |
| 5,000                      | Yuasa Trading Co., Ltd.   | 151,589    | 1,097                                  | Kardex AG <sup>(a)</sup>                | 126,071     |
|                            |   | 12,077,232 | 41,962                                 | OC Oerlikon Corp. AG <sup>(a)</sup>     | 551,383     |
|                            |   |            | 2,460                                  | Valiant Holding AG                      | 282,968     |
|                            |   |            |  |   | 1,411,982   |
| <b>Malta - 0.2%</b>        |   |            | <b>Taiwan - 5.6%</b>                   |   |             |
| 9,729                      | Kindred Group PLC, SDR  | 110,054    | 69,357                                 | Chicony Electronics Co., Ltd.           | 175,786     |
| <b>Mexico - 1.5%</b>       |   |            | 288,543                                | China Life Insurance Co., Ltd.          | 287,405     |
| 171,400                    | Concentradora Hipotecaria SAPI de CV REIT                       | 214,288    | 13,406                                 | ChipMOS TECHNOLOGIES, INC., ADR         | 265,037     |
| 96,900                     | Grupo Comercial Chedraui SA de CV                               | 198,619    | 63,593                                 | FLEXium Interconnect, Inc.              | 239,362     |
| 141,030                    | PLA Administradora Industrial S de RL de CV REIT <sup>(a)</sup> | 259,622    | 33,000                                 | Global Unichip Corp.                    | 139,941     |
|                            |   | 672,529    | 533,328                                | King's Town Bank Co., Ltd.              | 550,510     |
| <b>Netherlands - 3.2%</b>  |   |            | 15,000                                 | Merry Electronics Co., Ltd.             | 93,195      |
| 21,096                     | BE Semiconductor Industries NV                                  | 1,126,431  | 68,000                                 | Realtek Semiconductor Corp.             | 244,773     |
| 17,337                     | Intertrust NV <sup>(b)</sup>                                    | 351,575    | 36,000                                 | Taiwan FU Hsing Industrial Co., Ltd.    | 49,941      |
|                            |   | 1,478,006  | 236,000                                | Teco Electric and Machinery Co., Ltd.   | 226,923     |
| <b>Norway - 1.3%</b>       |   |            | 299,000                                | Wistron Corp.                           | 304,209     |
| 6,661                      | Aker ASA, Class A   | 218,609    |  |   | 2,577,082   |
| 37,832                     | Austevoll Seafood ASA   | 321,734    | <b>United Arab Emirates - 0.8%</b>     |   |             |
| 9,445                      | Grieg Seafood ASA   | 65,842     | 490,040                                | Gulf Marine Services PLC                | 351,039     |
|                            |   | 606,185    | <b>United Kingdom - 14.7%</b>          |   |             |
| <b>Panama - 1.0%</b>       |   |            | 37,920                                 | Arrow Global Group PLC                  | 200,149     |
| 16,936                     | Banco Latinoamericano de Comercio Exterior SA, Class E          | 463,708    | 259,200                                | Blanco Technology Group PLC             | 508,080     |
| <b>Philippines - 1.1%</b>  |   |            | 22,522                                 | Bovis Homes Group PLC                   | 280,284     |
| 7,563,100                  | Filinvest Land, Inc.  | 250,305    | 44,640                                 | Brewin Dolphin Holdings PLC             | 199,250     |
| 137,640                    | Metropolitan Bank & Trust Co.                                   | 238,674    | 95,285                                 | Cambian Group PLC <sup>(a)</sup>        | 206,633     |
|                            |   | 488,979    | 6,931                                  | Dialog Semiconductor PLC <sup>(a)</sup> | 295,909     |
| <b>Portugal - 0.9%</b>     |   |            | 45,139                                 | Electrocomponents PLC                   | 339,226     |
| 69,920                     | NOS SGPS SA   | 424,371    | 39,951                                 | Fenner PLC                              | 148,948     |
| <b>Singapore - 0.9%</b>    |   |            | 137,130                                | Hays PLC                                | 296,484     |
| 283,746                    | Symphony International Holdings, Ltd.                           | 238,701    | 36,707                                 | JD Sports Fashion PLC                   | 167,332     |
| 20,600                     | Venture Corp., Ltd.   | 180,302    | 19,419                                 | Kennedy Wilson Europe Real Estate PLC   | 280,744     |
|                            |   | 419,003    | 148,904                                | Lookers PLC                             | 222,546     |
| <b>South Africa - 0.5%</b> |   |            | 136,009                                | Pagegroup PLC                           | 842,855     |
| 524,255                    | PPC, Ltd.   | 211,986    | 29,030                                 | Playtech PLC                            | 359,574     |
| <b>South Korea - 4.5%</b>  |   |            | 154,448                                | QinetiQ Group PLC                       | 543,536     |
| 1,790                      | CJ O Shopping Co., Ltd.   | 299,598    | 17,346                                 | Redde PLC                               | 36,600      |
| 44,091                     | Daewoo Engineering & Construction Co., Ltd. <sup>(a)</sup>      | 292,103    | 49,352                                 | Safestore Holdings PLC REIT             | 270,870     |
| 47,720                     | DGB Financial Group, Inc.                                       | 492,152    | 16,410                                 | Secure Trust Bank PLC                   | 424,792     |
| 13,907                     | Hankook Tire Worldwide Co., Ltd.                                | 264,976    | 10,100                                 | Travis Perkins PLC                      | 191,402     |
| 28,576                     | Jusung Engineering Co., Ltd. <sup>(a)</sup>                     | 339,670    | 51,748                                 | Tyman PLC                               | 238,930     |
| 2,757                      | LG International Corp.  | 74,820     | 64,327                                 | Virgin Money Holdings UK PLC            | 223,700     |
| 5,123                      | LS Corp.  | 326,414    | 24,560                                 | WH Smith PLC                            | 548,597     |
|                            |   | 2,089,733  |  |   | 6,826,441   |
| <b>Spain - 0.9%</b>        |   |            | Total Common Stock (Cost \$39,986,615) |   |             |
| 10,336                     | Ebro Foods SA   | 236,105    | <b>44,333,864</b>                      |   |             |
| 150,910                    | Unicaja Banco SA <sup>(a)</sup>                                 | 201,664    | <b>Shares</b>                          | <b>Security Description</b>             | <b>Rate</b> |
|                            |   | 437,769    | <b>Preferred Stock - 1.4%</b>          |   |             |
| <b>Sweden - 1.2%</b>       |   |            | <b>Brazil - 1.2%</b>                   |   |             |
| 60,751                     | Cloetta AB, Class B   | 250,224    | 10,676                                 | Banco ABC Brasil SA                     | 0.54%       |
| 2,852                      | NCC AB, Class B   | 80,333     | 149,592                                | Cia de Saneamento do Parana             | 0.01        |
| 17,966                     | Peab AB   | 217,945    |  |   |             |
|                            |   | 548,502    |  |   |             |
|                            |   |            | <b>Germany - 0.2%</b>                  |   |             |
|                            |   |            | 3,029                                  | Jungheinrich AG                         | 0.44        |
|                            |   |            | Total Preferred Stock (Cost \$668,114) |   |             |
|                            |   |            | <b>654,949</b>                         |   |             |
|                            |   |            | <b>Total Equity Securities</b>         |   |             |
|                            |   |            | <b>(Cost \$40,654,729)</b>             |   |             |
|                            |   |            | <b>44,988,813</b>                      |   |             |

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

| <u>Shares</u>                                     | <u>Security Description</u>  | <u>Value</u>         |     |   |
|---|--|----------------------|-----|---|
| <b>Investment Companies - 0.5%</b>                |  |                      |     |   |
| 554,900   | Digital Telecommunications Infrastructure Fund (Cost \$192,293)  | \$ <u>233,591</u>    |     |   |
| <b>Money Market Fund - 1.6%</b>                   |  |                      |     |   |
| 769,574   | BlackRock Liquidity Funds FedFund Portfolio, Institutional Shares, 0.86% <sup>(c)</sup> (Cost \$769,574) | <u>769,574</u>       | (a) | Non-income producing security.  |
|   |  |                      | (b) | Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$607,655 or 1.3% of net assets. |
|   |  |                      | (c) | Variable rate security. Rate presented is as of June 30, 2017.  |
| <b>Total Investments - 99.2%</b>                  |  |                      |     |   |
|   | <b>(Cost \$41,616,596)*</b>  | <b>\$ 45,991,978</b> |     |   |
| <b>Other Assets &amp; Liabilities, Net - 0.8%</b> |  |                      |     |   |
|   |  | <u>348,200</u>       |     |   |
| <b>Net Assets - 100.0%</b>                        |  |                      |     |   |
|   |  | <u>\$ 46,340,178</u> |     |   |
|   |  |                      |     | Gross Unrealized Appreciation   |
|   |  |                      |     | \$ 4,615,710  |
|   |  |                      |     | Gross Unrealized Depreciation   |
|   |  |                      |     | (1,803,525)   |
|   |  |                      |     | Net Unrealized Appreciation   |
|   |  |                      |     | <u>\$ 2,812,185</u>   |

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used in the table below, please refer to the Security Valuation section in Note 2 of the accompanying Notes to Financial Statements.

The following is a summary of the inputs used to value the Fund's investments as of June 30, 2017.

|                                   | <u>Level 1</u>       | <u>Level 2</u>    | <u>Level 3</u> | <u>Total</u>         |
|-----------------------------------|----------------------|-------------------|----------------|----------------------|
| <b>Investments At Value</b>       |                      |                   |                |                      |
| <b>Common Stock</b>               |                      |                   |                |                      |
| Australia                         | \$ 1,228,432         | \$ -              | \$ -           | \$ 1,228,432         |
| Austria                           | 824,783              | -                 | -              | 824,783              |
| Belgium                           | 328,514              | -                 | -              | 328,514              |
| Brazil                            | 438,281              | -                 | -              | 438,281              |
| Canada                            | 3,378,607            | -                 | -              | 3,378,607            |
| China                             | 249,716              | -                 | -              | 249,716              |
| Denmark                           | 699,921              | -                 | -              | 699,921              |
| Finland                           | 428,671              | -                 | -              | 428,671              |
| France                            | 142,489              | -                 | -              | 142,489              |
| Germany                           | 2,681,474            | -                 | -              | 2,681,474            |
| Hong Kong                         | 585,867              | -                 | -              | 585,867              |
| Indonesia                         | 210,894              | -                 | -              | 210,894              |
| Ireland                           | 414,611              | -                 | -              | 414,611              |
| Italy                             | 1,527,003            | -                 | -              | 1,527,003            |
| Japan                             | 12,077,232           | -                 | -              | 12,077,232           |
| Malta                             | 110,054              | -                 | -              | 110,054              |
| Mexico                            | 672,529              | -                 | -              | 672,529              |
| Netherlands                       | 1,478,006            | -                 | -              | 1,478,006            |
| Norway                            | 606,185              | -                 | -              | 606,185              |
| Panama                            | 463,708              | -                 | -              | 463,708              |
| Philippines                       | 488,979              | -                 | -              | 488,979              |
| Portugal                          | 424,371              | -                 | -              | 424,371              |
| Singapore                         | 419,003              | -                 | -              | 419,003              |
| South Africa                      | 211,986              | -                 | -              | 211,986              |
| South Korea                       | 2,089,733            | -                 | -              | 2,089,733            |
| Spain                             | 437,769              | -                 | -              | 437,769              |
| Sweden                            | 548,502              | -                 | -              | 548,502              |
| Switzerland                       | 1,411,982            | -                 | -              | 1,411,982            |
| Taiwan                            | 2,577,082            | -                 | -              | 2,577,082            |
| United Arab Emirates              | 351,039              | -                 | -              | 351,039              |
| United Kingdom                    | 6,826,441            | -                 | -              | 6,826,441            |
| <b>Preferred Stock</b>            |                      |                   |                |                      |
| Brazil                            | 544,226              | -                 | -              | 544,226              |
| Germany                           | 110,723              | -                 | -              | 110,723              |
| Investment Companies              | 233,591              | -                 | -              | 233,591              |
| Money Market Fund                 | -                    | 769,574           | -              | 769,574              |
| <b>Total Investments At Value</b> | <u>\$ 45,222,404</u> | <u>\$ 769,574</u> | <u>\$ -</u>    | <u>\$ 45,991,978</u> |

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value.

|  | <u>Common Stock</u> |
|--|---------------------|
| <b>Balance as of June 30, 2016</b>   | \$ 23,316           |
| Tender Offer   | (21,131)            |
| Sales  | (1,368)             |
| Realized Gain / (Loss)   | 1,439               |
| Change in Unrealized Appreciation/ (Depreciation)  | (2,256)             |
| <b>Balance as of June 30, 2017</b>   | <u>\$ -</u>         |
| Net change in unrealized appreciation (depreciation) from investments held as of June 30, 2017 | <u>\$ -</u>         |

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1, Level 2 and Level 3 for the year ended June 30, 2017.

**PORTFOLIO HOLDINGS**

**% of Total Investments**

|                      |               |
|----------------------|---------------|
| Australia            | 2.7%          |
| Austria              | 1.8%          |
| Belgium              | 0.7%          |
| Brazil               | 1.0%          |
| Canada               | 7.3%          |
| China                | 0.5%          |
| Denmark              | 1.5%          |
| Finland              | 0.9%          |
| France               | 0.3%          |
| Germany              | 5.8%          |
| Hong Kong            | 1.3%          |
| Indonesia            | 0.5%          |
| Ireland              | 0.9%          |
| Italy                | 3.3%          |
| Japan                | 26.3%         |
| Malta                | 0.2%          |
| Mexico               | 1.5%          |
| Netherlands          | 3.2%          |
| Norway               | 1.3%          |
| Panama               | 1.0%          |
| Philippines          | 1.1%          |
| Portugal             | 0.9%          |
| Singapore            | 0.9%          |
| South Africa         | 0.5%          |
| South Korea          | 4.5%          |
| Spain                | 1.0%          |
| Sweden               | 1.2%          |
| Switzerland          | 3.1%          |
| Taiwan               | 5.6%          |
| United Arab Emirates | 0.8%          |
| United Kingdom       | 14.8%         |
| Preferred Stock      | 1.4%          |
| Investment Companies | 0.5%          |
| Money Market Fund    | 1.7%          |
|                      | <u>100.0%</u> |

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**JUNE 30, 2017**

**ASSETS**

|   |                   |
|---|-------------------|
| Total investments, at value (Cost \$41,616,596) | \$ 45,991,978     |
| Foreign currency (Cost \$68,391)                | 69,778            |
| Receivables:                                    |                   |
| Fund shares sold                                | 13,878            |
| Investment securities sold                      | 1,422,240         |
| Dividends                                       | 145,543           |
| Prepaid expenses                                | 16,737            |
| Total Assets                                    | <u>47,660,154</u> |

**LIABILITIES**

|                                   |                  |
|-----------------------------------|------------------|
| Payables:                         |                  |
| Investment securities purchased   | 1,212,544        |
| Fund shares redeemed              | 2,500            |
| Foreign capital gains tax payable | 4,394            |
| Accrued Liabilities:              |                  |
| Investment adviser fees           | 44,288           |
| Trustees' fees and expenses       | 135              |
| Fund services fees                | 9,384            |
| Other expenses                    | 46,731           |
| Total Liabilities                 | <u>1,319,976</u> |

**NET ASSETS**

\$ 46,340,178

**COMPONENTS OF NET ASSETS**

|                                     |                      |
|-------------------------------------|----------------------|
| Paid-in capital                     | \$ 44,996,467        |
| Undistributed net investment income | 150,239              |
| Accumulated net realized loss       | (3,181,225)          |
| Net unrealized appreciation         | 4,374,697            |
| <b>NET ASSETS</b>                   | <u>\$ 46,340,178</u> |

**SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)**

4,584,587

**NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE\***

\$ 10.11

\* Shares redeemed or exchanged within 60 days of purchase are charged a 1.00% redemption fee.

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED JUNE 30, 2017**

**INVESTMENT INCOME**

|   |                  |
|---|------------------|
| Dividend income (Net of foreign withholding taxes of \$156,858) | \$ 1,065,960     |
| Total Investment Income   | <u>1,065,960</u> |

**EXPENSES**

|                                     |                  |
|-------------------------------------|------------------|
| Investment adviser fees             | 530,627          |
| Fund services fees                  | 150,075          |
| Shareholder service fees            | 43,505           |
| Custodian fees                      | 67,493           |
| Registration fees                   | 17,389           |
| Professional fees                   | 41,949           |
| Trustees' fees and expenses         | 4,092            |
| Other expenses                      | <u>47,220</u>    |
| Total Expenses                      | 902,350          |
| Fees waived and expenses reimbursed | <u>(239,010)</u> |
| Net Expenses                        | <u>663,340</u>   |

|                              |                |
|------------------------------|----------------|
| <b>NET INVESTMENT INCOME</b> | <u>402,620</u> |
|------------------------------|----------------|

**NET REALIZED AND UNREALIZED GAIN (LOSS)**

|  |                     |
|--|---------------------|
| Net realized gain (loss) on:                             |                     |
| Investments  | 1,338,793           |
| Foreign currency transactions                            | <u>(53,865)</u>     |
| Net realized gain  | <u>1,284,928</u>    |
| Net change in unrealized appreciation (depreciation) on: |                     |
| Investments  | 5,521,386           |
| Deferred foreign capital gains taxes                     | 1,927               |
| Foreign currency translations                            | <u>5,111</u>        |
| Net change in unrealized appreciation (depreciation)     | <u>5,528,424</u>    |
| <b>NET REALIZED AND UNREALIZED GAIN</b>                  | <u>6,813,352</u>    |
| <b>INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>  | <u>\$ 7,215,972</u> |

**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS**

|   | <b>For the Year Ended<br/>June 30, 2017</b> | <b>For the Year Ended<br/>June 30, 2016</b> |
|---|---|---|
| <b>OPERATIONS</b>   |   |   |
| Net investment income   | \$ 402,620                                  | \$ 597,994                                  |
| Net realized gain (loss)  | 1,284,928                                   | (2,008,874)                                 |
| Net change in unrealized appreciation (depreciation)              | 5,528,424                                   | (1,939,827)                                 |
| Increase (Decrease) in Net Assets Resulting from Operations       | <u>7,215,972</u>                            | <u>(3,350,707)</u>                          |
| <b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>                         |   |   |
| Net investment income   | <u>(871,425)</u>                            | <u>(1,348,810)</u>                          |
| <b>CAPITAL SHARE TRANSACTIONS</b>                                 |   |   |
| Sale of shares  | 4,877,347                                   | 6,334,372                                   |
| Reinvestment of distributions                                     | 866,120                                     | 1,348,810                                   |
| Redemption of shares  | (8,423,154)                                 | (6,962,643)                                 |
| Redemption fees   | 851   | 308   |
| Increase (Decrease) in Net Assets from Capital Share Transactions | <u>(2,678,836)</u>                          | <u>720,847</u>                              |
| Increase (Decrease) in Net Assets                                 | <u>3,665,711</u>                            | <u>(3,978,670)</u>                          |
| <b>NET ASSETS</b>   |   |   |
| Beginning of Year   | <u>42,674,467</u>                           | <u>46,653,137</u>                           |
| End of Year (Including line (a))                                  | <u>\$ 46,340,178</u>                        | <u>\$ 42,674,467</u>                        |
| <b>SHARE TRANSACTIONS</b>   |   |   |
| Sale of shares  | 512,174                                     | 707,267                                     |
| Reinvestment of distributions                                     | 95,178                                      | 149,701                                     |
| Redemption of shares  | (882,465)                                   | (763,690)                                   |
| Increase (Decrease) in Shares                                     | <u>(275,113)</u>                            | <u>93,278</u>                               |
| (a) Undistributed net investment income                           | <u>\$ 150,239</u>                           | <u>\$ 360,373</u>                           |

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**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**FINANCIAL HIGHLIGHTS**

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

|   | <b>For the Year Ended<br/>June 30, 2017</b> | <b>For the Year Ended<br/>June 30, 2016</b> | <b>July 18, 2014 (a) through<br/>June 30, 2015</b> |
|---|---|---|--|
| <b>INSTITUTIONAL SHARES</b>                 |   |   |  |
| <b>NET ASSET VALUE, Beginning of Period</b> | \$ 8.78                                     | \$ 9.79                                     | \$ 10.00   |
| <b>INVESTMENT OPERATIONS</b>                |   |   |  |
| Net investment income (b)                   | 0.09  | 0.12  | 0.08   |
| Net realized and unrealized gain (loss)     | <u>1.43</u>                                 | <u>(0.85)</u>                               | <u>(0.27)</u>                                      |
| Total from Investment Operations            | <u>1.52</u>                                 | <u>(0.73)</u>                               | <u>(0.19)</u>                                      |
| <b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>   |   |   |  |
| Net investment income                       | <u>(0.19)</u>                               | <u>(0.28)</u>                               | <u>(0.02)</u>                                      |
| <b>REDEMPTION FEES (b)</b>                  | <u>—(c)</u>                                 | <u>—(c)</u>                                 | <u>—(c)</u>  |
| <b>NET ASSET VALUE, End of Period</b>       | <u>\$ 10.11</u>                             | <u>\$ 8.78</u>                              | <u>\$ 9.79</u>                                     |
| <b>TOTAL RETURN</b>                         | 17.57%                                      | (7.57)%                                     | (1.91)%(d)   |
| <b>RATIOS/SUPPLEMENTARY DATA</b>            |   |   |  |
| Net Assets at End of Period (000's omitted) | \$46,340                                    | \$42,674                                    | \$46,653   |
| Ratios to Average Net Assets:               |   |   |  |
| Net investment income                       | 0.91%                                       | 1.35%                                       | 0.91%(e)   |
| Net expenses                                | 1.50%                                       | 1.50%                                       | 1.50%(e)   |
| Gross expenses (f)                          | 2.04%                                       | 2.15%                                       | 2.40%(e)   |
| <b>PORTFOLIO TURNOVER RATE</b>              | 105%  | 104%  | 112%(d)  |

- 
- (a) Commencement of operations.  
(b) Calculated based on average shares outstanding during each period.  
(c) Less than \$0.01 per share.  
(d) Not annualized.  
(e) Annualized.  
(f) Reflects the expense ratio excluding any waivers and/or reimbursements.

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**ACUITAS US MICROCAP FUND**

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

JUNE 30, 2017

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Dear Shareholders:

As of June 30, 2017, The Acuitas US Microcap Fund's (the "Fund") net asset value was \$12.57 per share with total net assets at \$87.7 million. Calendar year-to-date, the Fund returned 1.13%, compared to 4.23% for the Russell Microcap Index (the "Index"). This represents 310 basis points of underperformance vs. the Index so far in 2017. Since the July 18, 2014 inception, the Fund has returned an annualized 9.82%, outperforming the annualized Index return of 8.37% by 145 basis points over the same time period.

The Acuitas US Microcap Fund uses a multi-manager structure to invest in publicly traded domestic microcap companies. We tend to think of microcaps as stocks with market caps of \$1 billion or less. The Fund invests in equity securities and does not use derivative instruments.

In June, the Russell Indexes went through their annual reconstitution process. The most obvious effect for Microcap is the decrease in market cap, as the largest names were graduated into the Small Cap Russell 2000 Index. The weighted average market cap at quarter end for the Microcap Index was right around \$500 mm, which represents a meaningful decline from before reconstitution.

Economic data has been a bit mixed lately, led by the announcement of first quarter GDP. The US economy grew at its weakest pace in three years from January through March, as consumer spending barely increased and businesses failed to build inventories. Offsetting the slow growth was a tight labor market and consumer confidence that remains high. The unemployment rate within the U.S. fell to a 16-year low of 4.3% during the second quarter. It will be important to monitor wage pressures from these low levels of unemployment. Investors will also need to keep an eye on inflation levels, as The Federal Reserve reiterated their intention to remain active. While it is clear that the labor market in the U.S. is tight, the bigger concern is GDP and the U.S. economy which remains in a relatively low growth phase. Political setbacks around the effort to replace the Affordable Care Act have taken center stage of late and stocks briefly plunged when it emerged that the president had asked FBI Director James Comey to end his investigation into the Trump campaign's ties to Russia. While stocks rebounded quickly, investors were clearly unsure if the President would be able to keep his promise of sweeping reforms.

From a sector standpoint, the biggest contributors to the Fund over the last 12 months were health care, materials & processing and energy. The driver of the excess returns in these sectors was strong stock selection, as sector allocations to these three actually detracted from relative returns. Among the negative contributors, stock misses within consumer discretionary and financial services detracted from the Fund's relative performance versus the Index. In addition, the Fund's underweight to financial services once again proved to be a performance drag over the last 12 months.

A few of the leaders for the Fund were:

- **Addus HomeCare Corp.** – Addus is a provider of personal care and assistance with daily living activities for adults. Last year the stock was a detractor from Fund performance, however the stock bounced back over the past year and posted strong earnings each quarter. Overall, Addus gained 113%, adding 224 basis points to the Fund's returns.
- **Chase Corp.** – Chase Corporation is a specialty manufacturer of protective materials used in construction, such as pipe coating tape, waterproofing materials, and valve protectants. The company beat earnings estimates in all four quarters during the year and had a total return of nearly 83%. Overall the stock added 118 basis points to the Fund's returns.
- **America's Car-Mart, Inc.** – America's Car-Mart is an automotive retailer specializing in integrating auto sales and financing in the used car market. The stock was a meaningful weight within the Fund and advanced nearly 38%, contributing 106 basis points to the Fund's returns.

A few of the laggards for the Fund were:

- **MDC Partners, Inc.** – MDC Partners is an advertising and marketing provider that struggled during the year,

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**ACUITAS US MICROCAP FUND**

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

JUNE 30, 2017

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particularly in the second half of 2016. For the year, the stock's total return for the Fund was -64% and detracted -101 basis points from the Fund's returns.

- **Sequential Brands Group** – Sequential Brands is involved in promotion, marketing, and licensing of consumer companies such as Martha Stewart, AND1, and Jessica Simpson. The stock fell -52% and detracted -47 basis points from the Fund's returns.
- **TravelCenters of America LLC** – TravelCenters is an operator and franchiser of travel centers that sell gasoline, offer truck repair/maintenance services, and food/beverage items. The company posted a few disappointing quarters to start 2017 and ultimately declined -50% over the trailing one-year time period, detracting -34 basis points from the Fund's returns.

See the Schedule of Investments for more information.

As of June 30, 2017, the Fund's sector allocation, as a percentage of common stock, was:

|                        | <u>Acuitas US Microcap Fund</u> | <u>Russell Microcap® Index</u> |
|------------------------|---------------------------------|--------------------------------|
| Health Care            | 21.3%                           | 20.7%                          |
| Producer Durables      | 18.0%                           | 11.2%                          |
| Financial Services     | 18.0%                           | 29.7%                          |
| Consumer Discretionary | 15.9%                           | 12.3%                          |
| Technology             | 13.5%                           | 12.0%                          |
| Materials & Processing | 6.1%                            | 4.8%                           |
| Energy                 | 4.7%                            | 5.0%                           |
| Consumer Staples       | 1.5%                            | 2.2%                           |
| Utilities              | 1.0%                            | 2.1%                           |

As of June 30, 2017, the 10 largest positions in the Fund, as a percentage of common stock, were:

| <u>Name</u>                      | <u>Weight</u> |
|----------------------------------|---------------|
| Addus HomeCare Corp.             | 3.3%          |
| Atlas Financial Holdings, Inc.   | 2.7%          |
| America's Car-Mart, Inc.         | 2.7%          |
| UFP Technologies, Inc.           | 2.6%          |
| Utah Medical Products, Inc.      | 2.4%          |
| Transcat, Inc.                   | 2.3%          |
| Winmark Corp.                    | 2.3%          |
| Graham Corp.                     | 2.2%          |
| Natural Gas Services Group, Inc. | 1.6%          |
| Chase Corp.                      | 1.6%          |

Rising interest rates are one potential threat to the meteoric rise of the market. Another risk is a weaker half for earnings after a strong first half, which could also lead to a reset. On the political front, uncertainty certainly abounds as the prospects for significant tax cuts, infrastructure spending and financial reform continue to dim. In 18 of the last 20 years we have had a greater than 10% pullback during the calendar year. The market hasn't seen this since February 2016. While we are by no means calling a turn in the market, we do expect market volatility to rise and valuations to come down. Volatility will be a positive for active management in our view. It will increase the spread between the best and worst stocks and reduce the appetite for passive investments.

The characteristics leading the market have generally not been friendly for us. Active small-cap managers have been crushed over the trailing one-year period, particularly value managers. Although we think we can overcome active management headwinds over the long-term, we were not immune to the underperformance during this period. As we look forward to greater variation of stock returns, we believe this improved environment for active management will benefit investors in the least efficient asset classes where we operate. In any event, the days of above average returns with little risk are clearly numbered and we believe we are well positioned to benefit going forward.

We thank you for your continued support.

Best Regards,

A handwritten signature in black ink, appearing to read 'Chris Tessin', written in a cursive style.

Christopher Tessin

**IMPORTANT RISKS AND DISCLOSURE:**

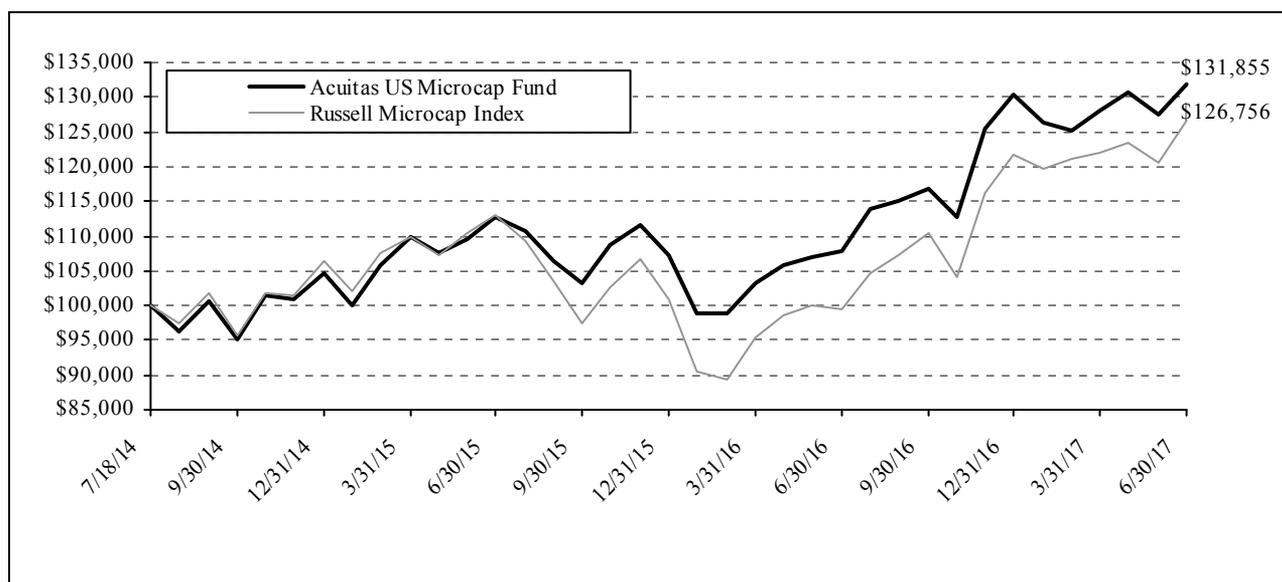
Equity stocks of microcap companies carry greater risk, and more volatility than equity stocks of larger, more established companies. There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

The views in this report were those of the Fund managers as of June 30, 2017 and may not reflect their views on the date this report is first published or any time thereafter. These views are intended to assist shareholders in understanding their investment in the International Fund and do not constitute investment advice. This letter may contain discussions about certain investments both held and not held in the portfolio. All current and future holdings are subject to risk and to change.

**ACUITAS US MICROCAP FUND**  
**PERFORMANCE CHART AND ANALYSIS (Unaudited)**  
**JUNE 30, 2017**

The following chart reflects the change in the value of a hypothetical \$100,000 investment in Institutional Shares, including reinvested dividends and distributions, in Acuitas US Microcap Fund (the "Fund") compared with the performance of the benchmark, Russell Microcap® Index ("Russell Microcap"), since inception. The Russell Microcap is an unmanaged index that measures the performance of the microcap segment of the US equity market, which consists of the smallest 1,000 securities in the Russell 2000® Index and the next 1,000 smallest eligible securities by market capitalization. The total return of the Russell Microcap 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 Russell Microcap does not include expenses. The Fund is professionally managed, while the Russell Microcap is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$100,000 Investment  
 Acuitas US Microcap Fund vs. Russell Microcap Index**



**Average Annual Total Returns**

**Periods Ended June 30, 2017**

Acuitas US Microcap Fund  
 Russell Microcap Index

**One Year**

22.21%  
 27.61%

**Since Inception**

**(July 18, 2014)**

9.82%  
 8.37%

*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. For the most recent month-end performance, please call (844) 805-5628. Shares redeemed within 60 days of purchase will be charged a 1.00% redemption fee. As stated in the Fund's prospectus, the annual operating expense ratios (gross) for Institutional and Investor Shares are 2.06% and 2.31%, 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 (excluding all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses, proxy expenses and extraordinary expenses) to 1.70% and 1.95% for Institutional and Investor Shares, respectively, through November 30, 2017. 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, is approved by the Board and does not cause the total annual fund operating expenses after fee waiver and/or expense reimbursement of a class to exceed the (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived. 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.*

**ACUITAS US MICROCAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

| <b>Shares</b>                         | <b>Security Description</b>                        | <b>Value</b>      | <b>Shares</b>                            | <b>Security Description</b>                                | <b>Value</b>      |
|---------------------------------------|--|-------------------|--|--|-------------------|
| <b>Common Stock - 97.3%</b>           |  |                   | 10,400                                   | First Internet Bancorp                                     | \$ 291,720        |
| <b>Consumer Discretionary - 15.6%</b> |  |                   | 11,500                                   | Flushing Financial Corp.                                   | 324,185           |
| 60,440                                | America's Car-Mart, Inc. <sup>(a)</sup>            | \$ 2,351,116      | 43,940                                   | Fortress Transportation & Infrastructure Investors, LLC    | 700,404           |
| 44,100                                | Beazer Homes USA, Inc. <sup>(a)</sup>              | 605,052           | 10,178                                   | Health Insurance Innovations, Inc., Class A <sup>(a)</sup> | 239,183           |
| 13,900                                | Big 5 Sporting Goods Corp.                         | 181,395           | 14,500                                   | Horizon Bancorp  | 382,075           |
| 21,000                                | Bridgepoint Education, Inc. <sup>(a)</sup>         | 309,960           | 23,900                                   | MainSource Financial Group, Inc.                           | 800,889           |
| 25,718                                | Carriage Services, Inc.                            | 693,357           | 5,700                                    | Meta Financial Group, Inc.                                 | 507,300           |
| 7,000                                 | Century Communities, Inc. <sup>(a)</sup>           | 173,600           | 17,000                                   | MTGE Investment Corp. REIT                                 | 319,600           |
| 13,710                                | Conn's, Inc. <sup>(a)</sup>                        | 261,861           | 65,459                                   | NMI Holdings, Inc., Class A <sup>(a)</sup>                 | 749,506           |
| 15,939                                | CRA International, Inc.                            | 578,904           | 35,200                                   | OFG Bancorp  | 352,000           |
| 103,785                               | Crown Crafts, Inc.                                 | 716,117           | 11,400                                   | Old Line Bancshares, Inc.                                  | 321,252           |
| 75,493                                | Entravision Communications Corp., Class A          | 498,254           | 19,200                                   | Peapack Gladstone Financial Corp.                          | 600,768           |
| 43,135                                | Horizon Global Corp. <sup>(a)</sup>                | 619,419           | 14,500                                   | PennyMac Financial Services, Inc., Class A <sup>(a)</sup>  | 242,150           |
| 18,300                                | K12, Inc. <sup>(a)</sup>                           | 327,936           | 13,950                                   | Premier Financial Bancorp, Inc.                            | 287,509           |
| 10,300                                | Lifetime Brands, Inc.                              | 186,945           | 47,198                                   | Pzena Investment Management, Inc., Class A                 | 479,532           |
| 18,900                                | M/I Homes, Inc. <sup>(a)</sup>                     | 539,595           |  |  | <u>15,445,403</u> |
| 10,600                                | MarineMax, Inc. <sup>(a)</sup>                     | 207,230           | <b>Health Care - 20.2%</b>               |  |                   |
| 9,400                                 | Perry Ellis International, Inc. <sup>(a)</sup>     | 182,924           | 6,659                                    | Aclaris Therapeutics, Inc. <sup>(a)</sup>                  | 180,592           |
| 5,021                                 | Red Robin Gourmet Burgers, Inc. <sup>(a)</sup>     | 327,620           | 78,300                                   | Addus HomeCare Corp. <sup>(a)</sup>                        | 2,912,760         |
| 15,975                                | Saga Communications, Inc., Class A                 | 730,856           | 4,500                                    | Almost Family, Inc. <sup>(a)</sup>                         | 277,425           |
| 10,500                                | Stoneridge, Inc. <sup>(a)</sup>                    | 161,805           | 21,968                                   | AMAG Pharmaceuticals, Inc. <sup>(a)</sup>                  | 404,211           |
| 14,200                                | The Marcus Corp.                                   | 428,840           | 29,100                                   | Applied Genetic Technologies Corp. <sup>(a)</sup>          | 148,410           |
| 77,659                                | TravelCenters of America, LLC <sup>(a)</sup>       | 318,402           | 28,300                                   | Ardelyx, Inc. <sup>(a)</sup>                               | 144,330           |
| 22,599                                | William Lyon Homes, Class A <sup>(a)</sup>         | 545,540           | 30,979                                   | Avadel Pharmaceuticals PLC, ADR <sup>(a)</sup>             | 341,698           |
| 15,459                                | Winmark Corp.                                      | 1,993,438         | 4,500                                    | BioSpecifics Technologies Corp. <sup>(a)</sup>             | 222,795           |
| 12,000                                | Winnebago Industries, Inc.                         | 420,000           | 39,884                                   | BioTelemetry, Inc. <sup>(a)</sup>                          | 1,334,120         |
| 38,600                                | ZAGG, Inc. <sup>(a)</sup>                          | 333,890           | 16,900                                   | Calithera Biosciences, Inc. <sup>(a)</sup>                 | 250,965           |
|                                       |  | <u>13,694,056</u> | 30,739                                   | Capital Senior Living Corp. <sup>(a)</sup>                 | 467,540           |
| <b>Consumer Staples - 1.4%</b>        |  |                   | 17,600                                   | ChemoCentryx, Inc. <sup>(a)</sup>                          | 164,736           |
| 12,732                                | Core-Mark Holding Co., Inc.                        | 420,920           | 56,956                                   | Cross Country Healthcare, Inc. <sup>(a)</sup>              | 735,302           |
| 3,500                                 | John B Sanfilippo & Son, Inc. <sup>(a)</sup>       | 220,885           | 24,890                                   | Dynavax Technologies Corp. <sup>(a)</sup>                  | 240,189           |
| 6,600                                 | Medifast, Inc.                                     | 273,702           | 5,700                                    | Enanta Pharmaceuticals, Inc. <sup>(a)</sup>                | 205,086           |
| 10,682                                | Omega Protein Corp.                                | 191,208           | 60,500                                   | Enzo Biochem, Inc. <sup>(a)</sup>                          | 667,920           |
| 4,800                                 | Seneca Foods Corp., Class A <sup>(a)</sup>         | 149,040           | 14,453                                   | Fluidigm Corp. <sup>(a)</sup>                              | 58,390            |
|                                       |  | <u>1,255,755</u>  | 50,319                                   | Fortress Biotech, Inc. <sup>(a)</sup>                      | 239,015           |
| <b>Energy - 4.6%</b>                  |  |                   | 67,400                                   | Harvard Bioscience, Inc. <sup>(a)</sup>                    | 171,870           |
| 124,400                               | Abraxas Petroleum Corp. <sup>(a)</sup>             | 201,528           | 3,200                                    | Heska Corp. <sup>(a)</sup>                                 | 326,624           |
| 19,200                                | Archrock, Inc.                                     | 218,880           | 85,200                                   | MEI Pharma, Inc. <sup>(a)</sup>                            | 203,628           |
| 44,800                                | Cloud Peak Energy, Inc. <sup>(a)</sup>             | 158,144           | 25,524                                   | National Research Corp., Class A                           | 686,596           |
| 31,200                                | Dawson Geophysical Co. <sup>(a)</sup>              | 122,304           | 18,219                                   | National Research Corp., Class B                           | 867,498           |
| 56,525                                | Natural Gas Services Group, Inc. <sup>(a)</sup>    | 1,404,646         | 101,458                                  | NeoGenomics, Inc. <sup>(a)</sup>                           | 909,064           |
| 81,577                                | Newpark Resources, Inc. <sup>(a)</sup>             | 599,591           | 43,395                                   | Neos Therapeutics, Inc. <sup>(a)</sup>                     | 316,783           |
| 25,800                                | Renewable Energy Group, Inc. <sup>(a)</sup>        | 334,110           | 37,900                                   | OraSure Technologies, Inc. <sup>(a)</sup>                  | 654,154           |
| 32,700                                | SunCoke Energy, Inc. <sup>(a)</sup>                | 356,430           | 7,701                                    | Paratek Pharmaceuticals, Inc. <sup>(a)</sup>               | 185,594           |
| 32,279                                | Unit Corp. <sup>(a)</sup>                          | 604,586           | 23,700                                   | Progenics Pharmaceuticals, Inc. <sup>(a)</sup>             | 160,923           |
|                                       |  | <u>4,000,219</u>  | 14,402                                   | Repligen Corp. <sup>(a)</sup>                              | 596,819           |
| <b>Financial Services - 17.6%</b>     |  |                   | 38,876                                   | SeaSpine Holdings Corp. <sup>(a)</sup>                     | 447,852           |
| 37,400                                | Arbor Realty Trust, Inc. REIT                      | 311,916           | 9,270                                    | Supernus Pharmaceuticals, Inc. <sup>(a)</sup>              | 399,537           |
| 23,000                                | Ashford Hospitality Prime, Inc. REIT               | 236,670           | 93,279                                   | Tandem Diabetes Care, Inc. <sup>(a)</sup>                  | 74,623            |
| 157,795                               | Atlas Financial Holdings, Inc. <sup>(a)</sup>      | 2,351,145         | 28,830                                   | Utah Medical Products, Inc.                                | 2,087,292         |
| 16,100                                | Berkshire Hills Bancorp, Inc.                      | 565,915           | 10,900                                   | Versartis, Inc. <sup>(a)</sup>                             | 190,205           |
| 20,675                                | Cass Information Systems, Inc.                     | 1,357,107         | 33,753                                   | ViewRay, Inc. <sup>(a)</sup>                               | 218,382           |
| 15,900                                | Central Valley Community Bancorp                   | 352,344           | 10,377                                   | Xencor, Inc. <sup>(a)</sup>                                | 219,058           |
| 9,000                                 | Cherry Hill Mortgage Investment Corp. REIT         | 166,230           |  |  | <u>17,711,986</u> |
| 26,900                                | Crawford & Co., Class B                            | 250,170           | <b>Materials &amp; Processing - 6.0%</b> |  |                   |
| 2,991                                 | Diamond Hill Investment Group, Inc. <sup>(a)</sup> | 596,405           | 13,025                                   | Chase Corp.  | 1,389,767         |
| 16,200                                | Enterprise Financial Services Corp.                | 660,960           | 26,615                                   | Culp, Inc.   | 864,988           |
| 10,400                                | Federal Agricultural Mortgage Corp.                | 672,880           | 25,103                                   | KMG Chemicals, Inc.  | 1,221,763         |
| 16,700                                | Financial Institutions, Inc.                       | 497,660           | 6,700                                    | Patrick Industries, Inc. <sup>(a)</sup>                    | 488,095           |
| 6,400                                 | First Connecticut Bancorp, Inc.                    | 164,160           | 38,099                                   | Quanex Building Products Corp.                             | 805,794           |
| 12,600                                | First Defiance Financial Corp.                     | 663,768           |  |  |                   |

**ACUITAS US MICROCAP FUND**  
**SCHEDULE OF INVESTMENTS**  
**JUNE 30, 2017**

| Shares                                    | Security Description  | Value                    |
|---|---|--------------------------|
| 5,895                                     | US Concrete, Inc. <sup>(a)</sup>  | \$ 463,052               |
|   |   | <u>5,233,459</u>         |
| <b>Producer Durables - 17.6%</b>          |   |                          |
| 6,400                                     | Argan, Inc.   | 384,000                  |
| 29,400                                    | Casella Waste Systems, Inc. <sup>(a)</sup>  | 482,454                  |
| 12,200                                    | Columbus McKinnon Corp.   | 310,124                  |
| 18,000                                    | Commercial Vehicle Group, Inc. <sup>(a)</sup>   | 152,100                  |
| 32,700                                    | Control4 Corp. <sup>(a)</sup>   | 641,247                  |
| 12,800                                    | Ducommun, Inc. <sup>(a)</sup>   | 404,224                  |
| 21,427                                    | DXP Enterprises, Inc. <sup>(a)</sup>  | 739,231                  |
| 14,900                                    | Global Brass & Copper Holdings, Inc.  | 455,195                  |
| 14,565                                    | GP Strategies Corp. <sup>(a)</sup>  | 384,516                  |
| 98,893                                    | Graham Corp.  | 1,944,236                |
| 81,055                                    | Great Lakes Dredge & Dock Corp. <sup>(a)</sup>  | 348,537                  |
| 9,200                                     | Heidrick & Struggles International, Inc.  | 200,100                  |
| 31,223                                    | Kornit Digital, Ltd. <sup>(a)</sup>   | 604,165                  |
| 8,700                                     | Lydall, Inc. <sup>(a)</sup>   | 449,790                  |
| 9,794                                     | Marten Transport, Ltd.  | 268,356                  |
| 32,480                                    | SP Plus Corp. <sup>(a)</sup>  | 992,264                  |
| 58,720                                    | Thermon Group Holdings, Inc. <sup>(a)</sup>   | 1,125,662                |
| 168,175                                   | Transcat, Inc. <sup>(a)</sup>   | 2,043,326                |
| 20,264                                    | Tutor Perini Corp. <sup>(a)</sup>   | 582,590                  |
| 79,929                                    | UFP Technologies, Inc. <sup>(a)</sup>   | 2,261,991                |
| 14,000                                    | Vectrus, Inc. <sup>(a)</sup>  | 452,480                  |
| 5,100                                     | VSE Corp.   | 229,398                  |
|   |   | <u>15,455,986</u>        |
| <b>Technology - 13.3%</b>                 |   |                          |
| 123,705                                   | American Software, Inc., Class A  | 1,272,925                |
| 55,200                                    | AXT, Inc. <sup>(a)</sup>  | 350,520                  |
| 36,900                                    | Blucora, Inc. <sup>(a)</sup>  | 782,280                  |
| 34,637                                    | CalAmp Corp. <sup>(a)</sup>   | 704,170                  |
| 34,334                                    | Callidus Software, Inc. <sup>(a)</sup>  | 830,883                  |
| 31,854                                    | Carbonite, Inc. <sup>(a)</sup>  | 694,417                  |
| 18,510                                    | Clearfield, Inc. <sup>(a)</sup>   | 244,332                  |
| 21,700                                    | Cohu, Inc.  | 341,558                  |
| 58,500                                    | DHI Group, Inc. <sup>(a)</sup>  | 166,725                  |
| 58,200                                    | Extreme Networks, Inc. <sup>(a)</sup>   | 536,604                  |
| 38,634                                    | Five9, Inc. <sup>(a)</sup>  | 831,404                  |
| 24,700                                    | Kimball Electronics, Inc. <sup>(a)</sup>  | 445,835                  |
| 101,200                                   | Limelight Networks, Inc. <sup>(a)</sup>   | 292,468                  |
| 29,400                                    | MagnaChip Semiconductor Corp. <sup>(a)</sup>  | 288,120                  |
| 19,700                                    | Nova Measuring Instruments, Ltd. <sup>(a)</sup>   | 435,173                  |
| 14,800                                    | Novanta, Inc. <sup>(a)</sup>  | 532,800                  |
| 16,700                                    | PCM, Inc. <sup>(a)</sup>  | 313,125                  |
| 35,460                                    | PDF Solutions, Inc. <sup>(a)</sup>  | 583,317                  |
| 18,974                                    | Perficient, Inc. <sup>(a)</sup>   | 353,675                  |
| 26,400                                    | Rudolph Technologies, Inc. <sup>(a)</sup>   | 603,240                  |
| 44,628                                    | The Meet Group, Inc. <sup>(a)</sup>   | 225,372                  |
| 40,567                                    | TrueCar, Inc. <sup>(a)</sup>  | 808,500                  |
|   |   | <u>11,637,443</u>        |
| <b>Utilities - 1.0%</b>                   |   |                          |
| 71,900                                    | Atlantic Power Corp. <sup>(a)</sup>   | 172,560                  |
| 47,622                                    | Boingo Wireless, Inc. <sup>(a)</sup>  | 712,425                  |
|   |   | <u>884,985</u>           |
| Total Common Stock<br>(Cost \$70,369,150) |   |                          |
|   |   | <u><b>85,319,292</b></u> |
| <b>Investment Companies - 0.7%</b>        |   |                          |
| 7,887                                     | SPDR S&P Biotech ETF (Cost \$440,138)   | <u><b>608,718</b></u>    |
| <b>Money Market Fund - 2.5%</b>           |   |                          |
| 2,220,330                                 | BlackRock Liquidity Funds FedFund Portfolio, Institutional Shares, 0.86% <sup>(b)</sup><br>(Cost \$2,220,330) | <u><b>2,220,330</b></u>  |

| Value  |
|--|
| <b>Total Investments - 100.5%</b><br><b>(Cost \$73,029,618)*</b> |
| <b>Other Assets &amp; Liabilities, Net - (0.5)%</b>              |
| <b>Net Assets - 100.0%</b>                                       |
| <u><b>\$ 88,148,340</b></u>                                      |
| <u><b>(458,011)</b></u>  |
| <u><b>\$ 87,690,329</b></u>                                      |

ADR American Depositary Receipt  
ETF Exchange Traded Fund  
LLC Limited Liability Company  
PLC Public Limited Company  
REIT Real Estate Investment Trust  
(a) Non-income producing security.  
(b) Variable rate security. Rate presented is as of June 30, 2017.

\* Cost for federal income tax purposes is \$73,518,469 and net unrealized appreciation consists of:

|                               |                      |
|-------------------------------|----------------------|
| Gross Unrealized Appreciation | \$ 17,977,291        |
| Gross Unrealized Depreciation | (3,347,420)          |
| Net Unrealized Appreciation   | <u>\$ 14,629,871</u> |

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used in the table below, please refer to the Security Valuation section in Note 2 of the accompanying Notes to Financial Statements.

The following is a summary of the inputs used to value the Fund's investments as of June 30, 2017.

| Valuation Inputs                              | Investments in Securities   |
|---|-----------------------------|
| Level 1 - Quoted Prices                       | \$ 85,928,010               |
| Level 2 - Other Significant Observable Inputs | 2,220,330                   |
| Level 3 - Significant Unobservable Inputs     | -                           |
| <b>Total</b>                                  | <u><b>\$ 88,148,340</b></u> |

The Level 1 value displayed in this table is Common Stock and Investment Companies. The Level 2 value displayed in this table is a Money Market Fund. Refer to this Schedule of Investments for a further breakout of each security by industry.

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1, Level 2 and Level 3 for the year ended June 30, 2017.

**PORTFOLIO HOLDINGS**

| % of Total Investments |               |
|------------------------|---------------|
| Consumer Discretionary | 15.5%         |
| Consumer Staples       | 1.4%          |
| Energy                 | 4.6%          |
| Financial Services     | 17.5%         |
| Health Care            | 20.1%         |
| Materials & Processing | 6.0%          |
| Producer Durables      | 17.5%         |
| Technology             | 13.2%         |
| Utilities              | 1.0%          |
| Investment Companies   | 0.7%          |
| Money Market Fund      | 2.5%          |
|                        | <u>100.0%</u> |

**ACUITAS US MICROCAP FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**JUNE 30, 2017**

**ASSETS**

|   |                   |
|---|-------------------|
| Total investments, at value (Cost \$73,029,618) | \$ 88,148,340     |
| Receivables:                                    |                   |
| Fund shares sold                                | 16,916            |
| Investment securities sold                      | 1,065,621         |
| Dividends                                       | 64,194            |
| Prepaid expenses                                | 16,938            |
| Total Assets                                    | <u>89,312,009</u> |

**LIABILITIES**

|                                 |                  |
|---------------------------------|------------------|
| Payables:                       |                  |
| Investment securities purchased | 1,477,806        |
| Accrued Liabilities:            |                  |
| Investment adviser fees         | 95,684           |
| Trustees' fees and expenses     | 150              |
| Fund services fees              | 11,204           |
| Other expenses                  | 36,836           |
| Total Liabilities               | <u>1,621,680</u> |

|                   |                             |
|-------------------|-----------------------------|
| <b>NET ASSETS</b> | <u><u>\$ 87,690,329</u></u> |
|-------------------|-----------------------------|

**COMPONENTS OF NET ASSETS**

|                                 |               |
|---------------------------------|---------------|
| Paid-in capital                 | \$ 71,542,844 |
| Accumulated net investment loss | (424,621)     |
| Accumulated net realized gain   | 1,453,384     |
| Net unrealized appreciation     | 15,118,722    |

|                   |                             |
|-------------------|-----------------------------|
| <b>NET ASSETS</b> | <u><u>\$ 87,690,329</u></u> |
|-------------------|-----------------------------|

|  |                         |
|--|-------------------------|
| <b>SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)</b> | <u><u>6,977,838</u></u> |
|--|-------------------------|

|  |                        |
|--|------------------------|
| <b>NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE*</b> | <u><u>\$ 12.57</u></u> |
|--|------------------------|

\* Shares redeemed or exchanged within 60 days of purchase are charged a 1.00% redemption fee.

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**ACUITAS US MICROCAP FUND**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED JUNE 30, 2017**

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**INVESTMENT INCOME**

|   |                |
|---|----------------|
| Dividend income (Net of foreign withholding taxes of \$2,114) | \$ 730,843     |
| Total Investment Income                                       | <u>730,843</u> |

**EXPENSES**

|                                     |                  |
|-------------------------------------|------------------|
| Investment adviser fees             | 1,109,870        |
| Fund services fees                  | 171,762          |
| Shareholder service fees            | 78,907           |
| Custodian fees                      | 20,006           |
| Registration fees                   | 23,074           |
| Professional fees                   | 38,346           |
| Trustees' fees and expenses         | 5,622            |
| Other expenses                      | <u>29,855</u>    |
| Total Expenses                      | 1,477,442        |
| Fees waived and expenses reimbursed | <u>(129,741)</u> |
| Net Expenses                        | <u>1,347,701</u> |

**NET INVESTMENT LOSS**

(616,858)

**NET REALIZED AND UNREALIZED GAIN**

|  |                   |
|--|-------------------|
| Net realized gain on investments                     | 2,584,475         |
| Net change in unrealized appreciation on investments | <u>13,037,255</u> |
| <b>NET REALIZED AND UNREALIZED GAIN</b>              | <u>15,621,730</u> |

**INCREASE IN NET ASSETS RESULTING FROM OPERATIONS**

\$ 15,004,872

**ACUITAS US MICROCAP FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS**

|   | <b>For the Year Ended<br/>June 30, 2017</b> | <b>For the Year Ended<br/>June 30, 2016</b> |
|---|---|---|
| <b>OPERATIONS</b>   |   |   |
| Net investment loss   | \$ (616,858)                                | \$ (367,344)                                |
| Net realized gain   | 2,584,475                                   | 585,868                                     |
| Net change in unrealized appreciation (depreciation)        | 13,037,255                                  | (1,260,186)                                 |
| Increase (Decrease) in Net Assets Resulting from Operations | <u>15,004,872</u>                           | <u>(1,041,662)</u>                          |
| <b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>                   |   |   |
| Net realized gain   | <u>(754,553)</u>                            | <u>(1,484,015)</u>                          |
| <b>CAPITAL SHARE TRANSACTIONS</b>                           |   |   |
| Sale of shares  | 20,667,507                                  | 36,653,017                                  |
| Reinvestment of distributions                               | 751,682                                     | 1,477,485                                   |
| Redemption of shares  | (14,136,349)                                | (7,272,073)                                 |
| Redemption fees   | 1,256                                       | 511   |
| Increase in Net Assets from Capital Share Transactions      | <u>7,284,096</u>                            | <u>30,858,940</u>                           |
| Increase in Net Assets                                      | <u>21,534,415</u>                           | <u>28,333,263</u>                           |
| <b>NET ASSETS</b>   |   |   |
| Beginning of Year   | <u>66,155,914</u>                           | <u>37,822,651</u>                           |
| End of Year (Including line (a))                            | <u>\$ 87,690,329</u>                        | <u>\$ 66,155,914</u>                        |
| <b>SHARE TRANSACTIONS</b>                                   |   |   |
| Sale of shares  | 1,728,178                                   | 3,583,875                                   |
| Reinvestment of distributions                               | 60,473                                      | 144,710                                     |
| Redemption of shares  | (1,181,991)                                 | (713,664)                                   |
| Increase in Shares  | <u>606,660</u>                              | <u>3,014,921</u>                            |
| (a) Accumulated net investment loss                         | <u>\$ (424,621)</u>                         | <u>\$ (201,550)</u>                         |

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**ACUITAS US MICROCAP FUND**  
**FINANCIAL HIGHLIGHTS**

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

|   | <u>For the Year Ended<br/>June 30, 2017</u> | <u>For the Year Ended<br/>June 30, 2016</u> | <u>July 18, 2014 (a) through<br/>June 30, 2015</u> |
|---|---|---|--|
| <b>INSTITUTIONAL SHARES</b>                 |   |   |  |
| <b>NET ASSET VALUE, Beginning of Period</b> | \$ 10.38                                    | \$ 11.27                                    | \$ 10.00   |
| <b>INVESTMENT OPERATIONS</b>                |   |   |  |
| Net investment loss (b)                     | (0.09)                                      | (0.08)                                      | (0.07)   |
| Net realized and unrealized gain (loss)     | 2.39  | (0.41)                                      | 1.34   |
| Total from Investment Operations            | 2.30  | (0.49)                                      | 1.27   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>   |   |   |  |
| Net realized gain                           | (0.11)                                      | (0.40)                                      | —  |
| <b>REDEMPTION FEES (b)</b>                  | —(c)  | —(c)  | —(c)   |
| <b>NET ASSET VALUE, End of Period</b>       | <u>\$ 12.57</u>                             | <u>\$ 10.38</u>                             | <u>\$ 11.27</u>                                    |
| <b>TOTAL RETURN</b>                         | 22.21%                                      | (4.27)%                                     | 12.70%(d)  |
| <b>RATIOS/SUPPLEMENTARY DATA</b>            |   |   |  |
| Net Assets at End of Period (000's omitted) | \$87,690                                    | \$66,156                                    | \$37,823   |
| Ratios to Average Net Assets:               |   |   |  |
| Net investment loss                         | (0.78)%                                     | (0.80)%                                     | (0.74)%(e)   |
| Net expenses                                | 1.70%                                       | 1.70%                                       | 1.70%(e)   |
| Gross expenses (f)                          | 1.86%                                       | 2.04%                                       | 2.37%(e)   |
| <b>PORTFOLIO TURNOVER RATE</b>              | 50%   | 52%   | 58%(d)   |

- 
- (a) Commencement of operations.  
(b) Calculated based on average shares outstanding during each period.  
(c) Less than \$0.01 per share.  
(d) Not annualized.  
(e) Annualized.  
(f) Reflects the expense ratio excluding any waivers and/or reimbursements.

### **Note 1. Organization**

Acuitas International Small Cap Fund and Acuitas US Microcap Fund (individually, a “Fund” and collectively, the “Funds”) are diversified portfolios of Forum Funds II (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 each Fund’s shares of beneficial interest without par value. Each Fund currently offers two classes of shares: Institutional Shares and Investor Shares. As of June 30, 2017, Investor Shares had not commenced operations. Each Fund seeks capital appreciation. Each Fund commenced operations on July 18, 2014.

### **Note 2. Summary of Significant Accounting Policies**

The Funds are investment companies and follow accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 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 each 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. Forward currency contracts are generally valued based on interpolation of forward curve data points obtained from major banking institutions that deal in foreign currencies and currency dealers. Exchange-traded options for which the last quoted sale price is outside the closing bid and ask price, will be valued at the mean of the closing bid and ask price. Shares of non-exchange-traded open-end mutual funds are valued at net asset value (“NAV”). Short-term investments that mature in 60 days or less may be valued at amortized cost.

Each 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 3, believes that the values available are unreliable. The Trust’s Valuation Committee, as defined in each Fund’s registration statement, performs certain functions as they relate to the administration and oversight of each 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 each 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 — other significant observable inputs (including quoted prices of similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 — significant unobservable inputs (including each Fund’s own assumptions in determining the fair value of investments)

The aggregate value by input level, as of June 30, 2017, for each Fund’s investments is included at the end of each 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 and discount is accreted 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.

**Foreign Currency Transactions** – Each Fund may enter into transactions to purchase or sell foreign currency contracts and options on foreign currency. Forward currency contracts are agreements to exchange one currency for another at a future date and at a specified price. A fund may use forward currency contracts to facilitate transactions in foreign securities, to manage a fund’s foreign currency exposure and to protect the U.S. dollar value of its underlying portfolio securities against the effect of possible adverse movements in foreign exchange rates. These contracts are intrinsically valued daily based on forward rates, and a fund’s net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is recorded as a component of NAV. These instruments involve market risk, credit risk, or both kinds of risks, in excess of the amount recognized in the Statements of Assets and Liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates. Due to the risks associated with these transactions, a fund could incur losses up to the entire contract amount, which may exceed the net unrealized value included in its NAV.

**Distributions to Shareholders** – Each Fund declares any dividends from net investment income and pays them annually. Any net capital gains realized by the Funds 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 each Fund, timing differences and differing characterizations of distributions made by each Fund.

**Federal Taxes** – Each 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 their taxable income to shareholders. In addition, by distributing in each calendar year substantially all of their net investment income and capital gains, if any, the Funds will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. Each Fund files a U.S. federal income and excise tax return as required. Each 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, 2017, 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.

**Redemption Fees** – A shareholder who redeems or exchanges shares within 60 days of purchase will incur a redemption fee of 1.00% 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 each Fund to help offset transaction costs. The fee is accounted for as an addition to paid-in capital. Each 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 Funds, if any, are reflected on the Statements of Changes in Net Assets.

**Commitments and Contingencies** – In the normal course of business, each Fund enters into contracts that provide general indemnifications by each Fund to the counterparty to the contract. Each Fund’s maximum exposure under these arrangements is dependent on future claims that may be made against each Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote.

### **Note 3. Fees and Expenses**

**Investment Adviser** – Acuitas Investments, LLC (the “Adviser”) is the investment adviser to the Funds. Pursuant to an Investment Advisory Agreement, the Adviser receives an advisory fee, payable monthly, at an annual rate of 1.20% and 1.40% of the average daily net assets of Acuitas International Small Cap Fund and Acuitas US Microcap Fund, respectively.

Each sub-advisory fee, calculated as a percentage of each Fund’s average daily net assets managed by each sub-adviser, is paid by the Adviser.

**Distribution** – Foreside Fund Services, LLC serves as each Fund’s distributor (the “Distributor”). The Funds have adopted a Distribution Plan (the “Plan”) for Investor Shares in accordance with Rule 12b-1 of the Act. Under the Plan, the Funds pay 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 Investor Shares. The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC (d/b/a Atlantic Fund Services) (“Atlantic”) or their affiliates.

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

**Trustees and Officers** – The Trust pays each Independent Trustee an annual fee of \$16,000 (\$21,000 for the Chairman) for service to the Trust. The Independent Trustees and Chairman may receive additional fees for special Board meetings. The Independent Trustees are also reimbursed for all reasonable out-of-pocket expenses incurred in connection with their duties as Trustees, including travel and related expenses incurred in attending Board meetings. The amount of Independent Trustees’ fees attributable to each 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 each Fund.

### **Note 4. Expense Reimbursement and Fees Waived**

The Adviser has contractually agreed to waive its fee and/or reimburse expenses to limit total annual fund operating expenses (excluding all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses, proxy expenses and extraordinary expenses) of Institutional Shares to 1.50% and Investor Shares to 1.75% through November 1, 2017, for Acuitas International Small Cap Fund. The Adviser has also contractually agreed to waive its fees and/or reimburse expenses to limit total annual operating expenses (excluding all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses, proxy expenses and extraordinary expenses) of Institutional Shares to 1.70% and Investor Shares to 1.95% through November 1, 2017, for Acuitas US Microcap Fund. Other fund service providers have voluntarily agreed to waive a portion of their fees. Voluntary fee waivers may be reduced or eliminated at any time. For the year ended June 30, 2017, the fees waived and/or reimbursed expenses were as follows:

**ACUITAS FUNDS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

|                                      | <u>Investment Adviser<br/>Fees Waived</u> | <u>Other Waivers</u> | <u>Total Fees Waived</u> |
|--------------------------------------|---|----------------------|--------------------------|
| Acuitas International Small Cap Fund | \$ 223,002                                | \$ 16,008            | \$ 239,010               |
| Acuitas US Microcap Fund             | 110,228                                   | 19,513               | 129,741                  |

Each Fund may repay the Adviser for fees waived and expenses reimbursed pursuant to the expense cap if such payment (1) is made within three years of the fee waiver or expense reimbursement (2) is approved by the Board and (3) does not cause the net annual fund operating expenses of each Fund class to exceed the expense cap in place at the time the fees were waived. As of June 30, 2017, \$775,529 and \$393,963 are subject to recapture by the Adviser for the Acuitas International Small Cap Fund and the Acuitas US Microcap Fund, respectively.

**Note 5. 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, 2017, were as follows:

|                                      | <u>Purchases</u> | <u>Sales</u>  |
|--------------------------------------|------------------|---------------|
| Acuitas International Small Cap Fund | \$ 45,093,790    | \$ 47,735,620 |
| Acuitas US Microcap Fund             | 46,171,694       | 38,848,943    |

**Note 6. Federal Income Tax**

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

|                                      | <u>Ordinary Income</u> | <u>Long-Term<br/>Capital Gain</u> | <u>Total</u> |
|--------------------------------------|------------------------|-----------------------------------|--------------|
| Acuitas International Small Cap Fund |                        |                                   |              |
| 2017                                 | \$ 871,425             | \$ -                              | \$ 871,425   |
| 2016                                 | 1,348,810              | -                                 | 1,348,810    |
| Acuitas US Microcap Fund             |                        |                                   |              |
| 2017                                 | -                      | 754,553                           | 754,553      |
| 2016                                 | 803,571                | 680,444                           | 1,484,015    |

As of June 30, 2017, distributable earnings (accumulated loss) on a tax basis were as follows:

|                                      | <u>Undistributed<br/>Ordinary Income</u> | <u>Undistributed<br/>Long-Term Gain</u> | <u>Capital and Other<br/>Losses</u> | <u>Unrealized<br/>Appreciation<br/>(Depreciation)</u> | <u>Total</u> |
|--------------------------------------|--|---|-------------------------------------|---|--------------|
| Acuitas International Small Cap Fund | \$ 1,432,804                             | \$ -                                    | \$ (2,900,496)                      | \$ 2,811,403  | \$ 1,343,711 |
| Acuitas US Microcap Fund             | -  | 1,925,724                               | (408,110)                           | 14,629,871  | 16,147,485   |

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statements of Assets and Liabilities are primarily due to currency contracts, investments in passive foreign investment companies ("PFIC") and wash sales in the Acuitas International Small Cap Fund and investments in PFICs, equity return of capital, partnership pass-through income, partnership distributions, partnership sale adjustments and wash sales in the Acuitas US Microcap Fund.

As of June 30, 2017, the Acuitas International Small Cap Fund had \$2,059,458 of available short-term capital loss carryforwards and \$841,038 of available long-term capital loss carryforwards that have no expiration date.

For tax purposes, the current late year ordinary loss was \$408,110 (realized during the period January 1, 2017 through June 30, 2017) for Acuitas US Microcap Fund. This loss will be recognized for tax purposes on the first business day of the Fund's next fiscal year, July 1, 2017.

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**ACUITAS FUNDS**  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

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On the Statements of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended June 30, 2017. The following reclassifications were the result of currency gains (losses), reclassification of income and PFIC gains (losses) in the Acuitas International Small Cap Fund and REIT distributions, partnership tax adjustments, equity return of capital distributions, net investment losses offsetting short term capital gains, and unused net investment losses in the Acuitas US Microcap Fund and have no impact on the net assets of each Fund.

|                                      | <u>Undistributed Net<br/>Investment Income</u> | <u>Accumulated Net<br/>Realized Loss</u> | <u>Paid-in-Capital</u> |
|--------------------------------------|--|--|------------------------|
| Acuitas International Small Cap Fund | \$ 258,671                                     | \$ (258,671)                             | \$ -                   |
| Acuitas US Microcap Fund             | 393,787  | (43,313)                                 | (350,474)              |

**Note 7. Recent Accounting Pronouncements**

In October 2016, the U.S. Securities and Exchange Commission (“SEC”) issued a new rule, Investment Company Reporting Modernization, which, among other provisions, amends Regulation S-X to require standardized enhanced disclosures, particularly related to derivatives, in investment company financial statements. The compliance date for the amendments to Regulation S-X is for reporting periods ending after August 1, 2017. Management has reviewed the requirements and believes the adoption of the amendments to Regulation S-X will not have a material impact on the Funds' financial statements and related disclosures.

**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 each Fund has had no such events.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

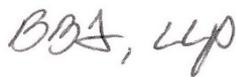
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To the Board of Trustees of Forum Funds II  
and the Shareholders of Acuitas International Small Cap Fund  
and Acuitas US Microcap Fund

We have audited the accompanying statements of assets and liabilities of Acuitas International Small Cap Fund and Acuitas US Microcap Fund, each a series of shares of beneficial interest in Forum Funds II (the “*Funds*”), including the schedules of investments, as of June 30, 2017, and the related statements 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 two-year period then ended and the period July 18, 2014 (commencement of operations) through June 30, 2015. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of June 30, 2017 by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Acuitas International Small Cap Fund and Acuitas US Microcap Fund as of June 30, 2017, and the results of their operations for the year then ended, the changes in their net assets for each of the years in the two-year period then ended and their financial highlights for each of the years in the two-year period then ended and the period July 18, 2014 through June 30, 2015, in conformity with accounting principles generally accepted in the United States of America.



BBD, LLP

Philadelphia, Pennsylvania

August 28, 2017

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**ACUITAS FUNDS**

ADDITIONAL INFORMATION (Unaudited)

JUNE 30, 2017

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**Investment Advisory Agreement Approval**

At the June 16, 2017 Board meeting (the “June meeting”), the Board, including the Independent Trustees, met in person and considered the approval of the continuance of the investment advisory agreement between the Adviser and the Trust pertaining to the Funds (the “Advisory Agreement”) and the subadvisory agreements between the Adviser and each of Advisory Research Inc, Algert Global, LLC, DePrince, Race, & Zollo, Inc. (with respect to the Acuitas International Small Cap Fund), and ClariVest Asset Management, LLC, Falcon Point Capital, LLC, and WCM Investment Management (with respect to the Acuitas U.S. Microcap Fund) (each a “Subadviser”) (the “Subadvisory Agreements”). In preparation for the June meeting, the Board was presented with a range of information to assist in its deliberations. The Board requested and reviewed written responses from the Adviser and each Subadviser to a letter circulated on the Board's behalf concerning the personnel, operations, financial condition, performance, compensation, and services provided to the Fund by the Adviser and each Subadviser. During its deliberations, the Board received an oral presentation from the Adviser and discussed the materials with the Adviser, independent legal counsel to the Independent Trustees (“Independent Legal Counsel”), and, as necessary, with the Trust's administrator, Atlantic Fund Services. The Independent Trustees also met in executive session with Independent Legal Counsel while deliberating.

At the June meeting, the Board reviewed, among other matters, the topics discussed below.

*Nature, Extent and Quality of Services*

Based on written materials received and the presentation from personnel of the Adviser regarding the operations of the Adviser and each Subadviser, the Board considered the quality of services provided by the Adviser under the Advisory Agreement and by each Subadviser under the respective Subadvisory Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Adviser and each Subadviser with principal responsibility for the Funds' investments; the investment philosophy and decision-making process of the Adviser's and Subadvisers' investment professionals; the quality of the Adviser's and Subadvisers' services with respect to regulatory compliance; and the Adviser's and each Subadviser's representations that each firm is in a stable financial condition to allow each firm to provide quality advisory services to the Funds. The Board also considered the Adviser's analysis of and recommendation to approve the continuance of the Subadvisory Agreements with the Subadvisers. The Board concluded that, overall, it was satisfied with the nature, extent and quality of services provided to the Funds by the Adviser under the Advisory Agreement and by each Subadviser under the respective Subadvisory Agreements.

*Performance*

In connection with a presentation by the Adviser regarding its approach to managing the Funds, including the investment objective and strategy of each Fund and the Adviser's discussion of the performance of each of the Subadvisers, the Board reviewed the performance of the Microcap Fund and International Small Cap Fund compared to their respective benchmarks. The Board observed that the Funds underperformed their primary benchmark indices, the Russell Microcap Index and the Russell Global ex-US Small Cap Index, respectively, for the one-year period ended March 31, 2017, and that the International Small Cap Fund underperformed, and the Microcap outperformed, their respective primary benchmarks indices, for the period since the Funds' inception on July 18, 2014.

The Board also considered the Funds' performance relative to an independent peer group of funds identified by Broadridge Financial Solutions, Inc. (“Broadridge”). The Board observed that the Microcap Fund outperformed the median of its Broadridge peers for the one-year period ended March 31, 2017. The Board observed that the International Small Cap Fund underperformed the median of its Broadridge peers for the one-year period ended March 31, 2017.

The Board noted the Adviser's representation that, with respect to the International Small Cap Fund, the underperformance relative to the benchmark index and peer group could be attributed, in part, to underweight exposure to certain countries that generated superior performance during the period. The Board also noted the Adviser's representation that, with respect to the Microcap Fund, the underperformance relative to the benchmark index could be attributed, in part, to sector allocation within the Fund, as certain sectors in the index outperformed other index constituents during the period. The Board further noted the

Adviser's representation that the Funds were designed for long-term performance and were well-positioned to generate superior performance in the future.

The Board also noted the Adviser's concern that the Funds' Broadridge peer groups were not an optimal representation of each Fund's investment strategy. The Adviser compared each Fund's performance to that of a group of peer funds identified by the Adviser as being a more optimal comparison ("Comparable Funds"). The Board observed that each Fund's performance was more closely aligned with the performance of the respective Comparable Funds than the performance of the respective Broadridge peer group for the one-year period ended March 31, 2017.

The Board also evaluated the Adviser's assessment of each Subadviser's performance, noting that the Adviser had expressed satisfaction with the performance of each Subadviser and that the Adviser had recommended the continuance of each of the Subadvisory Agreements. The Board acknowledged the Adviser's representation that the different Subadvisers could be expected to achieve different performance results in light of the differences in their strategies, allocated assets, and market environment. The Board also considered the Adviser's explanation that, standing alone, no Subadviser should necessarily be expected to perform in line with broader market indices or benchmarks. In this regard, the Board noted that the Adviser emphasized its responsibility for allocating each Fund's assets among Subadvisers on an ongoing basis in order to achieve the applicable Fund's investment objective. In view of the respective roles of the Adviser and Subadvisers, the Board determined that it was appropriate to evaluate the individual performance achieved by each Subadviser as it contributed to the performance of the Fund as a whole. Based on the foregoing, the Board concluded that each Fund and their respective shareholders could benefit from the Adviser's management under the Advisory Agreement.

#### *Compensation*

The Board evaluated the Adviser's compensation for providing advisory services to the Funds and analyzed comparative information on actual advisory fee rates and actual total expenses of the Funds' Broadridge peers. The Board noted that, based on the information provided by Broadridge, the actual advisory fee for the International Small Cap Fund was less than the median of its Broadridge peers, though the actual total expenses were higher than the median of the Broadridge peers, and that the actual advisory fee and actual total expenses for the Microcap Fund were each higher than the median of its Broadridge peers. The Board considered the Adviser's representation that the fees and expenses of the Funds were more in line with the fees and expenses of the Comparable Funds. In addition, the Board noted the Adviser's representations that the Funds are multi-manager funds with several sub-advisers, which was not the case for all of the Broadridge peers, and that the Broadridge peers were weighted toward small cap managers with lower fees than microcap managers. Based on the foregoing, the Board concluded that the advisory fees paid to the Adviser by the Funds appeared to be reasonable in light of the nature, extent and quality of services provided by the Adviser and Subadvisers.

#### *Cost of Services and Profitability*

The Board considered information provided by the Adviser regarding the costs of services and its profitability with respect to the Funds. In this regard, the Board considered the Adviser's resources devoted to the Funds, as well as the Adviser's discussion of the aggregate costs and profitability of its mutual fund activity, including the percentage and amount of the Adviser's fee that the Adviser retained and the percentage and amount of the Adviser's fee that was paid to the Subadvisers. The Board noted that the Adviser does not maintain separate profit and loss data by account, making it difficult to assess costs incurred specific to providing services to the Funds. Based on these and other applicable considerations, the Board concluded that the Adviser's profits attributable to management of the Funds did not appear unreasonably high in light of the nature, extent and quality of the services provided by the Adviser.

The Board did not consider information regarding the costs of services provided or profits realized by the Subadvisers from their relationships with the Funds, noting instead the arms-length nature of the relationship between the Adviser and each Subadviser with respect to the negotiation of the subadvisory fee rate on behalf of the Funds and that the Adviser, and not the Funds, was responsible for paying the subadvisory fee due under each Subadvisory Agreement.

### *Economies of Scale*

The Board considered whether the Funds are benefitting, or would benefit in the future, from any economies of scale. In this respect, the Board noted the Adviser's representation that the Funds were benefitting from expenses subsidized by the Adviser. The Board noted the Adviser's representation that, although the Funds could continue to benefit from economies of scale as assets grow, the Adviser was not proposing breakpoints in the advisory fee at this time. Based on the foregoing representations and the size of the Funds, the Board concluded that economies of scale were not a material factor in approving the continuation of the Advisory Agreement.

### *Other Benefits*

The Board noted the Adviser's representation that, aside from its contractual advisory fees, it does not benefit in a material way from its relationship with the Funds. Based on the foregoing representation, the Board concluded that other benefits received by the Adviser from its relationship with the Funds were not a material factor in approving the continuation of the Advisory Agreement.

### *Conclusion*

The Board did not identify any single factor as being of paramount importance, and different Trustees may have given different weight to different factors. In addition, various materials provided to and discussed with the Board throughout the year, including with respect to performance and compliance, also informed the Board's decision. In light of the fact that the Funds are multi-manager Funds, however, for which the Adviser identifies Subadvisers whose strategies it seeks to combine to achieve the Funds' investment objectives, when considering the renewal of the Subadvisory Agreements, the Board gave significant weight to the Adviser's recommendation that the Subadvisory Agreements be renewed and to the Adviser's representation that the reappointment of the Subadvisers would positively contribute to the Adviser's successful execution of each Fund's overall strategy. The Board reviewed a memorandum from Independent Legal Counsel discussing the legal standards applicable to its consideration of the Advisory Agreement and each Subadvisory Agreement. Based on its review, including consideration of each of the factors referenced above, the Board, in the exercise of its reasonable business judgment, approved the continuation of the Advisory Agreement and each Subadvisory Agreement.

### **Proxy Voting Information**

A description of the policies and procedures that each Fund uses to determine how to vote proxies relating to securities held in each Fund's portfolio is available, without charge and upon request, by calling (844) 805-5628 and on the SEC's website at [www.sec.gov](http://www.sec.gov). Each Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (844) 805-5628 and on the SEC's website at [www.sec.gov](http://www.sec.gov).

### **Availability of Quarterly Portfolio Schedules**

Each Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. These filings are available, without charge and upon request on the SEC's website at [www.sec.gov](http://www.sec.gov) or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

### **Shareholder Expense Example**

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees, and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees (for Investor Shares only) and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds, 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, 2017 through June 30, 2017.

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**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 of the table below provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not each 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 each 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 redemption 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.

|   | <u>Beginning<br/>Account Value<br/>January 1, 2017</u> | <u>Ending<br/>Account Value<br/>June 30, 2017</u> | <u>Expenses<br/>Paid During<br/>Period*</u> | <u>Annualized<br/>Expense<br/>Ratio*</u> |
|---|--|---|---|--|
| <b>Acuitas International Small Cap Fund</b> |  |   |   |  |
| <b>Institutional Shares</b>                 |  |   |   |  |
| Actual                                      | \$ 1,000.00  | \$ 1,108.55                                       | \$ 7.84                                     | 1.50%                                    |
| Hypothetical (5% return before expenses)    | \$ 1,000.00  | \$ 1,017.36                                       | \$ 7.50                                     | 1.50%                                    |
| <b>Acuitas US Microcap Fund</b>             |  |   |   |  |
| <b>Institutional Shares</b>                 |  |   |   |  |
| Actual                                      | \$ 1,000.00  | \$ 1,011.27                                       | \$ 8.48                                     | 1.70%                                    |
| Hypothetical (5% return before expenses)    | \$ 1,000.00  | \$ 1,016.36                                       | \$ 8.50                                     | 1.70%                                    |

\* Expenses are equal to each 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.

**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 Acuitas International Small Cap Fund designates 62.75% of its income dividend distributed as qualifying for the qualified dividend rate (QDI) as defined in Section 1(h)(11) of the Code.

**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. Mr. Keffer and Mr. Hong are considered Interested Trustees due to their affiliation with Atlantic. Each Fund’s Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (844) 805-5628.

**ACUITAS FUNDS**  
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| <b>Name and Year of Birth</b>             | <b>Position(s) with the Trust</b>   | <b>Length of Time Served</b> | <b>Principal Occupation(s) During Past Five Years</b>   | <b>Number of Series of Fund Complex<sup>1</sup> Overseen by Trustee</b> | <b>Other Directorships Held by Trustee</b>  |
|---|---|------------------------------|---|---|---|
| <b>Independent Trustees</b>               |   |                              |   |   |   |
| David Tucker<br>Born: 1958                | Chairman of the Board; Trustee; Chairman, Nominating Committee and Qualified Legal Compliance Committee | Since 2013                   | Director, Blue Sky Experience (a charitable endeavor) since 2008; Senior Vice President & General Counsel, American Century Companies (an investment management firm) 1998-2008.  | 46  | Trustee, Forum Funds, Forum ETF Trust and U.S. Global Investors Funds                                   |
| Mark D. Moyer<br>Born: 1959               | Trustee; Chairman, Audit Committee  | Since 2013                   | Chief Financial Officer, Institute of International Education 2008-2011; Chief Financial Officer and Chief Restructuring Officer, Ziff Davis Media Inc. (an integrated media company) 2005-2008; Adjunct Professor of Accounting, Fairfield University 2009-2012. | 23  | Trustee, Forum ETF Trust and U.S. Global Investors Funds  |
| Jennifer Brown-Strabley<br>Born: 1964     | Trustee   | Since 2013                   | Principal, Portland Global Advisors 1996-2010.  | 23  | Trustee, Forum ETF Trust and U.S. Global Investors Funds  |
| <b>Interested Trustees</b>                |   |                              |   |   |   |
| Stacey E. Hong<br>Born: 1966              | Trustee   | Since 2013                   | President, Atlantic since 2008.   | 23  | Trustee, U.S. Global Investors Funds  |
| John Y. Keffer <sup>2</sup><br>Born: 1942 | Trustee   | Since 2013                   | Chairman, Atlantic since 2008; President, Forum Investment Advisors, LLC since 2011; President, Forum Foundation (a charitable organization) since 2005; President, Forum Trust, LLC (a non-depository trust company chartered in the State of Maine) since 1997. | 46  | Trustee, Forum Funds, Forum ETF Trust and U.S. Global Investors Funds; Director, Wintergreen Fund, Inc. |
| <b>Officers</b>                           |   |                              |   |   |   |
| Jessica Chase<br>Born: 1970               | President; Principal Executive Officer  | Since 2015                   | Senior Vice President, Atlantic since 2008.   | N/A   | N/A   |
| Karen Shaw<br>Born: 1972                  | Treasurer; Principal Financial Officer  | Since 2013                   | Senior Vice President, Atlantic since 2008.   | N/A   | N/A   |
| Zachary Tackett<br>Born: 1988             | Vice President; Secretary; Anti-Money Laundering Compliance Officer                                     | Since 2014                   | Counsel, Atlantic since 2014; Intern Associate, Coakley & Hyde, PLLC, 2010-2013.  | N/A   | N/A   |
| Michael J. McKeen<br>Born: 1971           | Vice President  | Since 2013                   | Senior Vice President, Atlantic since 2008.   | N/A   | N/A   |
| Timothy Bowden<br>Born: 1969              | Vice President  | Since 2013                   | Manager, Atlantic since 2008.   | N/A   | N/A   |
| Geoffrey Ney<br>Born: 1975                | Vice President  | Since 2013                   | Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.  | N/A   | N/A   |
| Todd Proulx<br>Born: 1978                 | Vice President  | Since 2013                   | Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.  | N/A   | N/A   |
| Carlyn Edgar<br>Born: 1963                | Chief Compliance Officer  | Since 2013                   | Senior Vice President, Atlantic since 2008.   | N/A   | N/A   |

<sup>1</sup>The Fund Complex includes the Trust, Forum Funds, Forum ETF Trust and U.S. Global Investors Funds and is overseen by different Boards of Trustees.

<sup>2</sup>Atlantic is a subsidiary of Forum Holdings Corp. I, a Delaware corporation that is wholly owned by Mr. Keffer.

## **FOR MORE INFORMATION**

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**ACUITAS INTERNATIONAL SMALL CAP FUND**  
**ACUITAS US MICROCAP FUND**  
**P.O. Box 588**  
**Portland, ME 04112**  
**(844) 805-5628**

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