

**Leader Capital** | Corp  
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## **Leader Short Term High Yield Bond Fund**

Investor Class – LCCMX  
Institutional Class – LCCIX

## **Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)**

Investor Class – LCTR  
Institutional Class – LCTIX

**Annual Report**  
May 31, 2022

1-800-711-9164  
[www.leadercapital.com](http://www.leadercapital.com)

## **Leader Short Term High Yield Bond Fund and Leader Total Return Fund.**

### **Management's Discussion & Analysis<sup>1</sup>**

Dear Fellow Shareholders:

We are pleased to present the annual report for the Leader Short Term High Yield Bond Fund and the Leader Total Return Fund. This report covers the financial results and investment activity for the Leader Funds for the fiscal year ended May 31, 2022.

#### Performance Review

For the fiscal year, the Leader Short Term High Yield Bond Fund returned -4.01% (LCCIX), -4.39% (LCCMX), compared to -3.13% for the BofA Merrill Lynch 1-3 Year Corporate/Government Index. For the same period, the Leader Total Return Fund returned +2.85% (LCTIX), +2.39% (LCTRX), compared to -6.68% for the Bloomberg Barclays US Intermediate Aggregate Index.

#### Market Outlook

The negative correlation between unemployment and equity markets is quite high (-0.74%). General belief is there are plenty of jobs, but no one wants to work. Some truth to that, the pandemic took away our sense of urgency in a lot of cases, particularly labor and jobs no one really wants. Inflation has zapped purchasing power. The real issue is small businesses (and large) have learned to get by on fewer people and many small businesses will not survive. We see unemployment approaching 6% by year end and as high as 10% by second quarter 2023. In summary, good news is markets have pricing power, people don't. As a hedge to inflation the market over time is a positive but the entry point is lower from here in our view.

In the following pages you will find detailed discussions about the Leader Short Term High Yield Bond Fund and the Leader Total Return Fund and its performance since inception of the fund. We hope you will take a moment to read this information and let us know if you have any questions about your investment. You can send us an email at [info@leadercapital.com](mailto:info@leadercapital.com) or call us at 1-800-269-8810.

As always, we appreciate your investment in the Leader Funds, and we look forward to serving your investment needs in the years to come.

Sincerely,  
John E. Lekas  
Portfolio Manager

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<sup>1</sup> *The general market views expressed in this report represent the opinions of Leader Capital Corp. Management comments are not intended to predict or forecast the performance of any of the securities markets or indexes. Past performance is no guarantee of future results.*

*An investor should consider the investment objectives, risks, charges, and expenses of a Fund carefully before investing. The Funds' prospectus contains this and other important information. To obtain a copy of the Funds' prospectus please call 1-800-711-9164 and a copy will be sent to you free of charge or visit the Fund's website at [www.leadercapital.com](http://www.leadercapital.com). Please read the prospectus carefully before you invest. The Funds are distributed by Ceros Financial Services, LLC.*

*The Letter to Shareholders seeks to describe some of the Adviser's current opinions and views of the financial markets. Although the Adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. The securities held by the Funds that are discussed in the Letter to Shareholders were held during the period covered by this Report. They do not comprise the entire investment portfolio of the Funds, may be sold at any time, and may no longer be held by the Funds. For a complete list of securities held by the Funds as of May 31, 2022, please see the Schedule of Investments section of the annual report. The opinions of the Funds' adviser with respect to those securities may change at any time.*

# Leader Short Term High Yield Bond Fund

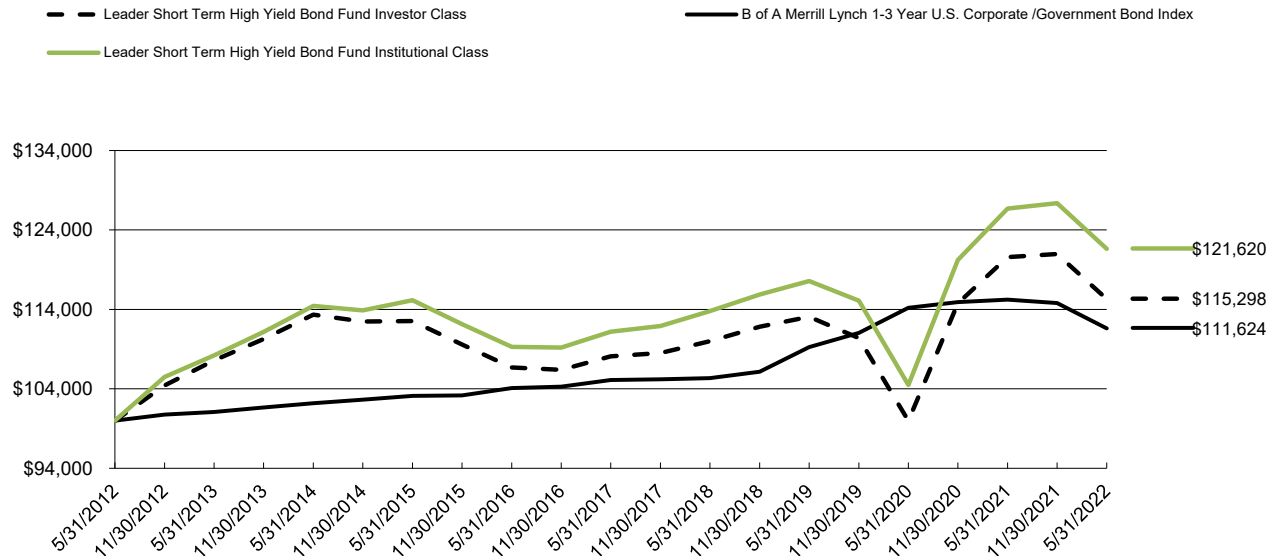
## Investment Highlights (Unaudited)

### May 31, 2022

The Fund's performance figures\* for each of the periods ending May 31, 2022, compared to its benchmark:

	Returns greater than 1 year are annualized (a)		
	1 Year	5 Year	10 Year
Leader Short Term High Yield Bond Fund - Investor Class	(4.39)%	1.30%	1.43%
Leader Short Term High Yield Bond Fund - Institutional Class	(4.01)%	1.81%	1.98%
ICE BofA Merrill Lynch 1-3 Year U.S. Corporate /Government Bond Index **	(3.13)%	1.21%	1.11%

### Comparison of the Change in Value of a \$100,000 Investment | May 31, 2012 – May 31, 2022



\* The performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemptions of Fund shares. Returns greater than 1 year are annualized. The Fund's total annual operating expense ratios, excluding any fee waivers or expense reimbursements, are 2.55% and 2.05% for Investor Class and Institutional Class shares, respectively, per the Fund's prospectus dated October 1, 2021. For performance information current to the most recent month-end, please call 1-800-711-9164.

\*\* ICE B of A Merrill Lynch 1-3 Year U.S. Corporate /Government Bond Index tracks the performance of U.S. dollar denominated investment grade U.S. Government and corporate bond debt issued in the U.S. domestic bond market with maturities ranging between 1 and 3 years. One cannot invest directly in an index. Sector allocations are subject to change. Unlike the Fund's returns, the Index does not reflect any fees or expenses.

(a) Returns are based on traded NAVs.

Top Ten Holdings	
Oil & Gas Producers	19.3%
Sovereign	7.7%
Specialty Finance	7.4%
Leisure Facilities & Services	5.6%
Banking	5.3%
Institutional Financial Services	5.1%
Technology Services	4.6%
Asset Management	3.5%
Steel	2.7%
Automotive	2.6%
Other Assets less Liabilities	36.2%
	100.0%

See Schedule of Investments for a more detailed breakdown of the Fund's assets.

**LEADER SHORT TERM HIGH YIELD BOND  
SCHEDULE OF INVESTMENTS  
May 31, 2022**

Shares		Spread	Coupon Rate (%)	Maturity	Fair Value
	<b>PREFERRED STOCKS — 9.9%</b>				
	<b>ASSET MANAGEMENT — 3.5%</b>				
27	Eaton Vance Senior Floating-Rate Trust <sup>(a),(b),(c)</sup>		1.4580	Perpetual	\$ 621,000
18	Eaton Vance Senior Floating-Rate Trust <sup>(a),(b),(c)</sup>		1.4900	Perpetual	414,000
					1,035,000
	<b>INSTITUTIONAL FINANCIAL SERVICES — 1.5%</b>				
20,000	B Riley Financial, Inc.		5.2500	Perpetual	458,200
	<b>OIL &amp; GAS PRODUCERS — 3.7%</b>				
94,990	Crestwood Equity Partners, L.P.		9.2500	Perpetual	923,303
8,510	NuStar Energy, L.P. - Series B <sup>(d)</sup>	US0003M + 5.643%	7.6250	Perpetual	178,710
					1,102,013
	<b>SPECIALTY FINANCE — 1.2%</b>				
15,697	AGNC Investment Corporation <sup>(d)</sup>	US0003M + 4.700%	6.1250	Perpetual	351,613
	<b>TOTAL PREFERRED STOCKS (Cost \$3,084,741)</b>				2,946,826
Principal Amount (\$)			Coupon Rate (%)	Maturity	Fair Value
	<b>CONVERTIBLE BONDS — 11.3%</b>				
	<b>AUTOMOTIVE — 2.6%</b>				
1,000,000	NIO, Inc. Series		0.5000	02/01/27	769,878
	<b>INSTITUTIONAL FINANCIAL SERVICES — 3.6%</b>				
1,500,000	Coinbase Global, Inc. Series <sup>(e)</sup>		0.5000	06/01/26	1,059,000
	<b>RENEWABLE ENERGY — 2.4%</b>				
1,000,000	Sunrun, Inc. Series <sup>(f)</sup>		0.0000	02/01/26	729,000
	<b>STEEL — 2.7%</b>				
400,000	United States Steel Corp.		5.0000	11/01/26	806,400
	<b>TOTAL CONVERTIBLE BONDS (Cost \$3,640,818)</b>				3,364,278

See accompanying notes to financial statements.

**LEADER SHORT TERM HIGH YIELD BOND  
SCHEDULE OF INVESTMENTS (Continued)  
May 31, 2022**

Principal Amount (\$)		Spread	Coupon Rate (%)	Maturity	Fair Value
	<b>CORPORATE BONDS — 42.0%</b>				
	<b>BANKING — 5.3%</b>				
2,000,000	VTB Bank PJSC Via VTB Eurasia DAC <sup>(a),(b),(d)</sup>	H15T10Y + 8.067%	9.5000	12/29/49	\$ 1,570,000
	<b>FORESTRY, PAPER &amp; WOOD PRODUCTS — 2.3%</b>				
1,000,000	Domtar Corporation		6.7500	02/15/44	700,120
	<b>LEISURE FACILITIES &amp; SERVICES — 5.6%</b>				
1,000,000	Marriott Ownership Resorts, Inc.		4.7500	01/15/28	922,000
1,000,000	Wynn Macau Ltd. <sup>(e)</sup>		5.6250	08/26/28	746,945
					<u>1,668,945</u>
	<b>OIL &amp; GAS PRODUCERS — 15.6%</b>				
2,000,000	DCP Midstream, L.P. Series A <sup>(d)</sup>	US0003M + 5.148%	7.3750	12/15/22	1,937,501
1,700,000	Petroleos Mexicanos		6.5000	03/13/27	1,634,176
1,000,000	Talos Production, Inc.		12.0000	01/15/26	1,081,865
					<u>4,653,542</u>
	<b>REAL ESTATE OWNERS &amp; DEVELOPERS — 0.5%</b>				
1,500,000	China Evergrande Group		7.5000	06/28/23	157,500
	<b>SPECIALTY FINANCE — 6.2%</b>				
1,000,000	Enova International, Inc. <sup>(e)</sup>		8.5000	09/15/25	899,390
1,000,000	New Residential Investment Corporation <sup>(e)</sup>		6.2500	10/15/25	942,500
					<u>1,841,890</u>
	<b>TECHNOLOGY HARDWARE — 1.9%</b>				
600,000	NCR Corporation <sup>(e)</sup>		5.1250	04/15/29	570,555
	<b>TECHNOLOGY SERVICES — 4.6%</b>				
2,000,000	Visa, Inc.		2.0000	08/15/50	1,372,121
					<u>12,534,673</u>
	<b>TOTAL CORPORATE BONDS (Cost \$14,540,996)</b>				
					<u>12,534,673</u>
Principal Amount (\$)		Spread	Coupon Rate (%)	Maturity	Fair Value
	<b>NON U.S. GOVERNMENT &amp; AGENCIES — 7.7%</b>				
	<b>SOVEREIGN — 7.7%</b>				
2,000,000	Turkey Government International Bond		5.8750	06/26/31	1,603,080

See accompanying notes to financial statements.

**LEADER SHORT TERM HIGH YIELD BOND  
SCHEDULE OF INVESTMENTS (Continued)  
May 31, 2022**

<u>Principal Amount (\$)</u>		<u>Coupon Rate (%)</u>	<u>Maturity</u>	<u>Fair Value</u>
	<b>NON U.S. GOVERNMENT &amp; AGENCIES — 7.7% (Continued)</b>			
	<b>SOVEREIGN — 7.7% (Continued)</b>			
1,000,000	Ukraine Government International Bond <sup>(e)</sup>	7.7500	09/01/22	\$ 701,670
	<b>TOTAL NON U.S. GOVERNMENT &amp; AGENCIES (Cost \$2,873,160)</b>			<b>2,304,750</b>
<b>Shares</b>				
	<b>SHORT-TERM INVESTMENTS — 25.9%</b>			
	<b>MONEY MARKET FUNDS – 25.9%</b>			
7,732,172	Federated Hermes Treasury Obligations Fund, Institutional Class, 0.65% (Cost \$7,732,172) <sup>(g)</sup>			7,732,172
	<b>TOTAL INVESTMENTS – 96.8% (Cost \$31,871,887)</b>			<b>\$ 28,882,699</b>
	<b>OTHER ASSETS IN EXCESS OF LIABILITIES- 3.2%</b>			<b>968,441</b>
	<b>NET ASSETS - 100.0%</b>			<b>\$ 29,851,140</b>

LP - Limited Partnership  
LTD - Limited Company  
PJSC - Public Joint-Stock Company

H15T10Y US Treasury Yield Curve Rate T Note Constant Maturity 10 Year  
US0003M ICE LIBOR USD 3 Month

- <sup>(a)</sup> The Advisor or Trustees have determined these securities to be illiquid. On May 31, 2022, these securities amounted to \$1,035,000 or 3.5% of net assets.
- <sup>(b)</sup> The value of these securities have been determined in good faith under the policies of the Board of Trustees.
- <sup>(c)</sup> Rate shown represents the dividend rate as of May 31, 2022.
- <sup>(d)</sup> Variable rate security; the rate shown represents the rate on May 31, 2022.
- <sup>(e)</sup> Security exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. The security may be resold in transactions exempt from registration, normally to qualified institutional buyers. As of May 31, 2022 the total market value of 144A securities is 4,920,060 or 16.5% of net assets.
- <sup>(f)</sup> Zero coupon bond.
- <sup>(g)</sup> Rate disclosed is the seven day effective yield as of May 31, 2022.

See accompanying notes to financial statements.

# Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)

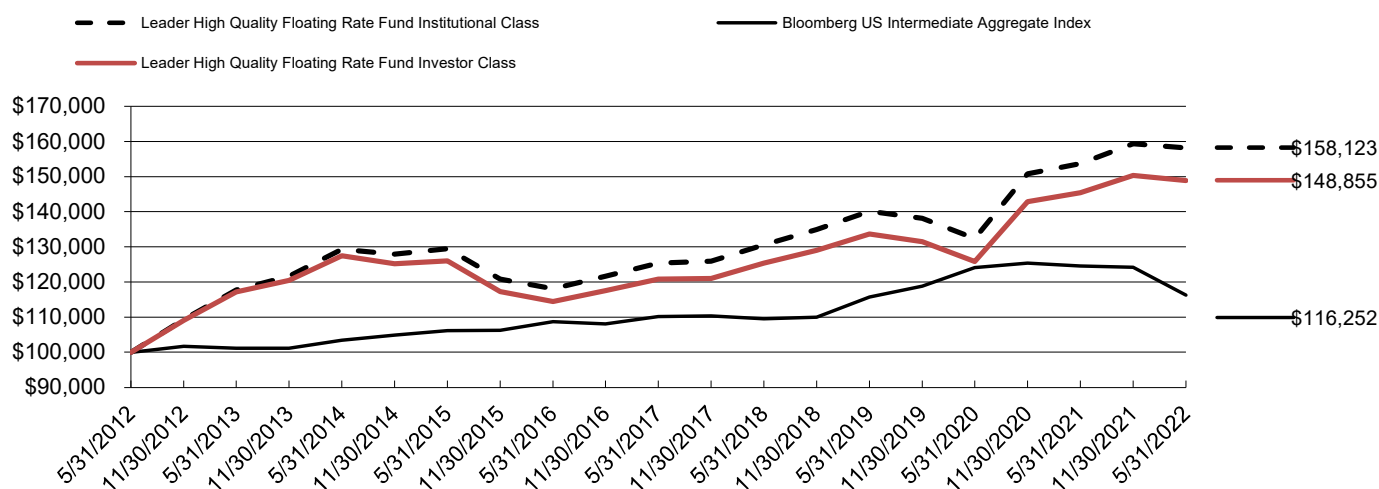
## Investment Highlights (Unaudited)

### May 31, 2022

The Fund's performance figures\* for each the periods ending May 31, 2022, compared to its benchmark:

	Returns greater than 1 year are annualized (a)		
	1 Year	5 Year	10 Year
Leader High Quality Floating Rate Fund - Investor Class	2.39%	4.26%	4.06%
Leader High Quality Floating Rate Fund - Institutional Class	2.85%	4.75%	4.69%
Bloomberg US Intermediate Aggregate Index **	(6.68)%	1.09%	1.52%

### Comparison of the Change in Value of a \$100,000 Investment | May 31, 2012 – May 31, 2022



\* The Performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemptions of Fund shares. Returns greater than one year are annualized. The Fund's total annual operating expense ratios, excluding any fee waivers or expense reimbursements, are 2.26% and 1.88% for Investor Class and Institutional Class shares, respectively, per the Fund's prospectus dated October 1, 2021. For performance information current to the most recent month-end, please call 1-800-711-9164.

\*\* Bloomberg US Intermediate Aggregate Index measures the performance of the U.S. investment grade bond market. The index invests in a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States - including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year. Investors may not invest directly in an index. Unlike the Fund's returns, the Index does not reflect any fees or expenses.

(a) Returns are based on traded NAVs.

#### Top Ten Holdings

CLO	74.4%
Money Market	16.2%
Oil & Gas Producers	7.3%
Forestry, Paper & Wood Products	1.5%
Other Assets less Liabilities	0.6%
	<u>100.0%</u>

See schedule of investments for a more detailed breakdown of the Fund's assets.



**LEADER HIGH QUALITY FLOATING RATE FUND (FORMERLY, LEADER TOTAL RETURN FUND)**  
**SCHEDULE OF INVESTMENTS**  
**May 31, 2022**

<u>Principal Amount (\$)</u>		<u>Spread</u>	<u>Coupon Rate (%)</u>	<u>Maturity</u>	<u>Fair Value</u>
	<b>ASSET BACKED SECURITIES — 74.4%</b>				
	<b>CLO — 74.4%</b>				
1,000,000	ALM 2020 Ltd. 1A A2 <sup>(a),(b)</sup>	US0003M + 1.850%	2.8940	10/15/29	\$ 982,437
1,000,000	Apidos CLO XV 2013-15A BRR <sup>(a),(b)</sup>	US0003M + 1.550%	2.6130	04/20/31	973,328
1,000,000	ARES XLVII CLO Ltd. 47A-B <sup>(a),(b)</sup>	US0003M + 1.450%	2.4940	04/15/30	968,592
1,000,000	Ares XXXIV CLO Ltd. 2A BR2 <sup>(a),(b)</sup>	US0003M + 1.600%	2.6440	04/17/33	963,459
500,000	Atrium XII 12A Class CR <sup>(a),(b)</sup>	US0003M + 1.650%	2.7860	04/22/27	492,308
1,000,000	Beechwood Park CLO Ltd. B2AR <sup>(a),(b)</sup>	TSFR3M + 1.750%	2.5960	01/17/35	966,793
1,000,000	Carlyle Global Market Strategies CLO 2014-4-R Ltd. <sup>(a),(b)</sup>	US0003M + 1.600%	2.6440	07/15/30	968,063
1,000,000	Dryden 98 CLO Ltd. B1 <sup>(a),(b)</sup>	TSFR3M + 1.750%	2.6540	04/20/35	965,972
1,000,000	Invesco CLO 2021-3 Ltd. B <sup>(a),(b)</sup>	US0003M + 1.650%	2.7860	10/22/34	958,915
1,000,000	LCM XX, L.P. CR <sup>(a),(b)</sup>	US0003M + 1.950%	3.0130	10/20/27	985,765
1,000,000	Madison Park Funding XXVII Ltd. A2 <sup>(a),(b)</sup>	US0003M + 1.350%	2.4130	04/20/30	963,017
1,000,000	Magnetite XIV-R LTD. B <sup>(a),(b)</sup>	US0003M + 1.600%	2.6440	10/18/31	963,195
1,000,000	Neuberger Berman Loan Advisers Clo 40 Ltd. B <sup>(a),(b)</sup>	US0003M + 1.400%	2.4440	04/16/33	960,024
1,000,000	Oak Hill Credit Partners X-R Ltd. BR <sup>(a),(b)</sup>	US0003M + 1.550%	2.6130	04/20/34	950,492
1,000,000	OCP CLO 2019-16 Ltd. BR <sup>(a),(b)</sup>	US0003M + 1.400%	2.3890	04/10/33	960,000
1,000,000	Octagon Investment Partners XVI Ltd. BR <sup>(a),(b)</sup>	US0003M + 1.600%	2.6440	07/17/30	972,816
1,000,000	OHA Credit Funding 3 LTD. BR <sup>(a),(b)</sup>	US0003M + 1.650%	2.7130	07/02/35	959,882
1,000,000	OHA Credit Partners XIV Ltd. BR <sup>(a),(b)</sup>	US0003M + 1.500%	2.5980	01/21/30	969,899
1,000,000	TIAA CLO IV Ltd. A2 <sup>(a),(b)</sup>	US0003M + 1.700%	2.7630	01/20/32	968,341
1,000,000	Voya CLO 2014-2 Ltd. RA <sup>(a),(b)</sup>	US0003M + 1.550%	2.5940	04/17/30	971,931
1,000,000	Voya CLO 2020-2 Ltd. BR <sup>(a),(b)</sup>	US0003M + 1.700%	2.7440	07/19/34	963,252
	<b>TOTAL ASSET BACKED SECURITIES (Cost \$20,480,433)</b>				19,828,481
	<b>CONVERTIBLE BONDS — 1.5%</b>				
	<b>FORESTRY, PAPER &amp; WOOD PRODUCTS — 1.5%</b>				
400,000	Boxabl, Inc. <sup>(a),(b),(c),(d)</sup> (Cost \$400,000)		10.0000	03/31/23	400,000

See accompanying notes to financial statements.

**LEADER HIGH QUALITY FLOATING RATE FUND (FORMERLY, LEADER TOTAL RETURN FUND)**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**May 31, 2022**

<u>Principal Amount (\$)</u>		<u>Spread</u>	<u>Coupon Rate (%)</u>	<u>Maturity</u>	<u>Fair Value</u>
	<b>CORPORATE BONDS — 7.3%</b>				
	<b>OIL &amp; GAS PRODUCERS — 7.3%</b>				
2,000,000	DCP Midstream, L.P. Series A <sup>(e)</sup> (Cost \$1,883,750)	US0003M + 5.148%	7.3750	12/15/22	\$ 1,937,500
					<hr/>
	<b>SHORT-TERM INVESTMENTS — 16.2%</b>				
	<b>MONEY MARKET FUNDS - 16.2%</b>				
4,321,334	Federated Hermes Treasury Obligations Fund, Institutional Class, 0.65% (Cost \$4,321,334) <sup>(f)</sup>				4,321,334
					<hr/>
	<b>TOTAL INVESTMENTS - 99.4% (Cost \$27,085,517)</b>				\$ 26,487,315
	<b>OTHER ASSETS IN EXCESS OF LIABILITIES- 0.6%</b>				175,389
					<hr/>
	<b>NET ASSETS - 100.0%</b>				<u>\$ 26,662,704</u>

LP - Limited Partnership  
LTD - Limited Company

TSFR3M Secured Overnight Financing Rate 3 Month  
US0003M ICE LIBOR USD 3 Month

<sup>(a)</sup> Security exempt from registration under Rule 144A or Section 4(2) of the Securities Act of 1933. The security may be resold in transactions exempt from registration, normally to qualified institutional buyers. As of May 31, 2022 the total market value of 144A securities is 19,828,481 or 74.4% of net assets.

<sup>(b)</sup> Variable or floating rate security, the interest rate of which adjusts periodically based on changes in current interest rates and prepayments on the underlying pool of assets.

<sup>(c)</sup> Variable or floating rate security, the interest rate of which adjusts periodically based on changes in current interest rates and prepayments on the underlying pool of assets.

<sup>(d)</sup> The Advisor determined these securities to be illiquid. On May 31, 2022, the securities amounted to \$400,000 or 1.5% of net assets.

<sup>(e)</sup> Variable rate security; the rate shown represents the rate on May 31, 2022.

<sup>(f)</sup> Rate disclosed is the seven day effective yield as of May 31, 2022.

See accompanying notes to financial statements.

**Leader Funds**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
May 31, 2022

	<b>Leader Short Term High Yield Bond Fund</b>	<b>Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)</b>
<b>ASSETS</b>		
Investments at cost:	\$ 31,871,887	\$ 27,085,517
Investments at value:	28,882,699	26,487,315
Receivable for securities sold	840,247	1,329,829
Dividends and interest receivable	503,565	156,246
Receivable for Fund shares sold	100	-
Prepaid expenses and other assets	68,791	53,411
<b>TOTAL ASSETS</b>	<b>30,295,402</b>	<b>28,026,801</b>
<b>LIABILITIES</b>		
Payable for investments purchased	355,000	1,302,106
Payable to related parties	12,090	11,315
Investment advisory fees payable	18,931	16,925
Distribution (12b-1) fees payable	16,542	3,536
Accrued expenses and other liabilities	41,699	30,215
<b>TOTAL LIABILITIES</b>	<b>444,262</b>	<b>1,364,097</b>
<b>NET ASSETS</b>	<b>\$ 29,851,140</b>	<b>\$ 26,662,704</b>
<b>Net Assets Consist Of:</b>		
Paid in capital	\$ 113,632,513	\$ 76,646,744
Accumulated loss	(83,781,373)	(49,984,040)
<b>NET ASSETS</b>	<b>\$ 29,851,140</b>	<b>\$ 26,662,704</b>
<b>Net Asset Value Per Share:</b>		
Investor Class Shares:		
Net Assets	\$ 18,628,226	\$ 11,073,445
Shares of beneficial interest outstanding [\$0 par value, unlimited shares authorized]	<b>2,225,497</b>	<b>1,043,381</b>
Net asset value (Net Assets ÷ Shares Outstanding), offering price and redemption price per share	<b>\$ 8.37</b>	<b>\$ 10.61</b>
Institutional Class Shares:		
Net Assets	\$ 11,222,914	\$ 15,589,259
Shares of beneficial interest outstanding (\$0 par value, unlimited shares authorized)	<b>1,325,968</b>	<b>1,469,002</b>
Net asset value (Net Assets ÷ Shares Outstanding), offering price and redemption price per share	<b>\$ 8.46</b>	<b>\$ 10.61</b>

See accompanying notes to financial statements.

**Leader Funds**  
**STATEMENTS OF OPERATIONS**  
For the Year Ended May 31, 2022

	Leader Short Term High Yield Bond Fund	Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)
<b>INVESTMENT INCOME</b>		
Interest	\$ 2,167,225	\$ 1,266,386
Dividends	368,461	48,348
<b>TOTAL INVESTMENT INCOME:</b>	2,535,686	1,314,734
<b>EXPENSES</b>		
Investment advisory fees	273,260	180,385
Distribution (12b-1) fees:		
Investor Class	97,868	47,679
Class A	18,384	-
Class C	10,164	-
Professional Fees	171,195	71,885
Registration fees	70,698	42,773
Transfer agent fees	70,065	39,389
Trustees fees and expenses	54,322	41,032
Administrative services fees	48,004	43,587
Compliance officer fees	30,794	26,001
Third Party Administrative service fees	29,699	24,232
Insurance expense	24,716	26,850
Accounting services fees	23,642	23,918
Printing and postage expenses	10,424	10,641
Custodian fees	5,112	3,347
Other expenses	8,452	5,948
<b>TOTAL EXPENSES</b>	946,799	587,667
<b>NET INVESTMENT INCOME</b>	1,588,887	727,067
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>		
Net realized gain from:		
Investments	528,169	1,076,253
Proceeds from Litigation	546,000	104,000
Net realized gain	1,074,169	1,180,253
Net change in unrealized appreciation/(depreciation) on:		
Investments	(3,903,374)	(877,305)
Net change in unrealized depreciation on:	(3,903,374)	(877,305)
<b>NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS</b>	(2,829,205)	302,948
<b>NET INCREASE/(DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$ (1,240,318)</b>	<b>\$ 1,030,015</b>

See accompanying notes to financial statements.

## Leader Funds

### STATEMENTS OF CHANGES IN NET ASSETS

	Leader Short Term High Yield Bond Fund		Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)	
	Year Ended May 31, 2022	Year Ended May 31, 2021	Year Ended May 31, 2022	Year Ended May 31, 2021
<b>FROM OPERATIONS</b>				
Net Investment income	\$ 1,588,887	\$ 953,030	\$ 727,067	\$ 195,438
Net realized gain(loss) from investments	1,074,169	566,003	1,180,253	(907,086)
Net change in unrealized appreciation (depreciation) on investments	(3,903,374)	7,177,326	(877,305)	2,093,424
Net increase/(decrease) in net assets resulting from operations	<u>(1,240,318)</u>	<u>8,696,359</u>	<u>1,030,015</u>	<u>1,381,776</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>				
Total Distributions Paid From Earnings:				
Investor Class	(723,856)	(412,870)	(254,623)	(26,137)
Institutional Class	(503,581)	(305,320)	(349,352)	(56,361)
Class A	(107,850)	(101,472)	-	(3,799)
Class C	(33,669)	(29,367)	-	(1,842)
Net decrease in net assets from distributions to shareholders	<u>(1,368,956)</u>	<u>(849,029)</u>	<u>(603,975)</u>	<u>(88,139)</u>
<b>FROM SHARES OF BENEFICIAL INTEREST</b>				
Proceeds from shares sold:				
Investor Class	434,114	707,098	747,741	387,103
Institutional Class	1,491,774	1,494,479	4,959,926	2,689,423
Class A	16,000	28,232	-	-
Class C	53,000	35,500	-	-
Paid in capital from merger (see note 1):				
Investor Class	-	-	-	13,280,244
Institutional Class	-	-	-	20,350,123
Net asset value of shares issued in reinvestment of distributions to shareholders:				
Investor Class	626,642	355,031	226,840	20,785
Institutional Class	461,621	279,014	320,726	44,265
Class A	92,693	76,096	-	3,026
Class C	24,566	23,174	-	1,648
Transfer of net assets:				
From Class A to Investor Class	(793,489)	-	-	(542,233)
From Class C to Investor Class	(1,145,952)	-	-	(290,376)
To Investor Class from Class A	793,489	-	-	542,233
To Investor Class From Class C	1,145,952	-	-	290,376
Payments for shares redeemed:				
Investor Class	(4,444,420)	(7,503,228)	(5,111,830)	(4,395,877)
Institutional Class	(2,777,298)	(6,432,202)	(10,758,883)	(10,204,060)
Class A	(5,302,906)	(499,075)	-	(167,315)
Class C	(114,200)	(1,346,865)	-	(232,746)
Net increase(decrease) in net assets from shares of beneficial interest	<u>(9,438,414)</u>	<u>(12,782,746)</u>	<u>(9,615,480)</u>	<u>21,776,619</u>
<b>TOTAL INCREASE(DECREASE) IN NET ASSETS</b>	<u>(12,047,688)</u>	<u>(4,935,416)</u>	<u>(9,189,440)</u>	<u>23,070,256</u>
<b>NET ASSETS</b>				
Beginning of Year	41,898,828	46,834,244	35,852,144	12,781,888
End of Year	<u>\$ 29,851,140</u>	<u>\$ 41,898,828</u>	<u>\$ 26,662,704</u>	<u>\$ 35,852,144</u>

See accompanying notes to financial statements.

## Leader Funds

### STATEMENTS OF CHANGES IN NET ASSETS (Continued)

	Leader Short Term High Yield Bond Fund		Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)	
	Year Ended	Year Ended	Year Ended	Year Ended
	May 31, 2022	May 31, 2021	May 31, 2022	May 31, 2021
<b>SHARE ACTIVITY</b>				
<b>Investor Class:</b>				
Shares Sold	47,734	79,757	69,761	36,318
Shares received from merger (see note 1)	-	-	-	1,251,849
Shares transferred in from Class A	90,704	-	-	50,182
Shares transferred in from Class C	130,994	-	-	26,873
Shares Reinvested	69,989	44,732	21,007	2,220
Shares Redeemed	(490,398)	(877,235)	(473,059)	(433,606)
Net increase (decrease) in shares of beneficial interest outstanding	<u>(150,977)</u>	<u>(752,746)</u>	<u>(382,291)</u>	<u>933,836</u>
<b>Institutional Class:</b>				
Shares Sold	168,974	174,468	466,023	256,247
Shares received from merger (see note 1)	-	-	-	1,921,890
Shares Reinvested	50,929	34,663	29,732	4,713
Shares Redeemed	(306,365)	(757,483)	(995,797)	(995,373)
Net increase (decrease) in shares of beneficial interest outstanding	<u>(86,462)</u>	<u>(548,352)</u>	<u>(500,042)</u>	<u>1,187,477</u>
<b>Class A :</b>				
Shares Sold	1,718	3,326	-	-
Shares transferred to Investor Class	(90,845)	-	-	(50,267)
Shares Reinvested	10,122	9,058	-	324
Shares Redeemed	(590,418)	(58,607)	-	(16,705)
Net decrease in shares of beneficial interest outstanding	<u>(669,423)</u>	<u>(46,223)</u>	<u>-</u>	<u>(66,648)</u>
<b>Class C :</b>				
Shares Sold	5,769	3,889	-	-
Shares transferred to Investor Class	(131,427)	-	-	(26,790)
Shares Reinvested	2,730	2,950	-	176
Shares Redeemed	(12,475)	(153,071)	-	(24,460)
Net decrease in shares of beneficial interest outstanding	<u>(135,403)</u>	<u>(146,232)</u>	<u>-</u>	<u>(51,074)</u>

See accompanying notes to financial statements.

**Leader Short Term High Yield Bond Fund**  
**FINANCIAL HIGHLIGHTS**

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Year Presented.

	Investor Class				
	Year Ended May 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of year	\$ 9.10	\$ 7.67	\$ 8.94	\$ 8.91	\$ 8.98
From investment operations:					
Net investment income (1)	0.44	0.17	0.31	0.22	0.24 (8)
Net realized and unrealized gain (loss) on investments	(0.83)	1.40	(1.32)	0.01 (7)	(0.06) (8)
Total from investment operations	(0.39)	1.57	(1.01)	0.23	0.18
Paid-in-capital from redemption fees	-	-	-	0.00 (6)	-
Less distributions from:					
Net investment income	(0.34)	(0.14)	(0.26)	(0.20)	(0.25)
Return of capital	-	-	-	-	-
Total distributions	(0.34)	(0.14)	(0.26)	(0.20)	(0.25)
Net asset value, end of year	\$ 8.37	\$ 9.10	\$ 7.67	\$ 8.94	\$ 8.91
Total return (2)	(4.49)% (5)	20.62% (5)	(11.59)%	2.58% (5)	1.99% (5)
Net assets, end of year (000s)	\$ 18,628	\$ 21,616	\$ 24,014	\$ 43,489	\$ 54,874
Ratio of gross expenses to average net assets including dividend and interest expense, excluding waiver (4)	2.78%	2.45%	2.06%	1.81%	1.65%
Ratio of net expenses to average net assets including dividend and interest expense (3)	2.78%	2.45%	2.06%	1.79%	1.62%
Ratio of net expenses to average net assets: excluding dividends and interest expense (3)	2.78%	2.45%	2.06%	1.66%	1.54%
Ratio of net investment income to average net assets (3,4)	4.28%	1.96%	3.65%	2.48%	2.68% (8)
Portfolio Turnover Rate	717.77%	1030.50%	1014.62%	496.37%	325.30%

(1) Per shares amounts calculated using the average share method, which appropriately presents the per share data for the year.

(2) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends and distributions, if any.

(3) The ratios shown do not include the Fund's proportionate shares of the expenses of the underlying funds in which the Fund invests.

(4) Recognition of net investment income is affected by the timing and declaration of dividends by the underlying funds in which the Fund invests.

(5) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon the net asset values may differ from the net asset values and returns for shareholder transactions.

(6) Less than \$0.01 per share.

(7) The amount of net realized and unrealized gain (loss) on investment per share does not accord with the amounts in the Statements of Operations due to the timing of purchases and sales of Fund shares in relation to fluctuating market values.

(8) Net Investment Income, net realized and unrealized gain(loss) and ratio of net investment income to average net assets were restated. The Fund elected to change its accounting method for prepayments on interest only securities resulting in adjustments between income and realized gain (loss).

See accompanying notes to financial statements.

**Leader Short Term High Yield Bond Fund**  
**FINANCIAL HIGHLIGHTS (Continued)**

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Year Presented.

	<b>Institutional Class</b>				
	<b>Year Ended May 31,</b>				
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net asset value, beginning of year	\$ 9.19	\$ 7.74	\$ 9.02	\$ 8.98	\$ 9.05
From investment operations:					
Net investment income (1)	0.49	0.21	0.36	0.27	0.28 (7)
Net realized and unrealized gain (loss) on investments	(0.84)	1.41	(1.34)	0.01 (6)	(0.05) (7)
Total from investment operations	(0.35)	1.62	(0.98)	0.28	0.23
Less distributions from:					
Net investment income	(0.38)	(0.17)	(0.30)	(0.24)	(0.30)
Return of capital	-	-	-	-	-
Total distributions	(0.38)	(0.17)	(0.30)	(0.24)	(0.30)
Net asset value, end of year	\$ 8.46	\$ 9.19	\$ 7.74	\$ 9.02	\$ 8.98
Total return (2)	(3.96)% (5)	21.27%	(11.14)%	3.11% (5)	2.54% (5)
Net assets, end of year (000s)	\$ 11,223	\$ 12,980	\$ 15,182	\$ 45,994	\$ 59,181
Ratio of gross expenses to average net assets including dividend and interest expense, excluding waiver (4)	2.28%	1.95%	1.56%	1.30%	1.15%
Ratio of net expenses to average net assets including dividend and interest expense (3)	2.28%	1.95%	1.56%	1.29%	1.12%
Ratio of net expenses to average net assets: excluding dividends and interest expense (3)	2.28%	1.95%	1.56%	1.16%	1.04%
Ratio of net investment income to average net assets (3,4)	4.79%	2.49%	4.18%	3.04%	3.16% (7)
Portfolio Turnover Rate	717.77%	1030.50%	1014.62%	496.37%	325.30%

(1) Per shares amounts calculated using the average share method, which appropriately presents the per share data for the year.

(2) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends and distributions, if any.

(3) The ratios shown do not include the Fund's proportionate shares of the expenses of the underlying funds in which the Fund invests.

(4) Recognition of net investment income is affected by the timing and declaration of dividends by the underlying funds in which the Fund invests.

(5) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon the net asset values may differ from the net asset values and returns for shareholder transactions.

(6) The amount of net realized and unrealized gain (loss) on investment per share does not accord with the amounts in the Statements of Operations due to the timing of purchases and sales of Fund shares in relation to fluctuating market values.

(7) Net Investment Income, net realized and unrealized gain(loss) and ratio of net investment income to average net assets were restated. The Fund elected to change its accounting method for prepayments on interest only securities resulting in adjustments between income and realized gain (loss).

See accompanying notes to financial statements.



# Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)

## FINANCIAL HIGHLIGHTS (Continued)

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Year Presented.

	Investor Class				
	Year Ended May 31,				
	2022	2021	2020	2019	2018
Net asset value, beginning of year	\$ 10.57	\$ 9.21	\$ 10.07	\$ 9.71	\$ 9.60
From investment operations:					
Net investment income (1)	0.26	0.10	0.30	0.23	0.28 (7)
Net realized and unrealized gain (loss) on investments	(0.01)	1.32	(0.88)	0.37	0.11 (2,7)
Total from investment operations	0.25	1.42	(0.58)	0.60	0.39
Less distributions from:					
Net investment income	(0.21)	(0.06)	(0.25)	(0.24)	(0.28)
Return of capital	-	-	(0.03)	-	-
Total distributions	(0.21)	(0.06)	(0.28)	(0.24)	(0.28)
Net asset value, end of year	<u>\$ 10.61</u>	<u>\$ 10.57</u>	<u>\$ 9.21</u>	<u>\$ 10.07</u>	<u>\$ 9.71</u>
Total return (3)	<u>2.39%</u>	<u>15.53%</u>	<u>(5.85)%</u>	<u>6.33%</u> (6)	<u>4.08%</u> (6)
Net assets, end of year (000s)	<u>\$ 11,073</u>	<u>\$ 15,068</u>	<u>\$ 4,527</u>	<u>\$ 10,955</u>	<u>\$ 8,091</u>
Ratio of net expenses to average net assets including dividend and interest expense (4)	2.33%	3.13%	2.82%	2.42%	2.28%
Ratio of net expenses to average net assets: excluding dividends and interest expense (4)	2.33%	3.13%	2.82%	2.42%	2.20%
Ratio of net investment income to average net assets (4,5)	2.37%	1.16%	3.04%	2.28%	2.93% (7)
Portfolio Turnover Rate	855.36%	1198.55%	612.23%	397.79%	535.81%

- (1) Per shares amounts calculated using the average share method, which appropriately presents the per share data for the year.
- (2) Realized and unrealized gain/loss per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the year, and does not reconcile with aggregate gains and losses in the statement of operations due to the share transactions for the year.
- (3) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends and distributions.
- (4) The ratios shown do not include the Fund's proportionate shares of the expenses of the underlying funds in which the Fund invests.
- (5) Recognition of net investment income is affected by the timing and declaration of dividends by the underlying funds in which the Fund invests.
- (6) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon the net asset values may differ from the net asset values and returns for shareholder transactions.
- (7) Net Investment Income, net realized and unrealized gain(loss) and ratio of net investment income to average net assets were restated. The Fund elected to change its accounting method for prepayments on interest only securities resulting in adjustments between income and realized gain (loss).

See accompanying notes to financial statements.

**Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund)**  
**FINANCIAL HIGHLIGHTS (Continued)**

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Year Presented.

	<b>Institutional Class</b>				
	<b>Year Ended May 31,</b>				
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net asset value, beginning of year	\$ 10.56	\$ 9.17	\$ 10.04	\$ 9.67	\$ 9.56
From investment operations:					
Net investment income (1)	0.30	0.13	0.35	0.26	0.31 (7)
Net realized and unrealized gain (loss) on investments	(0.01)	1.35	(0.89)	0.39	0.12 (2,7)
Total from investment operations	0.29	1.48	(0.54)	0.65	0.43
Less distributions from:					
Net investment income	(0.24)	(0.09)	(0.30)	(0.28)	(0.32)
Return of capital	-	-	(0.03)	-	-
Total distributions	(0.24)	(0.09)	(0.33)	(0.28)	(0.32)
Net asset value, end of year	<u>\$ 10.61</u>	<u>\$ 10.56</u>	<u>\$ 9.17</u>	<u>\$ 10.04</u>	<u>\$ 9.67</u>
Total return (3)	<u>2.78% (6)</u>	<u>16.22% (6)</u>	<u>(5.48)%</u>	<u>6.84% (6)</u>	<u>4.56% (6)</u>
Net assets, end of year (000s)	<u>\$ 15,589</u>	<u>\$ 20,784</u>	<u>\$ 7,170</u>	<u>\$ 14,162</u>	<u>\$ 8,831</u>
Ratio of net expenses to average net assets including dividend and interest expense (4)	1.94%	2.72%	2.32%	1.88%	1.78%
Ratio of net expenses to average net assets: excluding dividends and interest expense (4)	1.94%	2.72%	2.32%	1.88%	1.70%
Ratio of net investment income to average net assets (4,5)	2.82%	1.51%	3.57%	2.62%	3.22% (7)
Portfolio Turnover Rate	855.36%	1198.55%	612.23%	397.79%	535.81%

- (1) Per shares amounts calculated using the average share method, which appropriately presents the per share data for the year.
- (2) Realized and unrealized gain/loss per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the year, and does not reconcile with aggregate gains and losses in the statement of operations due to the share transactions for the year.
- (3) Total return in the above table represents the rate that the investor would have earned or lost as an investment in the Fund, assuming reinvestment of dividends and distributions.
- (4) The ratios shown do not include the Fund's proportionate shares of the expenses of the underlying funds in which the Fund invests.
- (5) Recognition of net investment income is affected by the timing and declaration of dividends by the underlying funds in which the Fund invests.
- (6) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon the net asset values may differ from the net asset values and returns for shareholder transactions.
- (7) Net Investment Income, net realized and unrealized gain(loss) and ratio of net investment income to average net assets were restated. The Fund elected to change its accounting method for prepayments on interest only securities resulting in adjustments between income and realized gain (loss).

See accompanying notes to financial statements.

# Leader Funds

## NOTES TO FINANCIAL STATEMENTS

### May 31, 2022

#### (1) Organization

The Leader Capital family of mutual funds is comprised of the Leader Short Term High Yield Bond Fund, ("Short Term") and Leader High Quality Floating Rate Fund ("High Quality") (Formerly, Leader Total Return Fund ("Total Return")) (each a "Fund" and collectively the "Funds"), each a series of shares of beneficial interest of Leader Funds Trust (the "Trust"), a Delaware statutory trust organized on March 1, 2019. The Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act") as an open-end management investment company. Each Fund represents a distinct, diversified series with its own investment objective and policies within the Trust. The primary investment objective of Short Term is to deliver a high level of current income, with a secondary objective of capital appreciation. The primary investment objective of High Quality is to deliver a high level of current income with a secondary objective of capital appreciation. Short Term and High Quality commenced operations on July 14, 2005 and July 30, 2010, respectively.

Short Term currently offers two classes of shares: Investor Class and Institutional Class shares. High Quality currently offers two classes of shares, Investor Class and Institutional Class. Investor and Institutional shares are offered at net asset value. Each class represents an interest in the ongoing service and distribution charges. All classes of shares have equal voting privileges except that each class has exclusive voting rights with respect to its service and/or distribution plans. The Funds' income, expenses (other than class specific distribution fees) and realized and unrealized gains and losses are allocated proportionately each day based upon the relative net assets of each class.

As of the close of business on April 9, 2021, the Leader High Quality Low Duration Bond Fund ("Acquired Fund") became part of Total Return ("Acquiring Fund") and acquired all the net assets and certain liabilities of High Quality pursuant to a plan or reorganization approved by the Board on March 23, 2021. The details of this re-organization are shown below:

#### At the Close of Business on April 9, 2021

	High Quality Investor Class	Total Return Investor Class	Total Return Investor Class Merged Assets
Net Assets	13,280,244	3,232,606	16,512,850
Unrealized Appreciation (Depreciation)	1,122,392	(379,169)	743,223
Shares Outstanding	1,438,922	304,718	1,556,567
Net Asset Value Per Share	9.23	10.61	10.61

	High Quality Institutional Class	Total Return Institutional Class	Total Return Institutional Class Merged Assets
Net Assets	20,350,123	7,762,521	28,112,644
Unrealized Appreciation (Depreciation)	(830,761)	338,048	(492,713)
Shares Outstanding	2,198,231	733,098	2,654,988
Net Asset Value Per Share	9.26	10.59	10.59

#### (2) Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Funds in the preparation of their financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. Each Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 "Financial Services – Investment Companies".

##### (a) Security Valuation

Generally, securities are valued each day at the last quoted sales price on each security's principal exchange. Securities traded or dealt in upon one or more securities exchanges (whether domestic or foreign) for which market quotations are readily available and not subject to restrictions against resale shall be valued at the last quoted sales price on the primary exchange or, in the absence of a sale on the primary exchange, at the mean between the current bid and ask prices on such exchange. Securities primarily traded in the National Association of Securities Dealers' Automated Quotation System

# Leader Funds

## NOTES TO FINANCIAL STATEMENTS (Continued)

### May 31, 2022

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("NASDAQ") National Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price. Securities that are not traded or dealt in any securities exchange (whether domestic or foreign) and for which over-the-counter market quotations are readily available generally shall be valued at the last sale price or, in the absence of a sale, at the mean between the current bid and ask price on such over-the-counter market. Debt securities not traded on an exchange may be valued at prices supplied by a pricing agent(s) based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. If market quotations are not readily available, securities will be valued at their fair market value as determined using the "fair value" procedures approved by the Board of Trustees (the "Board"). The independent pricing service does not distinguish between smaller-sized bond positions known as "odd lots" and larger institutional-sized bond positions known as "round lots". The Fund may fair value a particular bond if the adviser does not believe that the round lot value provided by the independent pricing service reflects fair value of the Fund's holding. In these cases, each Fund's NAV will reflect certain portfolio securities' fair value rather than their market price. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security may be materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available. The Board has delegated execution of these procedures to a fair value team composed of one or more representatives from each of the (i) Trust, (ii) administrator, and (iii) Advisor. The team may also enlist third party consultants such as a pricing specialist or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. The Board reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

Each Fund may invest in portfolios of open-end or closed-end investment companies (the "Underlying Funds"). The Underlying Funds value securities in their portfolios for which market quotations are readily available at their market values (generally the last reported sale price) and all other securities and assets at their fair value to the methods established by the board of directors of the Underlying Funds.

Open-end investment companies are valued at their respective net asset values as reported by such investment companies. The shares of many closed-end investment companies, after their initial public offering, frequently trade at a price per share, which is different than the net asset value per share. The difference represents a market premium or market discount of such shares. There can be no assurances that the market discount or market premium on shares of any closed-end investment company purchased by the Funds will not change.

The Funds utilize various methods to measure the fair value of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of input are:

**Level 1** – Unadjusted quoted prices in active markets for identical assets and liabilities that the Funds have the ability to access.

**Level 2** – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

**Level 3** – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Funds' own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following tables summarize the inputs used as of May 31, 2022 for each Fund's assets and liabilities measured at fair value:

**Leader Funds**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**May 31, 2022**

**Short Term**

<b>Assets *</b>	Level 1	Level 2	Level 3	Total
Investments:				
Preferred Stocks	\$ -	\$ 1,911,826	\$ 1,035,000	\$ 2,946,826
Convertible Bonds	-	3,364,278	-	3,364,278
Corporate Bond	-	10,964,673	1,570,000	12,534,673
Non U.S. Government & Agencies	-	2,304,750	-	2,304,750
Short-Term Investment	7,732,172	-	-	7,732,172
<b>Total Investments</b>	<b>\$ 7,732,172</b>	<b>\$ 18,545,527</b>	<b>\$ 2,605,000</b>	<b>\$ 28,882,699</b>

**High Quality**

<b>Assets *</b>	Level 1	Level 2	Level 3	Total
Investments:				
Asset Backed Securities	\$ -	\$ 19,828,481	\$ -	\$ 19,828,481
Convertible Bonds	-	-	400,000	400,000
Corporate Bonds	-	1,937,500	-	1,937,500
Short-Term Investments	4,321,334	-	-	4,321,334
<b>Total Investments</b>	<b>\$ 4,321,334</b>	<b>\$ 21,765,981</b>	<b>\$ 400,000</b>	<b>\$ 26,487,315</b>

\* Refer to the Schedules of Investments for industry classification.

The following table is a reconciliation of assets in which Level 3 inputs were used in determining value:

	Short Term			
	Eaton Vance	GEO Corrections Holdings, Inc.	Aurora Cannabis, Inc.	VTB Bank PJSC Via VTB Eaurasia Dac
Beginning Balance	\$1,035,000	\$ 1,559,250	\$ 2,112,000	\$ -
Total Realized Gain/(Loss)	-	208,688	187,711	-
Unrealized Appreciation/(Depreciation)	-	344,250	(104,461)	-
Cost of Purchases	-	-	-	-
Proceeds from Sales	-	(2,112,188)	(2,195,250.00)	-
Proceeds from Principal	-	-	-	-
Accrued Interest	-	-	-	-
Net Transfers In/Out of Level 3	-	-	-	1,570,000
Ending Balance	<u>\$1,035,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,570,000</u>

	High Quality		
	GEO Corrections Holdings, Inc.	Aurora Cannabis, Inc.	Boxabl, Inc.
Beginning Balance	\$ 1,905,750	\$ 3,168,000	\$ -
Total Realized Gain/(Loss)	255,063	203,522	-
Unrealized Appreciation/(Depreciation)	420,750	(70,397)	-
Cost of Purchases	-	-	400,000
Proceeds from Sales	(2,581,563)	(3,301,125)	-
Proceeds from Principal	-	-	-
Accrued Interest	-	-	-
Net Transfers In/Out of Level 3	-	-	-
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$400,000</u>

Fund	Investment Type	Fair Value	Valuation Methodology	Unobservable Input Type
Short Term	Preferred Stock	\$ 1,035,000	Discount of last Trade	Potential Future Cash Payment
Short Term	Corporate Bond	1,570,000	Discount of last Trade	N/A
High Quality	Corporate Bond	400,000	Purchase Price	N/A

# Leader Funds

## NOTES TO FINANCIAL STATEMENTS (Continued)

### May 31, 2022

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#### *(b) Security Transactions and Related Income*

Security transactions are accounted for on trade date. Interest income is recognized on an accrual basis. Discounts are accreted and premiums are amortized on securities purchased over the lives of the respective securities. Dividend income is recorded on the ex-dividend date. Realized gains or losses from sales of securities are determined by comparing the identified cost of the security lot sold with the net sales proceeds. The accounting records are maintained in U.S. dollars.

#### *(c) Exchange Traded Funds*

The Funds may invest in ETFs as part of their principal investment strategies. ETFs are subject to investment advisory and other expenses, which will be indirectly paid by the Funds. As a result, your cost of investing in a Fund will be higher than the cost of investing directly in ETFs and may be higher than other mutual funds that invest directly in stocks and bonds. ETFs are listed on national stock exchanges and are traded like stocks listed on an exchange. ETF shares may trade at a discount to or a premium above net asset value if there is a limited market in such shares. ETFs are also subject to brokerage and other trading costs, which could result in greater expenses to a Fund. Because the value of ETF shares depends on the demand in the market, the Advisor or Sub-Advisor may not be able to liquidate a Fund's holdings at the most optimal time, adversely affecting performance. An ETF is subject to specific risks, depending on the nature of its investment strategy, which could include liquidity risk, sector risk and emerging market risk. In addition, ETFs that use derivatives may be subject to counterparty risk, liquidity risk, and other risks commonly associated with investments in derivatives. An ETF may not be able to replicate exactly the performance of the indices it tracks, if any, because the total return generated by the securities will be reduced by transaction costs incurred in adjusting the actual balance of the securities. In addition, an ETF will incur expenses not incurred by its underlying index. Certain securities comprising the index tracked by an ETF may, from time to time, temporarily be unavailable, which may further impede the ETF's ability to track its underlying index.

#### *(d) LIBOR Risk*

The Fund may invest in securities and other instruments whose interest payments are determined by references to the London Interbank Offered Rate ("LIBOR").

The United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that after 2021 it will cease its active encouragement of banks to provide the quotations needed to sustain LIBOR. On March 5, 2021, ICE Benchmark Administration Limited, the administrator of LIBOR, announced its intention to cease publishing a majority of the USD LIBOR rates after publication on June 30, 2023, with the one week and two months USD LIBOR rates to cease after publication on December 31, 2021. The U.S. Federal Reserve, based on the recommendations of the Alternative Reference Rates Committee (comprised of major derivative market participants and their regulators), has begun publishing Secured Overnight Financing Rate (SOFR), a broad measure of secured overnight U.S. Treasury repo rates, that is intended to replace USD LIBOR. Proposals for alternative reference rates for other currencies have also been announced or have already begun publication. The unavailability of LIBOR presents risks to the Fund, including the risk that any pricing or adjustments to the Fund's investments resulting from a substitute or alternate reference rate may adversely affect the Fund's performance and/or NAV. It remains uncertain how such changes would be implemented and the effects such changes would have on the Fund, including any negative effects on the Fund's liquidity and valuation of the Fund's investments, issuers of instruments in which the Fund invests and financial markets generally.

#### *(e) Distributions to Shareholders*

Dividends from net investment income are paid monthly for Short Term and High Quality. Distributable net realized capital gains are declared and distributed annually. Dividends and distributions to shareholders are recorded on ex-date. Dividends from net investment income and distributions from net realized gains are determined in accordance with federal income tax regulations, which may differ from GAAP. These "book/tax" differences are considered either temporary (i.e., deferred losses, capital loss carry forwards) or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment. Temporary differences do not require reclassification. These reclassifications have no effect on net assets, results from operations or net asset values per share of the Funds.

#### *(f) Federal Income Taxes*

It is each Fund's policy to continue to qualify as a regulated investment company by complying with the provisions of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of their taxable income and net realized gains to shareholders. Therefore, no federal income tax provision is required.

Each Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed each Fund's tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years May

# Leader Funds

## NOTES TO FINANCIAL STATEMENTS (Continued)

### May 31, 2022

31, 2019 – May 31, 2021, or expected to be taken in each Fund's May 31, 2022 tax returns. Each Fund identifies its major tax jurisdictions as U.S. Federal and foreign jurisdictions where each Fund makes significant investments. Each Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

#### (g) Expenses

Expenses of the Trust that are directly identifiable to a specific fund are charged to that fund. Expenses that are not readily identifiable to a specific fund are allocated in such a manner as deemed equitable, taking into consideration the nature and type of expense and the relative sizes of the funds in the Trust.

#### (h) Indemnification

The Trust indemnifies its officers and Trustees for certain liabilities that may arise from the performance of their duties to the Trust. Additionally, in the normal course of business, the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnities. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the risk of loss due to these warranties and indemnities appears to be remote.

### (3) Investment Transactions

For the year ended May 31, 2022, cost of purchases and proceeds from sales of portfolio securities and U.S. Government securities, other than short-term investments, amounted to the following:

Fund	Purchase	Sales	U.S. Government Securities	
			Purchase	Sales
Short Term High Yield Bond	\$ 220,711,389	\$ 237,322,002	\$ 63,652,531	\$ 63,656,973
High Quality	94,590,792	105,123,618	\$ 119,414,727	\$ 119,590,996

### (4) Aggregate Unrealized Appreciation and Depreciation – Tax Basis

The identified cost of investments in securities owned by each Fund for federal income tax purposes and its respective gross unrealized appreciation and depreciation at May 31, 2022 were as follows:

	Tax Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation/ (Depreciation)
Short Term High Yield Bond	\$ 31,853,077	\$ 620,806	\$ (3,591,184)	\$ (2,970,378)
High Quality	27,017,440	127,509	(657,634)	(530,125)

### (5) Investment Advisory Agreement and Transactions with Related Parties

Leader Capital Corp. serves as the Funds' Investment Advisor (the "Advisor"). Pursuant to an investment advisory agreement between the Advisor and the Trust, on behalf of each Fund, the Advisor, under the oversight of the Board, directs the daily operations of the Funds and supervises the performance of administrative and professional services provided by others. As compensation for its services and the related expenses borne by the Advisor, each Fund pays the Advisor a management fee, computed and accrued daily and paid monthly, at an annual rate of (i) 0.75% of Short Term's average daily net assets up to and including \$1.25 billion; or (ii) 0.70% of Short Term's average daily net assets over \$1.25 billion; (iii) 0.65% of High Quality's average daily net assets; prior to April 10, 2021 the annual rate was 0.75%. For the year ended May 31, 2022, Short Term and High Quality accrued \$273,260 and \$180,385 in advisory fees, respectively.

Ceros Financial Services, Inc. (the "Distributor"), acts as each Fund's principal underwriter in a continuous public offering of each Fund's Investor Class, Institutional Class, Class A and Class C shares. For the year ended year ended May 31, 2022, the Distributor received \$0 in underwriting commissions.

Joot, Joot provides a Chief Compliance Officer to the Trust, as well as related compliance services, pursuant to a consulting agreement between Joot and the Trust. Under the terms of such agreement, Joot receives customary fees from the Fund. Prior to April 1, 2022 Northern Light Compliance services ("NLCS") served as the Chief Compliance Officer.

# Leader Funds

## NOTES TO FINANCIAL STATEMENTS (Continued)

### May 31, 2022

*Ultimus Fund Solutions, LLC ("UFS")*, provides administration, fund accounting, and transfer agent services to the Trust. Pursuant to separate servicing agreements with UFS, the Funds pay UFS customary fees for providing administration, fund accounting and transfer agency services to the Funds. Certain officers of the Trust are also officers of UFS and are not paid any fees directly by the Funds for serving in such capacities.

In addition, certain affiliates of UFS provide services to the Funds as follows:

*Blu Giant, LLC ("Blu Giant")*, an affiliate of UFS, provides EDGAR conversion and filing services as well as print management services for the Funds on an ad-hoc basis. For the provision of these services, Blu Giant receives customary fees from the Funds.

#### (6) Distribution Plan

The Trust, with respect to the Funds, has adopted the Trust's Master Distribution and Shareholder Servicing Plans for Class A, Class C and Investor Class shares (the "Plans") pursuant to Rule 12b-1 under the 1940 Act. The Plans provide that a monthly service and distribution fee is calculated by Short Term at an annual rate of 0.50% of its average daily net assets for Investor Class and Class A shares and 1.00% for Class C shares and is paid to the Distributor to provide compensation for ongoing shareholder servicing and distribution-related activities or services and/or maintenance of each Fund's shareholder accounts not otherwise required to be provided by the Advisor. The Plans provide that a monthly service and distribution fee is calculated by High Quality at an annual rate of 0.38% of its average daily net assets for Investor Class. The Institutional Shares do not participate in a Plan. For the year ended April 30, 2022 Short Term and High Quality incurred \$126,416 and \$47,679, respectively in fees, pursuant to the Plans. Class A and Class C shares of Short Term converted into Investor shares on March 31, 2022

#### (7) Distributions to Shareholders and Tax Components of Capital

The tax character of distributions paid during the fiscal year ended May 31, 2022 and the fiscal year ended May 31, 2021 were as follows:

	For fiscal year ended 5/31/2022	Ordinary Income	Long-Term Capital Gains	Return of Capital	Total
Short Term	\$	1,368,956	\$ -	\$ -	\$ 1,368,956
High Quality		603,975	-	-	603,975

	For fiscal year ended 5/31/2021	Ordinary Income	Long-Term Capital Gains	Return of Capital	Total
Short Term	\$	849,029	\$ -	\$ -	\$ 849,029
High Quality		88,139	-	-	88,139

As of May 31, 2022, the components of accumulated earnings/(deficit) on a tax basis were as follows:

	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Capital Loss Carry Forwards	Other Book/Tax Differences	Post October Loss and Late Year Loss	Unrealized Appreciation/ (Depreciation)	Total Accumulated Earnings/(Deficits)
Short Term	\$ 176,405	\$ -	\$ (80,987,400)	\$ -	\$ -	\$ (2,970,378)	\$ (83,781,373)
High Quality	167,466	-	(49,621,381)	-	-	(530,125)	(49,984,040)

The difference between book basis and tax basis undistributed net investment income/(loss), accumulated net realized gain/(loss), and unrealized appreciation/(depreciation) from investments is primarily attributable to the tax deferral of losses on wash sales, and tax adjustments for partnerships, trust preferred securities and perpetual bonds.

At May 31, 2022, the Funds had capital loss carry forwards for federal income tax purposes available to offset future capital gains, along with capital loss carry forwards utilized as follows:

Fund	Short-Term	Long-Term	Capital Loss Carryforward Limitation	Total	CLCF Utilized
Short Term	\$ 30,115,349	\$ 50,872,051	\$ -	\$ 80,987,400	\$ 1,258,378
High Quality	\$ 15,071,199	\$ 1,325,356	\$ 33,224,826	\$ 49,621,381	\$ 1,186,377



# Leader Funds

## NOTES TO FINANCIAL STATEMENTS (Continued)

### May 31, 2022

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As a result of the acquisition of another Fund, the High Quality Floating Rate Fund acquired \$15,574,823 and \$1,535,671 of short-term and long-term capital loss carryover, respectively, which is available to offset future capital gains. In addition, as a result of a change in control due to the merger, the Fund is subject to an annual limitation of \$165,586 (prorated in the initial year) under tax rules.

#### **(8) Auction Rate Preferred Securities**

Auction rate preferred securities (“ARPS”) are corporate preferred stocks with dividend rates designed to reset periodically - typically every 7, 14, 28, or 35 days. These ARPS do not trade on a public stock exchange similar to common stocks, but rather through a Dutch auction process, occurring at the intervals described above. Since February 18, 2008 the Dutch auction process has mostly failed. When an auction fails, the dividend rate applicable to each series is set at a “default rate”, as defined in each security’s prospectus, and varies with a specified short-term interest rate (typically as a percentage of or a spread in addition to the specified base rate).

The Advisor believes 92% of par value accurately reflects the market value of the ARPS held by the Short Term as of November 30, 2021, and because of the failed Dutch auction process, believes they are presently illiquid. As of May 31, 2022, the ARPS are fair valued based on the Trust’s Procedures as stated in Note 2. Although the Advisor believes that 92% of par value accurately reflects market value, there is no guarantee that in a forced liquidation the Fund would receive the market value currently ascribed to these securities. As of May 31, 2022, the Short Term held \$1,035,000 or 3.5% of its net assets in ARPS.

#### **(9) Underlying Investments in Other Investment Companies**

Short Term High Yield currently invests a portion of its assets in Federated Treasury obligations Fund. The Short Term High Yield Fund may redeem its investment from Federated Treasury obligations Fund at any time if the Advisor determines that it is in the best interest of the Fund and its shareholders to do so.

The performance of Short Term High Yield will be directly affected by the performance of the Federated Treasury Obligations Fund. The financial statements of the Federated Treasury Obligations Fund, including the portfolio of investments, can be found at the Securities and Exchange Commission’s website [www.sec.gov](http://www.sec.gov) and should be read in conjunction with the Fund’s financial statements. As of May 31, 2022, the percentage of Short Term High Yield’s net assets invested in the Federated Treasury Obligations Fund was 25.9%.

#### **(10) Litigation**

The Trust, on behalf of Short-Term High Yield and Total Return (collectively with the Trust, the “Funds”), filed a FINRA arbitration complaint on May 4, 2020, against Oppenheimer & Co. and two of its principals (collectively, “OPCO”). The claims alleged that OPCO failed to execute a significant trade, acted negligently, failed to supervise its traders, and breached its fiduciary duty. On November 23, 2021 the complaint was settled.

#### **(11) New Accounting Pronouncements**

In March 2020, FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“ASU 2020-04”). The amendments in ASU 2020-04 provide optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of LIBOR and other interbank-offered based reference rates as of the end of 2021. ASU 2020-04 is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management is currently evaluating the impact, if any of applying this ASU.

#### **(12) Subsequent Events**

Subsequent events after the date of the Statements of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements.

**Leader Funds**  
**Change in Accountants (Unaudited)**  
**May 31,2022**

On May 26, 2022, the Board of Trustees of Leader Funds Trust (the "Trust" or "registrant"), comprised solely of Independent Trustees, upon recommendation and approval of the Audit Committee of the Leader Funds Trust ("Committee") approved and formally engaged Sanville & Co. as the Fund's independent registered public accounting firm for the fiscal year ending May 31, 2022, in replacement of BBD LLP ("BBD") which served previously as the independent registered public accounting firm for the Fund and resigned as the independent registered public accounting firm effective May 26, 2022. The Trust knows of no direct financial or material indirect financial interest of BBD in the Trust.

BBD reports on the Fund's financial statements for either of the past two years did not contain an adverse opinion or a disclaimer of opinion, nor were such reports qualified or modified as to uncertainty, audit scope or accounting principles.

During the fiscal years of the Fund ended May 31, 2020 and May 31, 2021 and the subsequent interim period through May 26, 2022, (i) there were no disagreements between the Funds and BBD on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of BBD, would have caused it to make reference to the subject matter of the disagreement in its report on the financial statements for such period and (ii) there were no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K).

During the fiscal years of the Fund ended May 31, 2020 and May 31, 2021, and during the subsequent interim period prior to engaging BBD, neither the registrant, nor anyone acting on its behalf, consulted with BBD on behalf of the Fund regarding the application of accounting principles to a specified transaction (either completed or proposed), the type of audit opinion that might be rendered on the Fund's financial statements, or any matter that was either: (i) the subject of a "disagreement," as described in Item 304(a)(1)(iv) of Regulation S-K and the instructions thereto; or (ii) a "reportable event," as defined in Item 304(a)(1)(v) of Regulation S-K.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of Leader Funds Trust  
and Shareholders of Leader Short Term High Yield Bond Fund  
and Leader High Quality Floating Rate Fund (Formerly, Leader  
Total Return Fund

### Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of Leader Short Term High Yield Bond Fund and Leader High Quality Floating Rate Fund (Formerly, Leader Total Return Fund), (collectively the “Funds”) each a series of Leader Funds Trust (the “Trust”) including the schedules of investments, as of May 31, 2022, the related statements of operations and the statements of changes in net assets, and the related notes (collectively referred to as the “financial statements”) and the financial highlights for the year then ended.

The statements of changes in net assets for the year ended May 31, 2021 and the financial highlights for each of the years in the four year period ended May 31, 2021, was audited by other auditors whose opinion dated July 30, 2021, expressed an unqualified opinion on those financial statements and financial highlights.

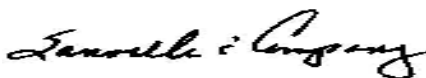
In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Funds as of May 31, 2022, the results of their operations, the changes in their net assets, and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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 audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

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

Our audit included performing procedures to assess the risk of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities and cash owned as of May 31, 2022, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.



This is the initial year we have served as the Trust’s auditor.  
Abington, Pennsylvania  
August 1, 2022

# Leader Funds SUPPLEMENTAL INFORMATION (Unaudited) MAY 31, 2022

## Approval of the Investment Advisory Agreement Renewal

At a meeting held on April 27, 2022 (the “Meeting”), the Board of Trustees (the “Board”) considered the approval of the renewal of the Investment Advisory Agreement (the “Advisory Agreement”) between the Trust and Leader Capital Corp. (the “Adviser” or “Leader”) for the Leader Short Term High Yield Bond Fund (“High Yield Fund”) and Leader High Quality Floating Rate Fund (the “High Quality Fund,” and collectively with the High Yield Fund, the “Funds”).

Legal counsel (“Counsel”) reviewed with the Board a memorandum that summarized, among other things, the fiduciary duties, and responsibilities of the Board in reviewing and approving the renewal of the Advisory Agreement. A copy of this memorandum was circulated to the Trustees in advance of the Meeting and included in the Meeting Materials. Counsel discussed with the Trustees the types of information and factors that should be considered by the Board to make an informed decision regarding the approval of the continuation of the Advisory Agreement, including the following material factors: (1) the nature, extent, and quality of the services provided by Leader; (2) the investment performance of the Funds; (3) the costs of the services provided and profits realized by Leader from the relationship with the Funds; (4) the extent to which economies of scale would be realized if the Funds grow and whether advisory fee levels reflect those economies of scale for the benefit of the Funds’ investors; and (5) Leader’s practices regarding possible conflicts of interest.

In assessing these factors and reaching its decisions, the Board considered information furnished for its review throughout the year at regular Board meetings, as well as information prepared or presented in connection with the annual renewal process, including information submitted to the Board in the Leader’s presentation earlier in the Meeting. The Board requested and was provided with information and reports relevant to the annual renewal of the Advisory Agreement, including: (i) reports regarding the services and support provided to the Funds and their shareholders by the Leader; (ii) quarterly assessments of the investment performance of the Funds from the Leader; (iii) periodic commentary on the reasons for the performance; (iv) presentations by the Funds’ management addressing the Leader’s investment philosophy, investment strategy, personnel, and operations; (v) compliance and audit reports concerning the Funds and Leader; (vi) disclosure information contained in the registration statement of the Trust; and (vii) a memorandum from Counsel that summarized the fiduciary duties and responsibilities of the Board in reviewing and approving the Advisory Agreement, including the material factors set forth above and the types of information included in each factor that should be considered by the Board to make an informed decision.

The Board also requested and received various informational materials including, without limitation: (i) documents containing information about Leader, including financial information, a description of personnel and the services provided to the Funds, information on investment advice, performance, summaries of the Funds’ expenses, compliance program, current legal matters, and other general information; (ii) comparative expense and performance information for other mutual funds with strategies similar to the Funds; and (iii) benefits to be realized by Leader from its relationship with the Funds. The Board did not identify any information that was most relevant to its consideration to approve the Leader Advisory Agreement, and each Trustee may have afforded different weights to the various factors.

### 1. The nature, extent, and quality of the services provided by the Adviser.

The Board considered the responsibilities Leader has under the Advisory Agreement for the Funds. The Board reviewed the services provided by Leader to the Funds including, without limitation: its processes for formulating investment recommendations and assuring compliance with the Funds’ investment objectives and limitations; its coordination of services for the Funds among their service providers; and Leader’s efforts to promote the Funds, grow assets, and assist in the distribution of the Funds’ shares. The Board considered Leader’s operations; the education and experience of its staff; and its compliance

**Leader Funds**  
**SUPPLEMENTAL INFORMATION (Unaudited) (Continued)**  
**MAY 31, 2022**

program, policies, and procedures. The Board considered Leader's results of its most recent SEC examination. The Board noted that Leader was an experienced investment adviser with seasoned senior management and that the performance of the Funds supported the quality and experience of the staff. Additionally, the Board received satisfactory responses from the representative of Leader with respect to a series of important questions, including: whether Leader was involved in any lawsuits or pending regulatory actions; whether the advisory services provided to its other accounts would conflict with the advisory services provided to each of the Funds; whether there were procedures in place to adequately allocate trades among its respective clients; and whether Leader's CCO had processes in place to review the portfolio managers' performance of their duties to ensure compliance under Leader's compliance program. The Board noted that the Funds are the only accounts managed by Leader, and that it focuses all its operations on the Funds. After reviewing the preceding and further information from Leader, the Board concluded that the nature, extent, and quality of the services provided by Leader was satisfactory and adequate for the Funds.

**2. The Investment Performance of the Funds and the Adviser.**

The Board compared the short- and long-term performance of each Fund with the performance of its benchmark index, or indices, as applicable; comparable funds with similar objectives and size managed by other investment advisers (i.e., the peer group), and other comparative indices (e.g., Morningstar category averages). The Board also considered the consistency of Leader's management of the Funds with their investment objective and policies.

The Board discussed the performance report prepared by Leader and reviewed the performance of each Fund as compared to its peer group, Morningstar category, and benchmark for the 1, 3, 5, and 10-year periods ended March 31, 2022. For the High Yield Fund, the Board noted that the Fund was ranked in the top half of its peer group for the 3, 5, and 10-year periods, but it was slightly below the average for the 1-year period. The Board further noted that the High Yield Fund ranked in the top 1, 13, and 15 percentiles when compared to the Morningstar category (US OE Short-Term Bond) for each period. For the High Quality Fund, the Board noted that the Fund was ranked in the top three of its peer group for all periods. The Board further noted that the High Quality Fund outperformed the Morningstar category and ended near the top of the Morningstar category (US OE Intermediate-Term Bond) for the periods ended March 31, 2022. After further discussion, the Board concluded that the performance of each Fund was acceptable.

**3. The costs of the services provided and profits realized by the Adviser from the relationship with the Funds.**

The Board considered: Leader's staffing, personnel, and methods of operating; its financial condition and level of commitment to the Funds; the asset levels of the Funds; and the overall expenses of the Funds. The Board considered Leader's strategic plans to manage costs related to its operations and to hire a sales staff to assist with distribution of Fund shares. The Board further considered the fees and expenses of the Funds (including the management fee) relative to their peer groups, as of March 31, 2022. The Board noted that the management fee for each Fund was consistent with its peer group and towards the higher end of the relevant Morningstar category, but it was within a reasonable range for the category. The Board further noted that each Fund's expense ratio was near the top of its peer group, but within the group's range. The Board reviewed and discussed each Funds' management fee and total operating expenses as compared to its peer group, as presented in the Meeting materials. The Board noted that:

- the advisory fee and expense ratio for each Fund was near or at the top of its respective peer group and Morningstar category ranges;
- each Fund invests more in research and provides accessibility to the portfolio management team daily, which differentiates it from many of its peers;
- There is no expense limitation agreement in place with Leader; and

**Leader Funds**  
**SUPPLEMENTAL INFORMATION (Unaudited) (Continued)**  
**MAY 31, 2022**

- The Funds' asset levels are low relative to their peers and category averages, and therefore the Funds do not benefit from any economies of scale.

The Board considered the recent changes to the High Quality Fund's investment strategy, which would operate as a high quality, floating rate fund over the next year.

The Board also considered Leader's profitability from managing each Fund based on profitability reports and analyses provided by Leader to the Board. The Board noted that the Funds are the only accounts managed by Leader, and that all its resources are applied to managing the Funds and their portfolios. After review and discussion, the Board concluded that the management fee and anticipated profit from Leader's relationship with each Fund was not excessive.

4. The extent to which economies of scale would be realized if the Funds grow and whether advisory fee levels reflect these economies of scale for the benefit of the Funds' investors.

The Board considered the Funds' fee arrangements with Leader. The Board noted that while a breakpoint schedule in an advisory agreement would be beneficial, such a feature only had benefits if the fund's assets were enough to realize the effect of the breakpoint. The Board further noted that each Fund is small relative to its peer group and Morningstar category average and median, which limits Leader's ability to provide breakpoints. The Board discussed the current size and Leader's expectations for growth of each Fund, and concluded that any material economies of scale would not be achieved in the near term. The Board further noted that Leader would consider adding break points once a Fund reaches certain asset sizes. Following further discussion of the Funds' asset levels, expectations for growth and levels of fees, the Board determined that the Funds' fee arrangements, considering all the facts and circumstances, were fair and reasonable.

5. Possible conflicts of interest and benefits derived by the Adviser.

The Trustees evaluated the potential for conflicts of interest and considered such matters as: the experience and ability of the advisory and compliance personnel assigned to the Funds; the fact uses soft dollars; the basis of decisions to buy or sell securities for the Funds; and the substance and administration of Leader's code of ethics. Based on the preceding, the Board determined that Leader's standards and practices relating to the identification and mitigation of possible conflicts of interest were satisfactory.

After additional consideration and discussion among the Trustees, the Board determined that the compensation payable under the Advisory Agreement for each Fund was fair, reasonable and within a range of what could have been negotiated at arms-length considering all the surrounding circumstances, and they approved the renewal of the Advisory Agreement for the Funds.

**LEADER FUNDS**  
**SUPPLEMENTAL INFORMATION (Unaudited)**  
 May 31, 2022

The following is a list of the Trustees and executive officers of the Trust and each person's principal occupation over the last five years. Unless otherwise noted, the address of each Trustee and Officer is 3900 Park East Drive, Beachwood, OH 44122.

***Independent Trustees***

<b>Name and Year of Birth</b>	<b>Position/Term of Office*</b>	<b>Principal Occupation During the Past Five Years</b>	<b>Number of Portfolios in Fund Complex** Overseen by Trustee</b>	<b>Other Directorships held by Trustee During the Past Five Years</b>
Martin Kehoe - 1961	Trustee Since 2019	Owner of Kehoe Northwest Properties, a real estate development company, from 2001 – present.	2	None
Raymond A. Davis - 1974	Trustee Since 2019	Author and government contractor (security and intelligence related services)	2	None

***Interested Trustee and Officers***

<b>Name, Address and Year of Birth</b>	<b>Position/Term of Office*</b>	<b>Principal Occupation During the Past Five Years</b>	<b>Number of Portfolios in Fund Complex** Overseen by Trustee</b>	<b>Other Directorships held by Trustee During the Past Five Years</b>
John E. Lekas - 1958	Trustee Since 2019 and Chairman of the Board since 2022; President since 2019; Treasurer from 2019 to 2022	President, Chief Executive Officer and Senior Portfolio Manager at the Advisor since 1997	2	None
Christopher MacLaren -1978	Treasurer since June 2022	Managing Member of Gryphon Fund Group, LLC (2021 – Present); Managing Director of Fund Administration and Accounting, Winbridge Partners, LLC (2018 - 2021); Member and Director of Fund Accounting and Fund Administration, FSM Capital	N/A	N/A

LEADER FUNDS  
 SUPPLEMENTAL INFORMATION (Unaudited) (Continued)  
 May 31, 2022

		Management, LLC (2016 – 2018).		
Jessica Roeper - 1981	Compliance Officer and Anti Money Laundering Officer Since 2022	Senior Compliance Officer CCO Technology, LLC (d/b/a Joot) since 2021	N/A	N/A
Bo Howell - 1981	Secretary Since 2022	Managing Partner, FinTech Law, LLC from February 2022 to the present; CEO of CCO Technology, LLC (d/b/a Joot) from June 2018 to the present; Shareholder, Strauss Troy Co., LPA from November 2020 to February 2022; Partner, Practus LLP from May 2018 to October 2020; Director of Fund Administration at Ultimus Fund Solutions, LLC from October 2014 to April 2018	N/A	N/A

\*The term of office for each Trustee and officer listed above will continue indefinitely until the individual resigns or is removed.



## Leader Funds EXPENSE EXAMPLES (Unaudited) May 31, 2022

As a shareholder you incur two types of costs: (1) transaction costs, including sales loads; (2) ongoing costs, including management fees; distribution and/or service (12b-1) fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in Short Term High Yield Bond and Total Return and 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 December 1, 2021 through May 31, 2022.

### Actual Expenses

The "Actual" columns in the table below provide information about actual account values and actual expenses. You may use the information below, 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 table under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Examples for Comparison Purposes

The "Hypothetical" columns in the table below provide 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 the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales loads, or redemption fees. Therefore, 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.

	Fund's Annualized Expense Ratio	Beginning Account Value 12/1/21	Actual		Hypothetical	
			Ending Account Value 5/31/22	Expenses Paid During Period*	Ending Account Value 5/31/22	Expenses Paid During Period*
<b>Investor Class:</b>						
Leader Short Term High Yield Bond Fund	3.04%	\$1,000.00	\$1,009.77	\$15.23	\$953.10	\$14.80
Leader Total Return Fund	2.50%	\$1,000.00	\$1,012.47	\$12.54	\$989.80	\$12.40
<b>Institutional Class:</b>						
Leader Short Term High Yield Bond Fund	2.53%	\$1,000.00	\$1,012.32	\$12.69	\$954.80	\$12.33
Leader Total Return Fund	2.12%	\$1,000.00	\$1,014.36	\$10.65	\$992.00	\$10.53

\*Expenses Paid During Period are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 182 days and divided by 365 (to reflect the number of days in the six month period ending May 31, 2022).

**PRIVACY NOTICE**

**LEADER FUNDS TRUST**

**March 2019**

**FACTS**

**WHAT DOES LEADER FUNDS TRUST DO WITH YOUR PERSONAL INFORMATION?**

**Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depends on the product or service that you have with us. This information can include:

- Social Security number and wire transfer instructions
- account transactions and transaction history
- investment experience and purchase history

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?**

All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons Leader Funds Trust chooses to share; and whether you can limit this sharing.

<b>Reasons we can share your personal information:</b>	<b>Does Leader Funds Trust share information?</b>	<b>Can you limit this sharing?</b>
<b>For our everyday business purposes</b> - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	<b>YES</b>	<b>NO</b>
<b>For our marketing purposes</b> - to offer our products and services to you.	<b>NO</b>	<b>We don’t share</b>
<b>For joint marketing with other financial companies.</b>	<b>NO</b>	<b>We don’t share</b>
<b>For our affiliates’ everyday business purposes</b> - information about your transactions and records.	<b>NO</b>	<b>We don’t share</b>
<b>For our affiliates’ everyday business purposes</b> - information about your credit worthiness.	<b>NO</b>	<b>We don’t share</b>
<b>For nonaffiliates to market to you</b>	<b>NO</b>	<b>We don’t share</b>

**QUESTIONS?** Call 1-(800) 711-9164

## What we do:

<p><b>How does Leader Funds Trust protect my personal information?</b></p>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.</p>
<p><b>How does Leader Funds Trust collect my personal information?</b></p>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• open an account or deposit money</li> <li>• direct us to buy securities or direct us to sell your securities</li> <li>• seek advice about your investments</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<p><b>Why can't I limit all sharing?</b></p>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes – information about your creditworthiness.</li> <li>• affiliates from using your information to market to you.</li> <li>• sharing for nonaffiliates to market to you.</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

## Definitions

<p><b>Affiliates</b></p>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Leader Funds Trust does not share with our affiliates.</i></li> </ul>
<p><b>Nonaffiliates</b></p>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Leader Funds Trust does not share with nonaffiliates so they can market to you.</i></li> </ul>
<p><b>Joint marketing</b></p>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Leader Funds Trust doesn't jointly market.</i></li> </ul>

### **PROXY VOTING POLICY**

Information regarding how each Fund voted proxies relating to portfolio securities for the most recent twelve month period ended June 30 as well as a description of the policies and procedures that each Fund uses to determine how to vote proxies is available without charge, upon request, by calling 1-800-711-9164 or by referring to the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

### **PORTFOLIO HOLDINGS**

Funds file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT, within sixty days after the end of the period. Form N-PORT reports are available at the SEC's website at [www.sec.gov](http://www.sec.gov).

### **INVESTMENT ADVISOR**

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### **ADMINISTRATOR**

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