

# Destra Flaherty & Crumrine Preferred and Income Fund



Destra

## Class I (DPIIX)

### Annual Shareholder Report - September 30, 2024

#### Fund Overview

This annual shareholder report contains important information about Destra Flaherty & Crumrine Preferred and Income Fund (the "Fund") for the period of October 1, 2023 to September 30, 2024. You can find additional information about the Fund at <https://www.destracapital.com/strategies/destra-preferred-and-income-securities-fund#literature>. You can also request this information by contacting us at 1-877-855-3434.

#### What were the Fund's costs for the last year?

(based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class I	\$137	1.25%

#### How did the Fund perform during the reporting period?

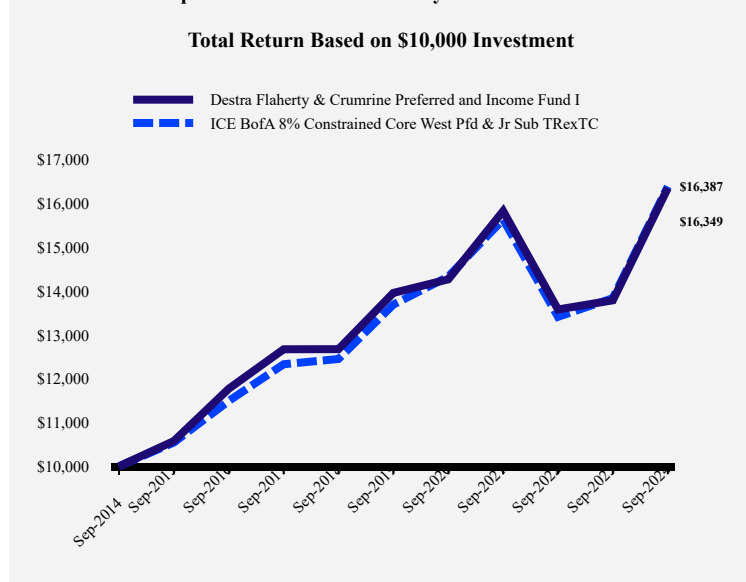
Overall, the preferred market benefitted from lower interest rates, better inflation data, continued economic growth, and the Federal Reserve's first rate cut in more than four years. These supportive macro factors, combined with market-specific technical factors, resulted in strong demand from investors. Elevated issuer redemptions, limited new issue supply (especially from banks), and strong demand all positively contributed to the performance of the Fund.

While multiple factors contributed to performance, the decline in interest rates is worth highlighting as its impact was not measured just by duration – but also by its boost to investor sentiment with prospects for a “soft landing” of the economy improving throughout the fiscal year.

The most significant positive contributor to relative performance was the portfolio's exposure to contingent capital (CoCo) securities, which have been making a steady recovery since March 2023. Another positive contributor to relative performance was the portfolio's overweight to regional and community banks. Firmer expectations for lower interest rates provided fuel for an improved outlook on regional and community bank assets, particularly for real estate exposures as well as unrealized losses in bank securities and loan portfolios.

A detractor from relative performance was the portfolio's underweight to fixed-rate preferreds. Fixed-rate preferreds tend to have longer duration than fixed-float/reset preferreds, and consequently outperformed as interest rates declined significantly over the past fiscal year.

#### How has the Fund performed over the last ten years?



#### Average Annual Total Returns

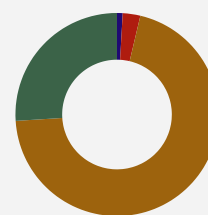
	1 Year	5 Years	10 Years
Destra Flaherty & Crumrine Preferred and Income Fund I	18.57%	3.21%	5.04%
ICE BofA 8% Constrained Core West Pfd & Jr Sub TRexTC	18.42%	3.66%	5.06%

*The Fund's past performance is not a good predictor of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares.*

## Fund Statistics

Net Assets	\$252,243,460
Number of Portfolio Holdings	208
Advisory Fee (net of waivers)	\$1,582,712
Portfolio Turnover	17%

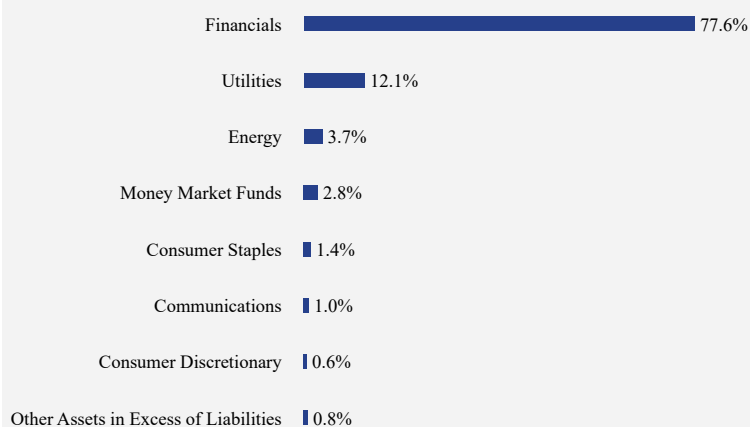
## Asset Weighting (% of total investments)



Corporate Debt Securities	0.9%
Money Market Funds	2.8%
Preferred Securities	70.3%
Contingent Capital Securities	26.0%

## What did the Fund invest in?

### Sector Weighting (% of net assets)



### Top 10 Holdings (% of net assets)

Holding Name	% of Net Assets
Banco Santander S.A., 4.750%, 08/12/73	3.9%
Liberty Mutual Group, Inc., 7.800%, 03/15/37	3.1%
Comerica, Inc., 5.625%, 10/01/68	2.1%
Provident Financing Trust I, 7.405%, 03/15/38	1.9%
Australia & New Zealand Banking Group Ltd., 6.750%, 12/29/49	1.7%
KeyCorporation, 5.000%, 12/29/49	1.4%
New York Community Bancorp, Inc., 6.375%, 03/17/27	1.4%
Wells Fargo & Company, 6.850%, 07/15/74	1.4%
Synovus Financial Corporation, 8.397%, 07/01/29	1.3%
Bank of Nova Scotia (The), 4.900%, 09/04/68	1.3%

## Material Fund Changes

No material changes occurred during the fiscal year ended September 30, 2024.



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## Where can I find additional information about the Fund?

Additional information is available on the Fund's website (<https://www.destracapital.com/strategies/destra-preferred-and-income-securities-fund#literature>),

- Prospectus
- Financial information
- Holdings
- Proxy voting information

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