

Cedar Ridge Partners, LLC

Cedar Ridge Unconstrained Credit Fund
(Investor Class: CRUPX)
(Institutional Class: CRUMX)

SEMI-ANNUAL REPORT
APRIL 30, 2018

Cedar Ridge Unconstrained Credit Fund
A series of Investment Managers Series Trust II

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This report and the financial statements contained herein are provided for the general information of the shareholders of the Cedar Ridge Unconstrained Credit Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	BANK LOANS – 0.0%	
\$ 368,837	SquareTwo Financial Corp. 11.000%(US LIBOR+ 1,000 basis points), 5/24/2019 ^{1, 2, 3, 4, 5}	\$ —
	TOTAL BANK LOANS (Cost \$494,540)	—
Number of Shares		
	COMMON STOCKS – 0.1%	
	ENERGY – 0.1%	
6,978	CHC Group LLC ^{* 4, 6, 7}	48,846
349	Midstates Petroleum Co., Inc. ^{* 7}	4,882
	TOTAL COMMON STOCKS (Cost \$537,971)	53,728
		53,728
Principal Amount		
	CORPORATE BONDS – 42.5%	
	COMMUNICATIONS – 9.1%	
\$ 1,000,000	Clear Channel Worldwide Holdings, Inc. 6.500%, 11/15/2022 ^{7, 8}	1,023,750
1,500,000	Gogo, Inc. 3.750%, 3/1/2020 ^{7, 9}	1,366,084
1,000,000	Intelsat Jackson Holdings S.A. (Luxembourg) 7.250%, 10/15/2020 ^{6, 7, 8}	976,250
290,000	Intelsat Luxembourg S.A. (Luxembourg) 7.750%, 6/1/2021 ^{6, 7, 8}	196,475
1,500,000	Lee Enterprises, Inc. 9.500%, 3/15/2022 ^{7, 8, 10}	1,554,375
1,500,000	Uniti Group Inc / CSL Capital LLC 8.250%, 10/15/2023 ^{7, 8}	1,436,250
	CONSUMER DISCRETIONARY – 10.3%	6,553,184
1,500,000	Allison Transmission, Inc. 5.000%, 10/1/2024 ^{7, 8, 10}	1,473,300
4,000,000	Bon-Ton Department Stores, Inc. 8.000%, 6/15/2021 ^{* 2, 7, 8}	600,000
1,500,000	Gap, Inc. 5.950%, 4/12/2021 ^{7, 8}	1,578,859
500,000	General Motors Co. 6.250%, 10/2/2043 ⁷	534,023
750,000	5.200%, 4/1/2045 ⁷	708,726
1,000,000	Hertz Corp. 7.375%, 1/15/2021 ^{7, 8}	990,000

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	CORPORATE BONDS (Continued)	
	CONSUMER DISCRETIONARY (Continued)	
\$ 1,500,000	Jo-Ann Stores Holdings, Inc. 9.750%, 10/15/2019 ^{7, 8, 10}	\$ 1,501,875
		7,386,783
	CONSUMER STAPLES – 2.1%	
1,500,000	Rite Aid Corp. 6.125%, 4/1/2023 ^{7, 8, 10}	1,520,625
	ENERGY – 8.2%	
1,000,000	CHC Group LLC / CHC Finance Ltd. (Cayman Islands) 0.000%, 10/1/2020 ^{*6, 7, 9}	1,080,000
1,000,000	Energy Transfer Partners LP 6.625%, 2/15/2028 ^{7, 8, 11}	945,700
1,500,000	EP Energy LLC / Everest Acquisition Finance, Inc. 9.375%, 5/1/2024 ^{7, 8, 10}	1,147,500
750,000	Midstates Petroleum Co., Inc. Escrow 0.000%, 6/1/2021 ^{*2, 3, 4, 7}	—
1,500,000	NGPL PipeCo LLC 7.768%, 12/15/2037 ^{7, 10}	1,807,500
900,000	Transocean Proteus Ltd. (Cayman Islands) 6.250%, 12/1/2024 ^{6, 7, 8, 10}	924,750
		5,905,450
	FINANCIALS – 3.0%	
1,000,000	Ally Financial, Inc. 8.000%, 11/1/2031 ⁷	1,215,200
1,000,000	Kimco Realty Corp. 4.250%, 4/1/2045 ^{7, 8}	905,029
		2,120,229
	INDUSTRIALS – 3.8%	
1,000,000	Ashtead Capital, Inc. 4.375%, 8/15/2027 ^{7, 8, 10}	943,750
1,500,000	Calumet Specialty Products Partners LP / Calumet Finance Corp. 6.500%, 4/15/2021 ^{7, 8}	1,481,250
500,000	Eletson Holdings, Inc. (Liberia) 9.625%, 1/15/2022 ^{6, 7, 8, 10}	275,000
		2,700,000
	MATERIALS – 2.8%	
1,500,000	CF Industries, Inc. 4.500%, 12/1/2026 ^{7, 10}	1,501,739

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	CORPORATE BONDS (Continued)	
	MATERIALS (Continued)	
\$ 500,000	Kaiser Aluminum Corp. 5.875%, 5/15/2024 ^{7, 8}	\$ 515,000
		2,016,739
	TECHNOLOGY – 2.8%	
1,000,000	Rackspace Hosting, Inc. 8.625%, 11/15/2024 ^{7, 8, 10}	1,013,750
1,000,000	salesforce.com, Inc. 3.700%, 4/11/2028 ⁸	990,385
		2,004,135
	UTILITIES – 0.4%	
500,000	GenOn Americas Generation LLC 8.500%, 10/1/2021 ⁷	263,750
1,000,000	Texas Competitive Electric Holdings Co, LLC Escrow 0.000%, 10/1/2020 ^{*2, 7}	10,000
		273,750
	TOTAL CORPORATE BONDS (Cost \$31,033,471)	30,480,895
	MUNICIPAL BONDS – 97.7%	
	AIRPORT – 8.8%	
2,275,000	New Jersey Economic Development Authority 5.250%, 9/15/2029 ^{7, 8}	2,468,284
800,000	New York Transportation Development Corp. 5.000%, 7/1/2034 ^{7, 8}	866,440
3,000,000	San Francisco City & County Airport Comm-San Francisco International Airport 1.700%, 5/1/2030 ^{7, 8, 11}	3,000,000
		6,334,724
	DEVELOPMENT – 15.2%	
1,850,000	Brooklyn Arena Local Development Corp. 5.000%, 7/15/2042 ^{7, 8}	2,015,963
3,100,000	California Pollution Control Financing Authority 8.000%, 7/1/2039 ^{7, 8, 10}	3,345,799
1,000,000	Clayton County Development Authority 8.750%, 6/1/2029 ^{7, 8}	1,121,350
1,000,000	Louisiana Local Government Environmental Facilities & Community Development Authority 6.500%, 11/1/2035 ^{7, 8}	1,100,850
2,235,000	Mississippi Development Bank 6.875%, 12/1/2040 ^{7, 8}	2,690,918

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	MUNICIPAL BONDS (Continued)	
	DEVELOPMENT (Continued)	
\$ 1,400,000	Ohio Water Development Authority 4.000%, 6/3/2019 ^{7, 11}	\$ 647,500
		10,922,380
	GENERAL – 11.6%	
500,000	Allentown Neighborhood Improvement Zone Development Authority 5.000%, 5/1/2042 ^{8, 10}	531,540
1,000,000	M-S-R Energy Authority 6.125%, 11/1/2029 ⁷	1,229,640
1,000,000	6.125%, 11/1/2029 ⁷	1,229,640
3,000,000	New York City Transitional Finance Authority Future Tax Secured Revenue 1.560%, 5/1/2034 ^{7, 8, 11}	3,000,000
1,675,000	Public Authority for Colorado Energy 6.500%, 11/15/2038 ⁷	2,289,357
400,000	Puerto Rico Public Finance Corp. 5.500%, 8/1/2031 ^{*2, 7, 8}	10,000
		8,290,177
	GENERAL OBLIGATION – 4.2%	
3,000,000	County of Clark N.V. 1.800%, 7/1/2027 ^{8, 11}	3,000,000
	HIGHER EDUCATION – 2.9%	
1,700,000	Build NYC Resource Corp. 5.000%, 7/1/2041 ^{7, 8}	1,822,757
200,000	New York State Dormitory Authority 5.000%, 7/1/2031 ^{7, 8}	229,546
		2,052,303
	MEDICAL – 10.8%	
4,000,000	County of Utah UT 1.730%, 5/15/2051 ^{7, 8, 11}	4,000,000
500,000	Johnson City Health & Educational Facilities Board 6.500%, 7/1/2038 ^{7, 8}	536,375
2,000,000	Louisiana Public Facilities Authority 5.000%, 5/15/2046 ^{7, 8}	2,177,280
1,000,000	Westchester County Local Development Corp. 5.000%, 11/1/2046 ^{7, 8}	1,054,290
		7,767,945
	POLLUTION – 2.8%	
2,000,000	Ohio Air Quality Development Authority 4.500%, 1/15/2048 ^{7, 8, 10}	2,021,840

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
MUNICIPAL BONDS (Continued)		
POWER – 4.6%		
	Puerto Rico Electric Power Authority	
\$ 3,165,000	5.000%, 7/1/2029 ^{*2, 7, 8}	\$ 1,281,825
925,000	5.250%, 7/1/2040 ^{*2, 7, 8}	374,625
3,995,000	5.000%, 7/1/2042 ^{*2, 7, 8}	1,617,975
		3,274,425
SCHOOL DISTRICT – 2.8%		
	Chicago Board of Education	
1,500,000	7.000%, 12/1/2044 ^{7, 8}	1,719,870
250,000	7.000%, 12/1/2046 ^{7, 8, 10}	293,935
		2,013,805
TOBACCO SETTLEMENT – 11.6%		
	Buckeye Tobacco Settlement Financing Authority	
1,550,000	5.125%, 6/1/2024 ^{7, 8}	1,524,146
	Children's Trust Fund	
13,000,000	0.000%, 5/15/2050 ^{*7, 8}	1,095,770
	District of Columbia Tobacco Settlement Financing Corp.	
15,000,000	0.000%, 6/15/2046 ^{*7, 8}	1,826,550
	Iowa Tobacco Settlement Authority	
2,500,000	5.625%, 6/1/2046 ^{7, 8}	2,512,875
	Michigan Tobacco Settlement Finance Authority	
1,370,000	7.309%, 6/1/2034 ⁷	1,359,341
		8,318,682
TRANSPORTATION – 14.8%		
	Buffalo & Fort Erie Public Bridge Authority	
1,300,000	5.000%, 1/1/2047 ^{7, 8}	1,449,734
	Foothill-Eastern Transportation Corridor Agency	
1,650,000	6.000%, 1/15/2049 ^{7, 8}	1,916,046
	Kentucky Public Transportation Infrastructure Authority	
500,000	5.750%, 7/1/2049 ^{7, 8}	547,015
	Texas Private Activity Bond Surface Transportation Corp.	
500,000	7.000%, 12/31/2038 ^{7, 8}	584,395
1,290,000	7.000%, 6/30/2040 ^{7, 8}	1,415,620
1,530,000	6.750%, 6/30/2043 ^{7, 8}	1,764,167
	Virginia Small Business Financing Authority	
800,000	5.000%, 7/1/2034 ^{7, 8}	854,232
1,200,000	5.500%, 1/1/2042 ^{7, 8}	1,304,784
750,000	5.000%, 12/31/2052 ^{7, 8}	806,415
		10,642,408

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	MUNICIPAL BONDS (Continued)	
	WATER – 7.6%	
\$ 1,100,000	County of Jefferson AL Sewer Revenue 0.000%, 10/1/2046 ^{*7,8}	\$ 915,442
2,500,000	6.500%, 10/1/2053 ^{7,8}	2,934,800
1,955,000	Puerto Rico Commonwealth Aqueduct & Sewer Authority 5.750%, 7/1/2037 ^{7,8}	1,564,000
		5,414,242
	TOTAL MUNICIPAL BONDS	
	(Cost \$71,124,345)	70,052,931
	RIGHTS – 0.0%	
17,126	Vistra Energy Corp. ^{3,4}	10,618
	TOTAL RIGHTS	
	(Cost \$—)	10,618
	WARRANTS – 0.0%	
	ENERGY – 0.0%	
2,477	Midstates Petroleum Co., Inc. ^{*3,4,7}	—
	TOTAL WARRANTS	
	(Cost \$—)	—
	SHORT-TERM INVESTMENTS – 4.8%	
3,457,956	Fidelity Investments Money Market Funds Government Portfolio - Institutional Class, 1.55% ¹²	3,457,956
	TOTAL SHORT-TERM INVESTMENTS	
	(Cost \$3,457,956)	3,457,956
	TOTAL INVESTMENTS – 145.1%	
	(Cost \$106,648,283)	104,056,128
	Liabilities in Excess of other assets – (45.1)%	(32,320,926)
	TOTAL NET ASSETS – 100.0%	\$ 71,735,202
	SECURITIES SOLD SHORT – (64.5)%	
	CORPORATE BONDS – (28.3)%	
	COMMUNICATIONS – (6.1)%	
\$ (500,000)	AT&T, Inc. 4.125%, 2/17/2026 ⁸	\$ (494,475)
(1,000,000)	4.750%, 5/15/2046 ⁸	(931,350)
(1,000,000)	Netflix, Inc. 5.875%, 2/15/2025	(1,027,200)

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	SECURITIES SOLD SHORT (Continued)	
	CORPORATE BONDS (Continued)	
	COMMUNICATIONS (Continued)	
	Viacom, Inc.	
\$ (1,500,000)	4.250%, 9/1/2023 ⁸	\$ (1,508,291)
	Walt Disney Co.	
(500,000)	1.850%, 7/30/2026	(439,776)
		(4,401,092)
	CONSUMER DISCRETIONARY – (6.4)%	
	Ford Motor Co.	
(1,750,000)	4.750%, 1/15/2043	(1,559,833)
	Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp.	
(1,000,000)	6.750%, 11/15/2021 ^{8, 10}	(1,032,500)
	Kohl's Corp.	
(1,000,000)	3.250%, 2/1/2023 ⁸	(978,875)
	Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp.	
(1,000,000)	5.500%, 3/1/2025 ^{8, 10}	(995,400)
		(4,566,608)
	CONSUMER STAPLES – (4.8)%	
	BI-LO LLC / BI-LO Finance Corp.	
(1,000,000)	9.250%, 2/15/2019 ^{*2, 8, 10}	(1,001,250)
	CVS Health Corp.	
(1,000,000)	3.500%, 7/20/2022 ⁸	(995,355)
	Edgewell Personal Care Co.	
(1,500,000)	4.700%, 5/24/2022	(1,461,900)
		(3,458,505)
	FINANCIALS – (4.7)%	
	Citigroup, Inc.	
(1,000,000)	3.400%, 5/1/2026	(944,319)
	Navient Corp.	
(1,500,000)	5.875%, 10/25/2024	(1,470,000)
	Synchrony Financial	
(1,000,000)	4.500%, 7/23/2025 ⁸	(983,849)
		(3,398,168)
	HEALTH CARE – (2.1)%	
	LifePoint Health, Inc.	
(1,500,000)	5.875%, 12/1/2023 ⁸	(1,481,250)
	INDUSTRIALS – (1.0)%	
	Caterpillar, Inc.	
(750,000)	3.803%, 8/15/2042	(727,932)

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

Principal Amount		Value
	SECURITIES SOLD SHORT (Continued)	
	CORPORATE BONDS (Continued)	
	MATERIALS – (2.1)%	
\$ (1,000,000)	INEOS Group Holdings S.A. (Luxembourg) 5.625%, 8/1/2024 ^{6, 8, 10}	\$ (1,010,000)
(484,554)	Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC 5.750%, 10/15/2020 ⁸	(488,188)
		(1,498,188)
	TECHNOLOGY – (1.1)%	
(250,000)	Apple, Inc. 2.400%, 5/3/2023	(240,211)
(500,000)	4.450%, 5/6/2044	(520,076)
		(760,287)
	TOTAL CORPORATE BONDS	
	(Proceeds \$20,651,634)	(20,292,030)
	U.S. TREASURY SECURITIES – (36.2)%	
(8,000,000)	United States Treasury Bond 3.000%, 2/15/2047	(7,855,312)
(7,000,000)	United States Treasury Note 1.750%, 6/30/2022	(6,729,569)
(2,000,000)	2.250%, 1/31/2024	(1,937,266)
(10,000,000)	2.250%, 2/15/2027	(9,470,700)
	TOTAL U.S. TREASURY SECURITIES	(25,992,847)
	(Proceeds \$27,261,237)	
	TOTAL SECURITIES SOLD SHORT	
	(Proceeds \$47,912,871)	\$ (46,284,877)

LLC – Limited Liability Company

LP – Limited Partnership

* Non-income producing security.

¹ Floating rate security.

² Security is in default.

³ Level 3 securities fair valued under procedures established by the Board of Trustees, represents 0.0% of Net Assets. The total value of these securities is \$10,618.

⁴ Illiquid security, represents 0.1% of Net Assets. The total value of these securities is \$59,464.

Cedar Ridge Unconstrained Credit Fund
SCHEDULE OF INVESTMENTS - Continued
As of April 30, 2018 (Unaudited)

⁵ Bank loans generally pay interest at rates which are periodically determined by reference to a base lending rate plus a premium. All loans carry a variable rate of interest. These base lending rates are generally (i) the Prime Rate offered by one or more major United States banks, (ii) the lending rate offered by one or more European banks such as the London Interbank Offered Rate ("LIBOR") or (iii) the Certificate of Deposit rate. Bank Loans, while exempt from registration, under the Securities Act of 1933, contain certain restrictions on resale and cannot be sold publicly. Floating rate bank loans often require prepayments from excess cash flow or permit the borrower to repay at its election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy.

⁶ Foreign security denominated in U.S. Dollars.

⁷ All or a portion of this security is segregated as collateral for securities sold short.

⁸ Callable.

⁹ Convertible security.

¹⁰ Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities are restricted and may be resold in transactions exempt from registration normally to qualified institutional buyers. The total value of these securities is \$23,896,428 which represents 33.3% of Net Assets.

¹¹ Variable rate security.

¹² The rate is the annualized seven-day yield at period end.

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
SUMMARY OF INVESTMENTS
As of April 30, 2018 (Unaudited)

Security Type/Sector	Percent of Total Net Assets
Bank Loans	0.0%
Common Stocks	
Energy	0.1%
Total Common Stocks	0.1%
Corporate Bonds	
Consumer Discretionary	10.3%
Communications	9.1%
Energy	8.2%
Industrials	3.8%
Financials	3.0%
Materials	2.8%
Technology	2.8%
Consumer Staples	2.1%
Utilities	0.4%
Total Corporate Bonds	42.5%
Municipal Bonds	
Development	15.2%
Transportation	14.8%
General	11.6%
Tobacco Settlement	11.6%
Medical	10.8%
Airport	8.8%
Water	7.6%
Power	4.6%
General Obligation	4.2%
Higher Education	2.9%
Pollution	2.8%
School District	2.8%
Total Municipal Bonds	97.7%
Rights	0.0%
Warrants	
Energy	0.0%
Total Warrants	0.0%
Short-Term Investments	4.8%
Total Investments	145.1%
Liabilities in Excess of other assets	(45.1)%
Total Net Assets	100.0%

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
STATEMENT OF ASSETS AND LIABILITIES
As of April 30, 2018 (Unaudited)

Assets:

Investments, at value (cost \$106,648,283)	\$ 104,056,128
Cash deposited with brokers for securities sold short	11,449,242
Receivables:	
Investment securities sold	2,009,205
Fund shares sold	31,373
Dividends and interest	1,599,092
Prepaid expenses	22,495
Total assets	<u>119,167,535</u>

Liabilities:

Securities sold short, at value (proceeds \$47,912,871)	46,284,877
Payables:	
Investment securities purchased	535,550
Fund shares redeemed	11,098
Advisory fees	41,107
Shareholder servicing fees (Note 7)	10,308
Distribution fees (Note 8)	2,452
Interest on securities sold short	425,718
Broker fees	57,168
Fund accounting fees	7,972
Fund administration fees	7,662
Auditing fees	7,458
Transfer agent fees and expenses	5,005
Trustees' deferred compensation (Note 3)	3,981
Custody fees	2,727
Chief Compliance Officer fees	1,077
Trustees' fees and expenses	373
Accrued other expenses	27,800
Total liabilities	<u>47,432,333</u>

Net Assets

\$ 71,735,202

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
STATEMENT OF ASSETS AND LIABILITIES – Continued
As of April 30, 2018 (Unaudited)

Components of Net Assets:

Paid-in capital (par value of \$0.01 per share with an unlimited number of shares authorized)	\$ 73,004,579
Accumulated net investment income	99,265
Accumulated net realized loss on investments and securities sold short	(404,481)
Net unrealized appreciation (depreciation) on:	
Investments	(2,592,155)
Securities sold short	1,627,994
Net Assets	<u><u>\$ 71,735,202</u></u>

Maximum Offering Price per Share:

Investor Class Shares:	
Net assets applicable to shares outstanding	\$ 11,367,979
Shares of beneficial interest issued and outstanding	1,061,383
Offering and redemption price per share	<u><u>\$ 10.71</u></u>
Institutional Class Shares:	
Net assets applicable to shares outstanding	\$ 60,367,223
Shares of beneficial interest issued and outstanding	5,632,550
Offering and redemption price per share	<u><u>\$ 10.72</u></u>

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
STATEMENT OF OPERATIONS
For the Six Months Ended April 30, 2018 (Unaudited)

Investment Income:	
Interest	\$ 2,635,460
Dividends	41,285
Total investment income	<u>2,676,745</u>
Expenses:	
Interest on securities sold short	936,868
Broker fees	487,572
Advisory fees	386,534
Fund administration fees	51,546
Fund accounting fees	43,713
Shareholder servicing fees (Note 7)	38,694
Transfer agent fees and expenses	29,264
Distribution fees (Note 8)	23,461
Registration fees	23,134
Shareholder reporting fees	14,628
Legal fees	10,661
Custody fees	10,345
Auditing fees	7,439
Chief Compliance Officer fees	6,978
Miscellaneous	4,778
Trustees' fees and expenses	4,772
Insurance fees	2,217
Total expenses	<u>2,082,604</u>
Advisory fees waived	(97,368)
Net expenses	<u>1,985,236</u>
Net investment income	<u>691,509</u>
Realized and Unrealized Gain (Loss):	
Net realized gain (loss) on:	
Investments	(646,642)
Securities sold short	257,693
Net realized loss	<u>(388,949)</u>
Net change in unrealized appreciation/depreciation on:	
Investments	(765,332)
Securities sold short	1,920,013
Net change in unrealized appreciation/depreciation	<u>1,154,681</u>
Net realized and unrealized gain	<u>765,732</u>
Net Increase in Net Assets from Operations	<u>\$ 1,457,241</u>

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
STATEMENTS OF CHANGES IN NET ASSETS

	For the Six Months Ended April 30, 2018 (Unaudited)	For the Period December 1, 2016 through October 31, 2017*	For the Year Ended November 30, 2016
Increase (Decrease) in Net Assets from:			
Operations:			
Net investment income	\$ 691,509	\$ 1,817,124	\$ 1,427,358
Net realized gain (loss) on investments and securities sold short	(388,949)	928,639	1,787,281
Net change in unrealized appreciation/depreciation on investments and securities sold short	1,154,681	907,152	(1,271,647)
Net increase in net assets resulting from operations	<u>1,457,241</u>	<u>3,652,915</u>	<u>1,942,992</u>
Distributions to Shareholders:			
From net investment income:			
Investor Class	(377,079)	(477,115)	(236,066)
Institutional Class	(1,113,215)	(1,744,396)	(1,180,349)
Total from net investment income	<u>(1,490,294)</u>	<u>(2,221,511)</u>	<u>(1,416,415)</u>
From net realized gains:			
Investor Class	(85,091)	(243,210)	-
Institutional Class	(246,302)	(765,395)	-
Total from net realized gains	<u>(331,393)</u>	<u>(1,008,605)</u>	<u>-</u>
Total distributions to shareholders	<u>(1,821,687)</u>	<u>(3,230,116)</u>	<u>(1,416,415)</u>
Capital Transactions:			
Net proceeds from shares sold:			
Investor Class	1,879,772	9,613,454	15,334,038
Institutional Class	11,535,680	29,766,774	28,368,172
Reinvestment of distributions:			
Investor Class	462,046	720,326	236,065
Institutional Class	1,345,716	2,464,491	1,166,644
Cost of shares redeemed:			
Investor Class ¹	(13,725,758)	(5,647,231)	(2,936,390)
Institutional Class ²	(19,445,468)	(23,054,406)	(17,025,698)
Net increase (decrease) in net assets from capital transactions	<u>(17,948,012)</u>	<u>13,863,408</u>	<u>25,142,831</u>
Total increase (decrease) in net assets	<u>(18,312,458)</u>	<u>14,286,207</u>	<u>25,669,408</u>
Net Assets:			
Beginning of period	90,047,660	75,761,453	50,092,045
End of period	<u>\$ 71,735,202</u>	<u>\$ 90,047,660</u>	<u>\$ 75,761,453</u>
Accumulated net investment income	\$ 99,265	\$ 898,050	\$ 468,005
Capital Share Transactions:			
Shares sold:			
Investor Class	176,916	886,107	1,419,623
Institutional Class	1,088,466	2,748,104	2,627,397
Shares reinvested:			
Investor Class	43,879	67,047	21,972
Institutional Class	127,706	229,181	108,918
Shares redeemed:			
Investor Class	(1,296,902)	(521,160)	(273,063)
Institutional Class	(1,823,875)	(2,124,349)	(1,590,321)
Net increase (decrease) in capital share transactions	<u>(1,683,810)</u>	<u>1,284,930</u>	<u>2,314,526</u>

*Fiscal year end changed to October 31, effective October 17, 2017.

¹ Net of redemption fee proceeds of \$0, \$173, and \$55, respectively.

² Net of redemption fee proceeds of \$136, \$109, and \$1,422, respectively.

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
STATEMENT OF CASH FLOWS
For the Six Months Ended April 30, 2018 (Unaudited)

Increase (Decrease) in Cash:

Cash flows provided by (used for) operating activities:		
Net increase in net assets resulting from operations	\$	1,457,241
Adjustments to reconcile net decrease in net assets from operations to net cash provided by (used for) operating activities:		
Purchases of long-term portfolio investments		(44,408,323)
Sales of long-term portfolio investments		68,554,601
Proceeds from securities sold short		15,968,431
Cover short securities		(24,463,209)
Sales of short-term investments, net		10,159,186
Consent payment income received		75,000
Return of capital received		217,500
Cash used for corporate actions		(284,525)
Increase in investment securities sold receivable		(2,009,205)
Decrease in dividends and interest receivable		657,641
Decrease in prepaid expenses		4,702
Decrease in investment securities purchased		(1,484,351)
Decrease in advisory fees		(19,408)
Decrease in interest on securities sold short		(80,151)
Decrease in accrued expenses		(46,324)
Net amortization on investments		176,618
Net realized loss		388,949
Net change in unrealized appreciation/depreciation		(1,142,267)
Net cash provided by operating activities		<u>23,722,106</u>
Cash flows provided by (used for) financing activities:		
Proceeds from shares sold		13,434,985
Cost of shares redeemed		(33,178,908)
Dividends paid to shareholders, net of reinvestments		(13,925)
Net cash used for financing activities		<u>(19,757,848)</u>
Net increase in cash		3,964,258
Cash and cash equivalents:		
Beginning cash balance		-
Beginning cash held at broker		7,484,984
Total beginning cash and cash equivalents		<u>7,484,984</u>
Ending cash balance		-
Ending cash held at broker		11,449,242
Total ending cash and cash equivalents	\$	<u><u>11,449,242</u></u>

Non cash financing activities not included herein consist of \$1,807,762 of reinvested dividends.

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund

FINANCIAL HIGHLIGHTS

Investor Class

Per share operating performance.

For a capital share outstanding throughout each period.

	For the Six Months Ended April 30, 2018 (Unaudited)	For the Period December 1, 2016 through October 31, 2017*	For the Year Ended November 30,		For the Period December 12, 2013** through November 30, 2014
			2016	2015	
Net asset value, beginning of period	\$ 10.74	\$ 10.68	\$ 10.48	\$ 10.93	\$ 10.00
Income from Investment Operations:					
Net investment income ¹	0.08	0.20	0.23	0.24	0.23
Net realized and unrealized gain (loss) on investments	0.12	0.25	0.21	(0.46)	0.84
Total from investment operations	0.20	0.45	0.44	(0.22)	1.07
Less Distributions:					
From net investment income	(0.19)	(0.25)	(0.24)	(0.23)	(0.14)
From net realized gains	(0.04)	(0.14)	-	-	-
Total distributions	(0.23)	(0.39)	(0.24)	(0.23)	(0.14)
Redemption fee proceeds¹	-	-	-	-	-
Net asset value, end of period	<u>\$ 10.71</u>	<u>\$ 10.74</u>	<u>\$ 10.68</u>	<u>\$ 10.48</u>	<u>\$ 10.93</u>
Total return	1.94% ³	4.28% ³	4.17%	(2.04)%	10.68% ³
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	\$ 11,368	\$ 22,964	\$ 18,206	\$ 5,627	\$ 5,943
Ratio of expenses to average net assets: (including interest expense and interest on securities sold short)					
Before fees waived	5.58% ^{4,5}	4.60% ^{4,5}	4.51% ⁵	4.08% ⁵	4.12% ^{4,5}
After fees waived	5.33% ^{4,5}	4.40% ^{4,5}	4.18% ⁵	3.72% ⁵	3.08% ^{4,5}
Ratio of net investment income to average net assets: (including interest expense and interest on securities sold short)					
Before fees waived	1.35% ⁴	1.78% ⁴	1.77%	1.86%	1.17% ⁴
After fees waived	1.60% ⁴	1.98% ⁴	2.10%	2.22%	2.21% ⁴
Portfolio turnover rate	36% ³	69% ³	70%	64%	95% ³

* Fiscal year end changed to October 31, effective October 17, 2017.

** Commencement of operations.

¹ Based on average shares outstanding for the period.

² Amount represents less than \$0.01 per share.

³ Not annualized.

⁴ Annualized.

⁵ If interest expense and dividends on securities sold short had been excluded, the expense ratios would have been lowered by 3.69% for the six months ended April 30, 2018, 2.76% for the period December 1, 2016 through October 31, 2017, and by 2.54%, 2.08%, and 1.44% for the periods ended November 30, respectively.

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund

FINANCIAL HIGHLIGHTS

Institutional Class

Per share operating performance.

For a capital share outstanding throughout each period.

	For the	For the Period	For the Year Ended November 30,		For the Period
	Six Months Ended April 30, 2018 (Unaudited)	December 1, 2016 through October 31, 2017*	2016	2015	December 12, 2013** through November 30, 2014
Net asset value, beginning of period	\$ 10.75	\$ 10.68	\$ 10.48	\$ 10.93	\$ 10.00
Income from Investment Operations:					
Net investment income ¹	0.10	0.22	0.25	0.26	0.26
Net realized and unrealized gain (loss) on investments	0.12	0.27	0.21	(0.45)	0.82
Total from investment operations	0.22	0.49	0.46	(0.19)	1.08
Less Distributions:					
From net investment income	(0.21)	(0.28)	(0.26)	(0.26)	(0.15)
From net realized gains	(0.04)	(0.14)	-	-	-
Total distributions	(0.25)	(0.42)	(0.26)	(0.26)	(0.15)
Redemption fee proceeds¹	- ²	- ²	- ²	- ²	- ²
Net asset value, end of period	\$ 10.72	\$ 10.75	\$ 10.68	\$ 10.48	\$ 10.93
Total return	2.08% ³	4.63% ³	4.41%	(1.80)%	10.83% ³
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	\$ 60,367	\$ 67,084	\$ 57,555	\$ 44,465	\$ 34,447
Ratio of expenses to average net assets: (including interest expense and interest on securities sold short)					
Before fees waived	5.33% ^{4,5}	4.35% ^{4,5}	4.26% ⁵	3.83% ⁵	3.87% ^{4,5}
After fees waived	5.08% ^{4,5}	4.15% ^{4,5}	3.93% ⁵	3.47% ⁵	2.83% ^{4,5}
Ratio of net investment income to average net assets: (including interest expense and interest on securities sold short)					
Before fees waived	1.60% ⁴	2.03% ⁴	2.02%	2.11%	1.42% ⁴
After fees waived	1.85% ⁴	2.23%	2.35%	2.47%	2.46% ⁴
Portfolio turnover rate	36% ³	69% ³	70%	64%	95% ³

* Fiscal year end changed to October 31, effective October 17, 2017.

** Commencement of operations.

¹ Based on average shares outstanding for the period.

² Amount represents less than \$0.01 per share.

³ Not annualized.

⁴ Annualized.

⁵ If interest expense and dividends on securities sold short had been excluded, the expense ratios would have been lowered by 3.69% for the six months ended April 30, 2018, 2.76% for the period December 1, 2016 through October 31, 2017, and by 2.54%, 2.08%, and 1.44% for the periods ended November 30, respectively.

See accompanying Notes to Financial Statements.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS
April 30, 2018 (Unaudited)

Note 1 – Organization

Cedar Ridge Unconstrained Credit Fund (the “Fund”) was organized as a non-diversified series of Investment Managers Series Trust II, a Delaware statutory trust (the “Trust”) which is registered as an open-end management investment company under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund’s primary investment objective is to seek capital appreciation and income. The Fund commenced investment operations on December 12, 2013, with two classes of shares, Investor Class and Institutional Class.

The shares of each class represent an interest in the same portfolio of investments of the Fund and have equal rights as to voting, redemptions, dividends and liquidation, subject to the approval of the Trustees. Income, expenses (other than expenses attributable to a specific class) and realized and unrealized gains and losses on investments are allocated to each class of shares in proportion to their relative shares outstanding. Shareholders of a class that bears distribution and service expenses under the terms of a distribution plan have exclusive voting rights to that distribution plan.

The 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”.

Note 2 – Accounting Policies

The following is a summary of the significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

(a) Valuation of Investments

The Fund values equity securities at the last reported sale price on the principal exchange or in the principal over the counter (“OTC”) market in which such securities are traded, as of the close of regular trading on the NYSE on the day the securities are being valued or, if the last-quoted sales price is not readily available, the securities will be valued at the last bid or the mean between the last available bid and ask price. Securities traded on the NASDAQ are valued at the NASDAQ Official Closing Price (“NOCP”). Investments in an open-end investment companies are valued at the daily closing net asset value of the respective investment company. Debt securities are valued by utilizing a price supplied by independent pricing service providers. The independent pricing service providers may use various valuation methodologies including matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. These models generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings and general market conditions. If a price is not readily available for a portfolio security, the security will be valued at fair value (the amount which the Fund might reasonably expect to receive for the security upon its current sale) as determined in good faith by the Fund’s advisor, subject to review and approval by the Valuation Committee, pursuant to procedures adopted by the Board of Trustees. The actions of the Valuation Committee are subsequently reviewed by the Board at its next regularly scheduled board meeting. The Valuation Committee meets as needed. The Valuation Committee is comprised of all the Trustees, but action may be taken by any one of the Trustees.

(b) Short Sales

Short sales are transactions under which the Fund sells a security it does not own in anticipation of a decline in the value of that security. To complete such a transaction, the Fund must borrow the security to make delivery to the buyer. The Fund then is obligated to replace the security borrowed by purchasing the security at market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

the Fund. When a security is sold short a decrease in the value of the security will be recognized as a gain and an increase in the value of the security will be recognized as a loss, which is potentially limitless. Until the security is replaced, the Fund is required to pay the lender amounts equal to dividend or interest that accrue during the period of the loan which is recorded as an expense. To borrow the security, the Fund also may be required to pay a premium or an interest fee, which are recorded as interest expense. Cash or securities are segregated for the broker to meet the necessary margin requirements. The Fund is subject to the risk that it may not always be able to close out a short position at a particular time or at an acceptable price.

(c) Municipal Bonds

Municipal bonds are debt obligations issued by the states, possessions, or territories of the United States (including the District of Columbia) or a political subdivision, public instrumentality, agency, public authority or other governmental unit of such states, possessions, or territories (e.g., counties, cities, towns, villages, districts and authorities). Municipal bonds may be issued as taxable securities, or as federally tax-exempt securities. States, possessions, territories and municipalities may issue municipal bonds to raise funds for various public purposes such as airports, housing, hospitals, mass transportation, schools, water and sewer works, gas, and electric utilities. They may also issue municipal bonds to refund outstanding obligations and to meet general operating expenses. Municipal bonds may be general obligation bonds or revenue bonds. General obligation bonds are secured by the issuer's pledge of its full faith, credit and taxing power for the payment of principal and interest. Revenue bonds are payable from revenues derived from particular facilities, from the proceeds of a special excise tax or from other specific revenue sources. They are not usually payable from the general taxing power of a municipality. In addition, certain types of "private activity" bonds may be issued by public authorities to obtain funding for privately operated facilities, such as housing and pollution control facilities, for industrial facilities and for water supply, gas, electricity and waste disposal facilities. Other types of private activity bonds are used to finance the construction, repair or improvement of, or to obtain equipment for, privately operated industrial or commercial facilities. Current federal tax laws place substantial limitations on the size of certain of such issues. In certain cases, the interest on a private activity bond may not be exempt from federal income tax or the alternative minimum tax.

(d) Investment Transactions, Investment Income and Expenses

Investment transactions for the Fund and the Trading Entities are accounted for on the trade date. Realized gains and losses on investments are determined on the identified cost basis. Dividend income is recorded net of applicable withholding taxes on the ex-dividend date and interest income is recorded on an accrual basis. Withholding taxes on foreign dividends, if applicable, are paid (a portion of which may be reclaimable) or provided for in accordance with the applicable country's tax rules and rates and are disclosed in the Statement of Operations. Withholding tax reclaims are filed in certain countries to recover a portion of the amounts previously withheld. The Fund records a reclaim receivable based on a number of factors, including a jurisdiction's legal obligation to pay reclaims as well as payment history and market convention. Discounts or premiums on debt securities are accreted or amortized to interest income over the lives of the respective securities using the effective interest method. Income and expenses of the Fund are allocated on a pro rata basis to each class of shares, except for distribution and service fees, which are unique to each class of shares. Expenses incurred by the Trust with respect to more than one fund are allocated in proportion to the net assets of each fund except where allocation of direct expenses to each fund or an alternative allocation method can be more appropriately made.

In conjunction with the use of short sales, the Fund may be required to maintain collateral in various forms. At April 30, 2018, such collateral is denoted in the Fund's Schedule of Investments and Statement of Assets and Liabilities. Also, in conjunction with the use of short sales, the Fund, when appropriate, utilizes a segregated margin deposit account with the counterparty. At April 30, 2018, these segregated margin deposit accounts are denoted in the Fund's Statement of Assets and Liabilities.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

(e) Federal Income Taxes

The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its net investment income and any net realized gains to its shareholders. Therefore, no provision is made for federal income or excise taxes. Due to the timing of dividend distributions and the differences in accounting for income and realized gains and losses for financial statement and federal income tax purposes, the fiscal year in which amounts are distributed may differ from the year in which the income and realized gains and losses are recorded by the Fund.

Accounting for Uncertainty in Income Taxes (the “Income Tax Statement”) requires an evaluation of tax positions taken (or expected to be taken) in the course of preparing a Fund’s tax returns to determine whether these positions meet a “more-likely-than-not” standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the “more-likely-than-not” recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations.

The Income Tax Statement requires management of the Fund to analyze tax positions taken in the prior three open tax years, if any, and tax positions expected to be taken in the Fund’s current tax year, as defined by the IRS statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the period November 1, 2017 through April 30, 2018 and as of and during the period December 1, 2016 through October 31, 2017 and as of and during the open years ended November 30, 2015-2016, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

(f) Distributions to Shareholders

The Fund will make distributions of net investment income quarterly and net capital gains, if any, at least annually. Distributions to shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from GAAP.

The character of distributions made during the year from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense and gain (loss) items for financial statement and tax purposes. Where appropriate, reclassifications between net asset accounts are made for such differences that are permanent in nature.

Note 3 – Investment Advisory and Other Agreements

The Trust, on behalf of the Fund, entered into an Investment Advisory Agreement (the “Agreement”) with Cedar Ridge Partners, LLC (the “Advisor”). Under the terms of the Agreement, the Fund pays a monthly investment advisory fee to the Advisor at the annual rate of 1.00% of the Fund’s average daily net assets.

The Advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that the total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.64% of the average daily net assets of Investor Class shares of the Fund and 1.39% of the average daily net assets of Institutional Class shares of the Fund. This agreement is in effect until February 28, 2019, and it may be terminated before that date only by the Trust’s Board of Trustees.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

For the six months ended April 30, 2018, the Advisor waived a portion of its advisory fees totaling \$97,368. The Advisor may recover from the Fund fees and/or expenses previously waived and/or absorbed, if the Fund's expense ratio, including the recovered expenses, falls below the expense limit at which they were waived. The Fund's advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period ending three full fiscal years after the date of the waiver or payment. This reimbursement may be requested from the Fund if the reimbursement will not cause the Fund's annual expense ratio to exceed the lesser of (a) the expense limitation amount in effect at the time such fees were waived or payments made, or (b) the expense limitation amount in effect at the time of the reimbursement. At April 30, 2018, the amount of these potentially recoverable expenses was \$652,085. The Advisor may recapture all or a portion of this amount no later than the dates stated below:

November 30, 2018	\$ 181,465
November 30, 2019	206,323
October 31, 2020	166,929
October 31, 2021	<u>97,368</u>
Total	\$ 652,085

IMST Distributors, LLC serves as the Fund's distributor; UMB Fund Services, Inc. ("UMBFS") serves as the Fund's fund accountant, transfer agent and co-administrator; and Mutual Fund Administration, LLC ("MFAC") serves as the Fund's other co-administrator. UMB Bank, N.A. serves as the Fund's custodian.

Certain trustees and officers of the Trust are employees of UMBFS or MFAC. The Fund does not compensate trustees and officers affiliated with the Fund's co-administrators. For the six months ended April 30, 2018, the Fund's allocated fees incurred for Trustees who are not affiliated with the Fund's co-administrators are reported on the Statement of Operations.

The Fund's Board of Trustees has adopted a Deferred Compensation Plan (the "Plan") for the Independent Trustees that enables Trustees to elect to receive payment in cash or the option to select various Fund in the Trust in which their deferred accounts shall be deemed to be invested. If a trustee elects to defer payment, the Plan provides for the creation of a deferred payment account. The Fund's liability for these amounts is adjusted for market value changes in the invested Fund and remains a liability to the Fund until distributed in accordance with the Plan. The Trustees Deferred compensation liability under the Plan constitutes a general unsecured obligation of the Fund and is disclosed in the Statement of Assets and Liabilities. Contributions made under the plan and the change in unrealized appreciation/depreciation and income are included in the Trustees' fees and expenses in the Statement of Operations.

Dziura Compliance Consulting, LLC provides Chief Compliance Officer ("CCO") services to the Trust. The Fund's allocated fees incurred for CCO services for the six months ended April 30, 2018, are reported on the Statement of Operations.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

Note 4 – Federal Income Taxes

At April 30, 2018, gross unrealized appreciation and depreciation on investments and securities sold short, based on cost for federal income tax purposes were as follows:

Cost of investments	\$	<u>58,750,820</u>
Gross unrealized appreciation	\$	4,190,236
Gross unrealized depreciation		<u>(5,169,805)</u>
Net unrealized depreciation on investments	\$	<u>(979,569)</u>

The difference between cost amounts for financial statement and federal income tax purposes is due primarily to timing differences in recognizing certain gains and losses in security transactions.

As of October 31, 2017, the components of accumulated earnings on a tax basis were as follows:

Undistributed ordinary income	\$	329,386
Undistributed tax-exempt income		898,050
Undistributed long-term capital gains		<u>1,883</u>
Tax accumulated earnings		1,229,319
Accumulated capital and other losses		-
Unrealized depreciation on securities sold short		(292,019)
Unrealized depreciation on investments		<u>(1,842,231)</u>
Total accumulated deficit	\$	<u>(904,931)</u>

The tax character of the distribution paid during the period ended October 31, 2017 and the fiscal years ended November 30, 2016 and November 30, 2015 were as follows:

Distributions paid from:	2017	2016	2015
Ordinary income	\$ 994,531	\$ 121,528	\$ 220,721
Net long-term capital gains	14,074	-	-
Total taxable distributions	<u>\$ 1,008,605</u>	<u>\$ 121,528</u>	<u>\$ 220,721</u>
Tax-exempt distributions	2,221,511	1,294,887	948,649
Total distributions paid	<u>\$ 3,230,116</u>	<u>\$ 1,416,415</u>	<u>\$ 1,169,370</u>

Note 5 – Redemption Fee

Previously, the Fund may have imposed a redemption fee of 1.00% of the total redemption amount on all shares redeemed within 30 days of purchase. For the six months ended April 30, 2018, the period ended October 31, 2017 and for the year ended November 30, 2016 the Fund received \$ 136, \$282, and \$1,477, respectively, in redemption fees. Effective November 1, 2017, the Fund no longer charges a redemption fee. For the six months ended April 30, 2018, the Fund received a redemption fee from a transaction prior to November 1, 2017.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

Note 6 – Investment Transactions

For the six months ended April 30, 2018, purchases and sales of investments, excluding short-term investments, were \$44,408,323 and \$68,554,601, respectively. Proceeds from securities sold short and cover short securities were \$15,968,431 and \$24,463,209, respectively.

Note 7 – Shareholder Servicing Plan

The Trust, on behalf of the Fund, has adopted a Shareholder Servicing Plan to pay a fee at an annual rate of up to 0.15% of average daily net assets of shares serviced by shareholder servicing agents who provide administrative and support services to their customers.

For the six months ended April 30, 2018, shareholder servicing fees incurred are disclosed on the Statement of Operations.

Note 8 – Distribution Plan

The Trust, on behalf of the Fund, has adopted a Distribution Plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act that allows the Fund to pay distribution fees for the sale and distribution of its Investor Class shares. The Plan provides for the payment of distribution fees at the annual rate of up to 0.25% of average daily net assets attributable to Investor Class shares, payable to IMST Distributors, LLC. The Institutional Class does not pay any distribution fees.

For the six months ended April 30, 2018, distribution fees incurred with respect to Investor Class shares are disclosed on the Statement of Operations.

Note 9 – Indemnifications

In the normal course of business, the Fund enters into contracts that contain a variety of representations which provide general indemnifications. The Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund expects the risk of loss to be remote.

Note 10 – Fair Value Measurements and Disclosure

Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. It also provides guidance on determining when there has been a significant decrease in the volume and level of activity for an asset or a liability, when a transaction is not orderly, and how that information must be incorporated into a fair value measurement.

Under *Fair Value Measurements and Disclosures*, various inputs are used in determining the value of the Fund’s investments. These inputs are summarized into three broad Levels as described below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has 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 Fund’s 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.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

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 an indication of the risk associated with investing in those securities. The following is a summary of the inputs used, as of April 30, 2018, in valuing the Fund's assets carried at fair value:

	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Bank Loans	\$ -	\$ -	\$ -	\$ -
Common Stocks				
Consumer Discretionary	-	48,846	-	48,846
Energy	4,882	-	-	4,882
Corporate Bonds				
Communications	-	5,116,934	-	5,116,934
Consumer Discretionary	-	7,386,783	-	7,386,783
Consumer Staples	-	1,520,625	-	1,520,625
Energy	-	7,386,700	-	7,386,700
Financials	-	3,556,479	-	3,556,479
Industrials	-	1,218,750	-	1,218,750
Materials	-	2,016,739	-	2,016,739
Technology	-	2,004,135	-	2,004,135
Utilities	-	273,750	-	273,750
Municipal Bonds*	-	70,052,931	-	70,052,931
Rights	-	-	10,618	10,618
Warrants	-	-	-	-
Short-Term Investments	3,457,956	-	-	3,457,956
Total Assets	\$ 3,462,838	\$ 100,582,672	\$ 10,618	\$ 104,056,128
Liabilities				
Securities Sold Short				
Corporate Bonds*	\$ -	\$ 20,292,030	\$ -	\$ 20,292,030
U.S. Treasury Securities	-	25,992,847	-	25,992,847
Total Liabilities	\$ -	\$ 46,284,877	\$ -	\$ 46,284,877

* All municipal bonds and corporate bonds held short in the Fund are Level 2 securities. For a detailed break-out by major industry classification, please refer to the Schedule of Investments.

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

Transfers between Levels 1, 2 or 3 are recognized at the end of the reporting period. The following is a reconciliation of transfers between Levels for the Fund from October 31, 2017 to April 30, 2018, represented by recognizing the April 30, 2018 market value of securities:

Transfers into Level 2	\$	-
Transfers out of Level 2		<u>(10,618)</u>
Net transfers in (out) of Level 2	\$	<u>(10,618)</u>
Transfers into Level 3	\$	10,618
Transfers out of Level 3		<u>-</u>
Net transfers in (out) of Level 3	\$	<u>10,618</u>

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining value:

Beginning balance October 31, 2017	\$	5,173
Transfers into Level 3 during the period		10,618
Transfers out of Level 3 during the period		-
Total realized gain/(loss)		-
Total unrealized appreciation/(depreciation)		31,253
Net purchases		-
Net sales		-
Payment-in-kind interest		-
Principal paydown		(36,426)
Return of capital distribution		-
Balance as of April 30, 2018	\$	<u>10,618</u>

The following table presents additional information about valuation methodologies and inputs used for investments that are measured at fair value and categorized within Level 3 as of April 30, 2018:

	Fair Value April 30, 2018	Valuation Methodologies	Unobservable Input ⁽¹⁾	Impact to Valuation from an Increase in Input ⁽²⁾
Bank Loans	\$ -	Fair Value Pricing	Adjusted by management to reflect current conditions	Increase
Corporate Bonds	-	Fair Value Pricing	Adjusted by management to reflect current conditions	Increase
Rights	10,618	Fair Value Pricing	Adjusted by management to reflect current conditions	Increase
Warrants	-	Fair Value Pricing	Adjusted by management to reflect current conditions	Increase

Cedar Ridge Unconstrained Credit Fund
NOTES TO FINANCIAL STATEMENTS – Continued
April 30, 2018 (Unaudited)

- (1) The investment advisor considers relevant indications of value that are reasonably and timely available to it in determining the fair value to be assigned to a particular security, such as the type and cost of the security; contractual or legal restrictions on resale of the security; relevant financial or business developments of the issuer; actively traded related securities; conversion or exchange rights on the security; related corporate actions; significant events occurring after the close of trading in the security; and changes in overall market conditions. The Fund's use of fair value pricing may cause the net asset value of Fund shares to differ from the net asset value that would be calculated using market quotations. 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.
- (2) This column represents the directional change in the fair value of the Level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect.

Note 11 – Events Subsequent to the Fiscal Period End

The Fund has adopted financial reporting rules regarding subsequent events which require an entity to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet. Management has evaluated the Fund's related events and transactions that occurred through the date of issuance of the Fund's financial statements. There were no other events or transactions that occurred during this period that materially impacted the amounts or disclosures in the Fund's financial statements.

Cedar Ridge Unconstrained Credit Fund

SUPPLEMENTAL INFORMATION (Unaudited)

Board Consideration of Investment Advisory Agreement

At an in-person meeting held on January 18, 2018, the Board of Trustees (the “*Board*”) of Investment Managers Series Trust II (the “*Trust*”), including the trustees who are not “interested persons” of the Trust (the “*Independent Trustees*”) as defined in the Investment Company Act of 1940, as amended (the “*1940 Act*”), reviewed and unanimously approved the renewal of the Investment Advisory Agreement (the “*Advisory Agreement*”) between the Trust and Cedar Ridge Partners, LLC (the “*Investment Advisor*”) with respect to the Cedar Ridge Unconstrained Credit Fund series of the Trust (the “*Fund*”) for an additional one-year term from when it otherwise would expire. In approving renewal of the Advisory Agreement, the Board, including the Independent Trustees, determined that such renewal was in the best interests of the Fund and its shareholders.

Background

In advance of the meeting, the Board received information about the Fund and the Advisory Agreement from the Investment Advisor and from Mutual Fund Administration, LLC and UMB Fund Services, Inc., the Trust’s co-administrators, certain portions of which are discussed below. The materials, among other things, included information about the Investment Advisor’s organization and financial condition; information regarding the background, experience, and compensation structure of relevant personnel providing services to the Fund; information about the Investment Advisor’s compliance policies and procedures, disaster recovery and contingency planning, and policies with respect to portfolio execution and trading; information regarding the profitability of the Investment Advisor’s overall relationship with the Fund; reports comparing the performance of the Fund with returns of the Bloomberg Barclays U.S. Aggregate Bond Index (the “*Index*”) and a group of comparable funds selected by Morningstar, Inc. (the “*Peer Group*”) from its Long-Short Credit fund universe (the “*Fund Universe*”) for the one- and three-year periods ended October 31, 2017; and reports comparing the investment advisory fee and total expenses of the Fund with those of the Peer Group and Fund Universe. The Board also received a memorandum from the independent legal counsel to the Trust and the Independent Trustees discussing the legal standards under the 1940 Act and other applicable law for their consideration of the proposed renewal of the Advisory Agreement. In addition, the Board considered information reviewed by the Board during the year at other Board and Board committee meetings. No representatives of the Investment Advisor were present during the Board’s consideration of the Advisory Agreement.

In renewing the Advisory Agreement, the Board and the Independent Trustees considered a variety of factors, including those discussed below. In their deliberations, the Board and the Independent Trustees did not identify any particular factor that was controlling, and each Trustee may have attributed different weights to the various factors.

Nature, Extent and Quality of Services

With respect to the performance results of the Fund, the meeting materials indicated that that the total return of the Fund for the one-year period was higher than the return of the Bloomberg Barclays U.S. Aggregate Bond Index, but below the Fund Universe and Peer Group median returns by 1.39% and 3.03%, respectively. The annualized total return of the Fund for the three-year period was higher than the Fund Universe median return, the same as the Peer Group median return, and slightly below the Index return by 0.03%. The Trustees considered that the Fund had a five-star ranking from Morningstar in 2016 and a four-star ranking in 2017.

In reviewing the Fund’s performance, the Trustees noted the Investment Advisor’s explanation that the Fund is designed to produce returns uncorrelated to most fixed income investment strategies that are long only, including those of funds considered to be the Fund’s peers. The Trustees also noted the Investment Advisor’s observations that the funds in the Peer Group generally use a broadly unconstrained approach to investing in the fixed income markets; that the most distinct difference is that many of those funds use leveraged long investment strategies, unlike the Fund, which uses short sales to hedge positions; that funds in the Peer Group focus primarily on corporate and government debt while the Fund has a more diverse allocation of fixed income instruments, including municipal and high grade and high yield corporate debt; and that most funds in the Peer Group have little or no exposure to the U.S. municipal bond market, while municipal bonds generally comprise over half of the Fund’s total assets. With respect to the Fund’s one-year

Cedar Ridge Unconstrained Credit Fund

SUPPLEMENTAL INFORMATION (Unaudited) - Continued

performance, the Trustees noted the Investment Advisor's explanation that the Fund underperformed the Peer Group due primarily to mark-to-market declines in high yield Puerto Rican municipal bonds.

The Board considered the overall quality of services provided by the Investment Advisor to the Fund. In doing so, the Board considered the Investment Advisor's specific responsibilities in day-to-day management and oversight of the Fund, as well as the qualifications, experience, and responsibilities of the personnel involved in the activities of the Fund, and the commitment of the Investment Advisor to the maintenance and growth of the Fund's assets. The Board also considered the overall quality of the organization and operations of the Investment Advisor, as well as its compliance structure. The Board and the Independent Trustees concluded that based on the various factors they had reviewed, the nature, overall quality, and extent of the management and oversight services provided by the Investment Advisor to the Fund were satisfactory.

Advisory Fee and Expense Ratio

With respect to the advisory fee paid by the Fund, the meeting materials indicated that the annual investment advisory fee (gross of fee waivers) was the same as the median fee for the Peer Group and Fund Universe. The Trustees noted that the Fund's advisory fee was lower than the fee charged by the Investment Advisor to manage a private investment fund using similar strategies as the Fund, which private fund pays a performance-based fee in addition to an asset-based fee. The meeting materials also indicated that the annual total expenses paid by the Fund (net of fee waivers) for the Fund's most recent fiscal year were above the Peer Group and Fund Universe medians by 0.04% and 0.14%, respectively. The Trustees noted the Investment Advisor's observation that the Fund's gross expense ratio is high on a relative basis as a result of the inclusion of certain expenses, including short sale interest costs, but that the Fund's net expense ratio is in line with the Peer Group median.

The Board and the Independent Trustees concluded that based on the factors they had reviewed, the compensation payable to the Investment Advisor under the Advisory Agreement was fair and reasonable in light of the nature and quality of the services the Investment Advisor provides to the Fund.

Profitability and Economies of Scale

The Board next considered information prepared by the Investment Advisor relating to its costs and profits with respect to the Fund for the year ended October 31, 2017, noting that the Investment Advisor had waived a portion of its advisory fee. Recognizing the difficulty in evaluating an investment advisor's profitability with respect to the funds it manages in the context of an advisor with multiple lines of business, and noting that other profitability methodologies might also be reasonable, the Board and the Independent Trustees concluded that the profit of the Investment Advisor from its relationship with the Fund was reasonable.

The Board also considered the benefits received by the Investment Advisor as a result of the Investment Advisor's relationship with the Fund, other than the receipt of its investment advisory fee, including any research made available to the Investment Advisor by broker-dealers providing execution services to the Fund, the beneficial effects from the review by the Trust's Chief Compliance Officer of the Investment Advisor's compliance program, and the intangible benefits of the Investment Advisor's association with the Fund generally and any favorable publicity arising in connection with the Fund's performance. The Board also noted that although the Advisory Agreement did not provide for fee breakpoints, the asset level of the Fund was not currently likely to lead to significant economies of scale, and that any such economies would be considered in the future as the Fund's assets grow.

Conclusion

Based on these and other factors, the Board and the Independent Trustees concluded that renewal of the Advisory Agreement was in the best interests of the Fund and its shareholders and, accordingly, approved renewal of the Advisory Agreement.

Cedar Ridge Unconstrained Credit Fund
EXPENSE EXAMPLE
For the Six Months Ended April 30, 2018 (Unaudited)

Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase of Investor Class shares; and (2) ongoing costs, including management fees; distribution fees (Investor Class shares only) and other Fund expenses. The example below is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from November 1, 2017 to April 31, 2018.

Actual Expenses

The information in the row titled “Actual Performance” of the table below provides actual account values and actual expenses. You may use the information in these columns, 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 appropriate row under the column titled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the row titled “Hypothetical (5% annual return before expenses)” of the table below provides hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratios 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 balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (load) or contingent deferred sales charges. Therefore, the information in the row titled “Hypothetical (5% annual return before expenses)” 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.

	Beginning Account Value	Ending Account Value	Expenses Paid During Period*
	11/1/17	4/30/18	11/1/17 – 4/30/18
Investor Class			
Actual Performance	\$ 1,000.00	\$ 1,019.40	\$ 26.68
Hypothetical (5% annual return before expenses)	1,000.00	998.37	26.40
Institutional Class			
Actual Performance	1,000.00	1,020.80	25.44
Hypothetical (5% annual return before expenses)	1,000.00	999.62	25.17

* Expenses are equal to the Fund’s annualized expense ratios of 5.33% and 5.08% for Investor Class and Institutional Class, respectively, multiplied by the average account values over the period, multiplied by 181/365. The expense ratios reflect an expense waiver. Assumes all dividends and distributions were reinvested.

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Cedar Ridge Unconstrained Credit Fund
A series of Investment Managers Series Trust II

Investment Advisor

Cedar Ridge Partners, LLC
45 East Putnam Avenue, Suite 124
Greenwich, Connecticut 06830

Custodian

UMB Bank, n.a.
928 Grand Boulevard, 5th Floor
Kansas City, Missouri 64106

Fund Co-Administrator

Mutual Fund Administration, LLC
2220 E. Route 66, Suite 226
Glendora, California 91740

Fund Co-Administrator, Transfer Agent and Fund Accountant

UMB Fund Services, Inc.
235 W. Galena Street
Milwaukee, Wisconsin 53212

Distributor

IMST Distributors, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101
www.foreside.com

FUND INFORMATION

	<u>TICKER</u>	<u>CUSIP</u>
Cedar Ridge Unconstrained Credit Fund - Investor Class	CRUPX	461 41T 208
Cedar Ridge Unconstrained Credit Fund - Institutional Class	CRUMX	461 41T 109

Privacy Principles of the Cedar Ridge Unconstrained Credit Fund for Shareholders

The Fund is committed to maintaining the privacy of its shareholders and to safeguarding its non-public personal information. The following information is provided to help you understand what personal information the Fund collects, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Fund does not receive any non-public personal information relating to its shareholders, although certain non-public personal information of its shareholders may become available to the Fund. The Fund does not disclose any non-public personal information about its shareholders or former shareholders to anyone, except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

This report is sent to shareholders of the Cedar Ridge Unconstrained Credit Fund for their information. It is not a Prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

Proxy Voting Policies and Procedures

A description of the Fund's proxy voting policies and procedures related to portfolio securities is available without charge, upon request, by calling the Fund at (855) 550-5090 or on the U.S. Securities and Exchange Commission's ("SEC") website at www.sec.gov.

Proxy Voting Record

Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is also available, without charge and upon request by calling the Fund at (855) 550-5090 or by accessing the Fund's Form N-PX on the SEC's website at www.sec.gov.

Form N-Q Disclosure

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC website at www.sec.gov or by calling the Fund at (855) 550-5090. The Fund's Form N-Q may also be viewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

Householding

The Fund will mail only one copy of shareholder documents, including prospectuses, annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Fund at (855) 550-5090.

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