

For Illustrative Purposes



The XYZ Income Fund

Class A – XYZIA

Annual Shareholder Report

XYZ Funds, Inc.

January 31, 2023

This annual shareholder report contains important information about the XYZ Income Fund for the period of February 1, 2022, to January 31, 2023, as well as changes to the Fund. You can find additional information about the Fund at XYZfunds.com/XYZIFdocs or on the XYZ App. You can also request this information by contacting us at 1-800-XYZ-FUND or documents@xyzfunds.com. **This report describes changes to the Fund that occurred during the reporting period.**

What were your Fund costs for the year?

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

[Fund or Class Name]	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class A	\$12,345	0.67%

How did the Fund perform last year? What affected the Fund's performance?

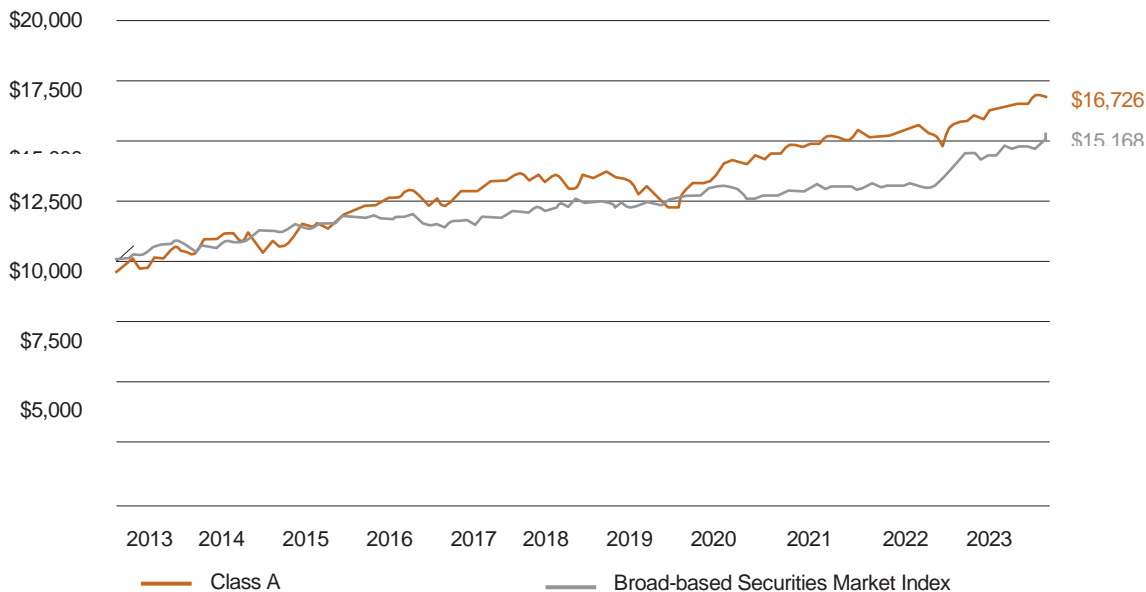
<p>Performance Highlights</p> <ul style="list-style-type: none"> XYZ Income Fund returned 6.45% for Class A for the 12 months ended January 31, 2023. The Fund underperformed its benchmark (the Broad-based Securities Market Index), which returned 7.72%. This underperformance is largely the result of our portfolio holding more interest-rate-sensitive investments than our benchmark. Top contributors to performance: <ul style="list-style-type: none"> » long-term fixed interest rate investments because the Federal Reserve reduced interest rates during the period which increased long-term bond prices; and » investments in technology and financial services companies. Top detractors from performance: <ul style="list-style-type: none"> » short duration investments (such as bank loans) and new purchases of fixed income instruments because of the lower interest rate environment; and » investments in oil and telecommunication companies. 	<p>Performance</p> <p>ASSET CLASS</p> <p>Top Contributors</p> <ul style="list-style-type: none"> ↑ Corporate - High Yield ↑ Corporate - High Quality ↑ Mortgage Backed Securities <p>Top Detractors</p> <ul style="list-style-type: none"> ↓ Bank Loans ↓ Asset Backed Securities ↓ Treasury <p>Attribution</p> <p>SECTOR</p> <p>Top Contributors</p> <ul style="list-style-type: none"> ↑ Technology ↑ Financial Services ↑ Health Care <p>Top Detractors</p> <ul style="list-style-type: none"> ↓ Energy ↓ Telecommunications ↓ Industrials
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How did the Fund perform over the past 10 years?

Keep in mind that 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.

Cumulative Performance: February 1, 2013, through January 31, 2023

Initial Investment of \$10,000



Average Annual Total Returns:

	1 Year	5 Years	10 Years
Class A (with purchase charge)	1.21%	4.32%	5.29%
Class A (without purchase charge)	6.45%	5.36%	5.86%
Broad-based Securities Market Index	7.72%	5.21%	4.25%

Visit xyzfunds.com/XYZG or the XYZ App for more recent performance information.

What are some key Fund statistics? (as of January 31, 2023)

Fund Size:	\$789 mil.
Number of Investments:	722
Total Advisory Fee:	\$859,679
Annual Portfolio Turnover:	78%
Average Credit Quality:*	BB*
30-Day SEC Yield:**	
· Class A	4.28%
Effective Duration:	1.4 years
Weighted Average Maturity:	5.4 years

* The Average Credit Quality is based on credit ratings provided by UVW Rating Inc.

** The 30-Day SEC Yield is a standardized calculation so you can compare yields across funds.

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What did the Fund invest in? *(as of January 31, 2023)*

Asset Class (% of net assets)		Credit Quality* (% of net assets)		Sector (% of net assets)	
Bank Loans	52.6%	U.S. Government	4.8%		
Corporate – High Quality	14.3%	AAA	3.6%		
Corporate – High Yield	11.4%	AA	5.8%		
Mortgage Backed Securities	7.1%	A	16.7%		
Treasury	4.8%	BBB	20.4%		
Asset Backed Securities	3.3%	BB	34.9%		
Cash	1.8%	B	8.1%		
Equity	1.6%	CCC & Below	3.6%		
Other	3.1%	Unrated	2.1%		

* Credit Quality is based on credit ratings provided by UVW Rating Inc., a nationally recognized statistical rating organization, because the XYZ Advisers (the Fund's manager) believes they have the broadest coverage of securities held by the Fund.

Visit xyzfunds.com/XYZG or the XYZ App for more recent holdings information.

How has the Fund changed?

Beginning June 1, 2023, the Fund is revising its Interest Rate Risk to include risks of very low or negative interest rates. Very low or negative interest rates may prevent the Fund from earning positive returns and increases the risk of rising interest rates, which may negatively impact the Fund's performance.

This is a summary of a planned change to the Fund's principal risk disclosure. For more complete information, you may review the Fund's next prospectus, which we expect to be available by June 1, 2023, at XYZfunds.com/XYZIFdocs or upon request at 1-800-XYZ-FUND or documents@xyzfunds.com.

Where can I find additional information about the Fund?

Additional information is available on the Fund's website, including its:

- prospectus
- financial information
- holdings
- proxy voting information
- description of UVW Rating Inc.'s credit ratings



XYZFunds.com/XYZGEDocs

[Householding]

The Securities and Exchange Commission permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. XYZ Funds, or your financial intermediary, may household the mailing of your documents indefinitely unless you instruct XYZ Funds, or your financial intermediary, otherwise. If you would prefer that your XYZ Funds documents not be householded, please contact XYZ Funds at 1-800-XYZ-FUND, or contact your financial intermediary. Your instructions that householding not apply to delivery of your XYZ Funds documents will typically be effective within 30 days of receipt by XYZ Funds or your financial intermediary.