

MERCATOR INTERNATIONAL OPPORTUNITY FUND

**Institutional Class Ticker: MOPPX
Class A Ticker: MOOPX**

ANNUAL REPORT

DECEMBER 31, 2021

MERCATOR INVESTMENT MANAGEMENT, LLC

COLLABORATIVE INVESTMENT SERIES TRUST

**1-800-869-1679
www.mercatormutualfunds.com**

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SHAREHOLDER LETTER
DECEMBER 31, 2021 (UNAUDITED)

Hervé van Caloen, CIO
Mercator International Opportunity Fund



The Mercator International Opportunity Fund (Class I Shares: MOPPX & Class A Shares: MOOPX)

2021 Report

Performance Report							
Fund / Index	Q4 2021	YTD	1 Year	3 Year Annualized	Since Inception Annualized	Annual Fund Expense Ratio (Net)	Annual Fund Expense Ratio (Gross)
MOPPX (CL I) Inception Date: April 2, 2018	-3.65%	14.27%	14.27%	35.13%	19.24%	1.40%	2.17%
MOOPX (CL A) Inception Date: August 30, 2019	-3.72%	14.04%	14.04%	N/A	33.50%	1.55%	2.24%
MSCI EAFE INDEX	2.75%	11.25%	11.25%	13.53%	6.83%	N/A	N/A

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than the performance data quoted. For up-to-date performance data please contact the Fund's transfer agent at 1-800-869-1679.

The Fund's adviser has contractually agreed to reduce its fees and to reimburse expenses, at least through April 30, 2023, to ensure that total annual Fund operating expenses after fee waiver and reimbursement (exclusive of any front-end or contingent deferred loads, 12b-1 fees, taxes, leverage interest, borrowing interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired (underlying) fund fees and expenses or extraordinary expenses such as litigation) will not exceed 1.40% and 1.55% of the average daily net assets attributable to the Institutional Class and Class A shares, respectively.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SHAREHOLDER LETTER (CONTINUED)
DECEMBER 31, 2021 (UNAUDITED)

There Is No Vaccine Against Volatility

Sentiment turns on a dime. When macro-economic news turns negative, investors easily get distracted. Instead of focusing on companies' individual prospects, market participants often succumb to the overall pessimism and trigger a short term selloff in stocks. In 2021 and early in the new year 2022, rising inflation and a more hawkish Federal Reserve led to such a selloff of growth stocks. One wonders why this came as a surprise. The money printing could not go on forever.

The last few years' bull market was largely fueled by growth stocks, notably those of companies benefiting from the digital revolution. A lot of money chased these successful companies and valuations became demanding. Sooner or later, traders had to challenge investors' level of conviction.

When a virtuous cycle turns into a vicious cycle

Transformative technologies often generate euphoria. People are excited by the big new thing that is changing the world. We saw this pattern with the boom of westward canal transportation at the dawn of the nineteenth century. Railway stocks similarly attracted large numbers of eager investors a few decades later. Then came the electrification of America, the telephone and the automobile industry, to name just a few transformative technologies.

The initial euphoric phase always ends with a reality check. Valuations come back to earth. At the end of the cycle, only a few companies remain standing. A shakeout has a way of clarifying the field of opportunities.

For example, readers may recall that when the internet bubble burst two decades ago, Amazon's stock suffered greatly but pet.com was gone. For those investors who had stayed on the sidelines, this was an excellent time to buy Amazon. The company's business model had shown its merits and competition was rapidly shrinking. The stock price was now also much more attractive.

A market shakeout separates the winners from the losers. AOL and MySpace looked like good bets for a short while, but, by the time the market had completed its correction, Google and Facebook had rightly been recognized as not just survivors but champions about to take over the world.

Disruptive technology also tends to create a new breed of portfolio managers. These often younger investors have better insight into the way the world is changing and get on the bandwagon early. Rapid success makes them famous, which allows them to attract huge amounts of money. As these funds grow, new money is added to existing positions. With more money chasing the same fashionable stocks, lofty prices get loftier. The better the performance, the more money flows into the funds and the higher their stocks go.

One day this dynamic inevitably comes to an end. The virtuous cycle suddenly turns vicious. As the popular technology funds get redemptions, their managers are forced to sell. Forced sales bring down stock prices which only results in more redemptions. Fundamentals no longer matter and the baby gets thrown out with the bathwater.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SHAREHOLDER LETTER (CONTINUED)
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Mercadolibre (MELI;1.75%) is a good example of how this panic-like behavior creates investment opportunities for level-headed investors. For years, this Latin American eCommerce behemoth was priced for perfection, which they managed to deliver. At the end of last summer, MELI peaked at around \$2,000. Then, just like that, with no change in its business prospects, the stock price lost more than 40%. Sentiment changed on a dime. That's when the Fund began accumulating a position after watching it for many years.

Defensive Investments Are Not Opportunities

A slowdown in the economy does affect business in the short term, obviously, but it cannot stop a fundamental secular trend. Even the Great Depression could not stop the automotive revolution.

Darkening economic prospects and the recent correction in growth stocks may motivate some investors to sell growth and take refuge in value. We do not agree with this response. While it is true that cheap stocks may be less volatile and many growth stocks were overpriced, it is also true that slow growth usually yields average returns at best.

We therefore prefer to look for outstanding companies, like Mercadolibre, that are no longer priced for perfection. We also continue to look for steadily growing businesses that are reasonably priced and formerly successful companies with great brand recognition that are poised for rebirth.

Stock market corrections have the benefit of separating the men from the boys (and the women from the girls!). This is the time for investors to be laser focused on the fundamentals of companies and not to give in to a trader mentality.

Stagflation?

Economists' views on inflation and economic growth are evolving rapidly. Transitory or not, inflation is finally worrying the Federal Reserve Bank. At the same time, GDP growth projections are being revised down. The macro picture is not rosy. It starts to look as if stagflation is around the corner.

With inflation comes expectations of higher interest rates. This is what triggered the recent selloff in growth stocks. The reasoning among market operators is that higher cost of capital lowers the discounted value of future earnings. The higher those future earnings are expected to be, the sharper the downgrade. The net present value of low earnings growth, on the other hand, is less affected. No earnings at all is thus ideal.

Here is the problem with such one dimensional reasoning. Wouldn't you rather own growth in a stagnant economy and wouldn't you rather have pricing power in an inflationary environment? Value stocks have neither.

Growth At a Reasonable Price

Over the past year, when unicorns, transformative and technology stocks got overpriced, we looked for opportunities elsewhere. However, we don't have a Manichean, black/white view of the markets. As mentioned above, we did not rotate out of growth into value for some short term performance. Instead, all year, we have been gradually reducing our exposure to

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SHAREHOLDER LETTER (CONTINUED)
DECEMBER 31, 2021 (UNAUDITED)

excessively priced growth stocks, the likes of Interroll (INRN:SW), a Swiss manufacturer of conveyer belts, THK (6481:JP), a Japanese supplier of machinery components, Infineon (IFX:GR), the leading German semiconductor manufacturer, its French competitor STM (STM:FP) and ASM International (ASM:NA) a Dutch semiconductor production equipment maker. Many of these great companies' stocks have recently come down. We are monitoring them closely. The time to buy some back may be approaching.

The proceeds of these sales were invested in more reasonably priced stocks, so-called GARP (Growth At a Reasonable Price) stocks. One example is Mister Spex (MRX:GR; 1.00%). This German company can be viewed as the Warby Parker (WRBY) of Europe. Like Warby Parker, Mister Spex is a leading online retailer of eyeglasses. It is also growing rapidly, both online and through an expanding brick-and-mortar network. The main difference between the two companies is their valuations. The American company trades at eight times revenues while its still undiscovered German counterpart can be bought at only one time sales. This looks like an arbitrageur's dream.

Other reasonably-priced steady growers we bought over the course of the year include the leading Scandinavian pet store chain Musti (MUSTI:FH; 1.52%); the French assistant living operator Orpéa (ORP:FP; 2.08%); the leading British high-end timepiece retailer Watches of Switzerland (WOSG:LN; 1.99%); and the German drug and health products manufacturer Dermapharm (DMP:GR; 2.29%). These investments contribute to a broad diversification of the fund.

We have also invested in two turnaround stories, the iconic luxury automobile Aston Martin Lagonda (AML:LN; 2.69%) and the German fashion company Hugo Boss (BOSS:GR; 1.58%). Both of these highly respected brand names have new and ambitious management.

The new owner of Aston Martin wants to emulate Ferrari's success in Formula 1 racing and bring back the glory to the British brand. He has deep pockets and the support of Daimler in this ambitious venture.

Hugo Boss has been struggling for many years with an image as a sleepy company known mostly for its business suits. The new and dynamic management is repositioning this solid brand to include more casual wear. There are early signs that they are on the right track.

We believe the Fund is well positioned for what is to come.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 800-869-1679 or at www.mercatormutualfunds.com. The prospectus should be read carefully before investing.

The Fund is distributed by Arbor Court Capital, LLC, member FINRA/SIPC. Arbor Court Capital is not affiliated with Mercator Investment Management, LLC.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

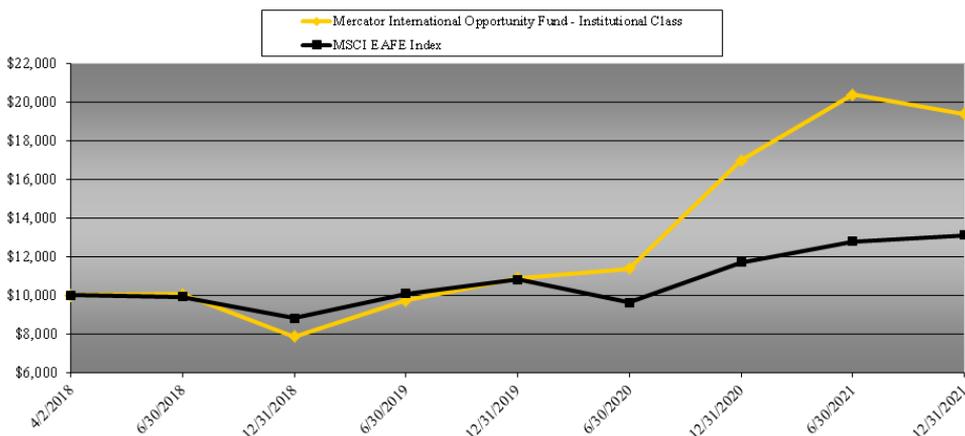
INSTITUTIONAL CLASS

PERFORMANCE ILLUSTRATION
DECEMBER 31, 2021 (UNAUDITED)

TOTAL RETURNS FOR THE PERIOD ENDED DECEMBER 31, 2021

<u>FUND/INDEX</u>	<u>ONE YEAR</u>	<u>SINCE INCEPTION*</u>	<u>VALUE</u>
Mercator International Opportunity Fund – Institutional Class	14.27%	19.28%	\$ 19,367
MSCI EAFE Index	11.86%	7.43%	\$ 13,083

Cumulative Performance Comparison of \$10,000 Investment Since Inception



* Inception April 2, 2018 for the Institutional Class

This chart assumes an initial investment of \$10,000 made on the closing of April 2, 2018 (commencement of investment operations). Total return is based on the net change in Net Asset Value (“NAV”) and assumes reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive of future performance. Investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares.

The Morgan Stanley EAFE (Morgan Stanley Capital International Europe Australia Far East) Index measures the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East. The index is commonly referred to as the EAFE. Securities from the United States and Canada are excluded from the MS EAFE benchmark index. The MS EAFE benchmark index is used for comparison purposes only, and is not meant to be indicative of the Fund’s asset composition, performance, or volatility. The performance of the Morgan Stanley EAFE Index is compiled and presented with all dividends reinvested and does not reflect deductions for fees or expenses. Investors cannot invest directly in an index.

The Fund’s total annual operating expenses per the prospectus dated April 30, 2021 before fee waivers are 2.17% for Institutional Class. After fee waivers, the Fund’s total annual operating expenses are 1.58% for Institutional Class. For the year ended December 31, 2021, the Fund’s annual operating expenses were waived and reimbursed so as not to exceed 1.40% for Institutional Class of the average daily net assets.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

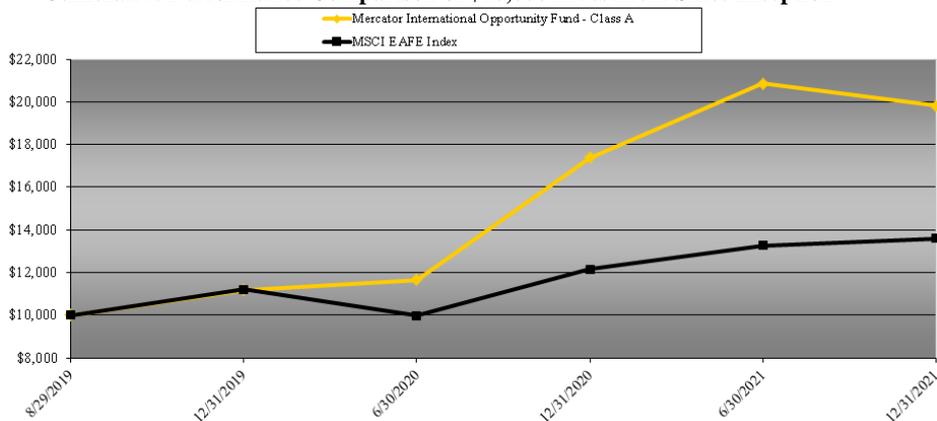
CLASS A

PERFORMANCE ILLUSTRATION
DECEMBER 31, 2021 (UNAUDITED)

TOTAL RETURNS FOR THE PERIOD ENDED DECEMBER 31, 2021

<u>FUND/INDEX</u>	<u>ONE YEAR</u>	<u>SINCE INCEPTION*</u>	<u>VALUE</u>
Mercator International Opportunity Fund – Class A	14.05%	33.91%	\$ 19,810
MSCI EAFE Index	11.86%	14.00%	\$ 13,589

Cumulative Performance Comparison of \$10,000 Investment Since Inception



* Inception August 30, 2019 for Class A

This chart assumes an initial investment of \$10,000 made on the closing of August 30, 2019 (commencement of investment operations). Total return is based on the net change in NAV and assumes reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive of future performance. Investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares.

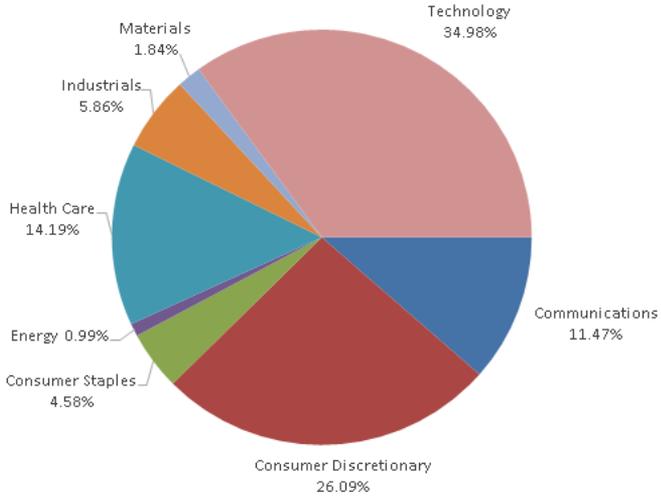
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The Fund's total annual operating expenses per the prospectus dated April 30, 2021 before fee waivers are 2.42% for Class A. After fee waivers, the Fund's total annual operating expenses are 1.74% for Class A. For the year ended December 31, 2021, the Fund's annual operating expenses were waived and reimbursed so as not to exceed 1.55% for Class A of the average daily net assets.

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PORTFOLIO ILLUSTRATION DECEMBER 31, 2021 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized using Bloomberg classifications.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SCHEDULE OF INVESTMENTS DECEMBER 31, 2021

<u>Shares</u>	<u>Value</u>	
COMMON STOCKS - 97.86%		
Consumer Discretionary Products - 4.68%		
85,000	Aston Martin Lagonda Global Holdings PLC ADR *	\$ 1,554,994
60,000	Watches of Switzerland Group PLC (United Kingdom) *	1,151,998
		2,706,992
Consumer Discretionary Services - 2.56%		
65,000	Entain PLC (Isle of Man)	1,479,141
Healthcare - 13.88%		
2,000	ALK-Abello A/S Class B (Denmark) *	1,049,168
15,000	Amplifon SpA (Italy)	809,900
13,000	Dermapharm Holding SE (Germany)	1,320,988
5,000	Jazz Pharmaceuticals PLC (Ireland) *	637,000
15,050	Jeol Ltd. (Japan)	1,200,526
33,092	Lumibird (France) *	905,612
45,000	Mister Spex SE (Sweden) *	576,574
12,000	Orpea SA (France)	1,202,988
90,000	Tobii Dynavox AB (Sweden) *	319,865
		8,022,621
Industrial Products - 3.41%		
3,960	Disco Corp. (Japan)	1,208,204
41,000	Japan Elevator Service Holdings Co., Ltd. (Japan)	764,430
		1,972,634
Industrial Services - 2.32%		
5,000	Eurofins Scientific SE (Luxembourg)	619,018
3,500	Grupo Aeroportuario del Sureste S.A.B. de C.V. ADR	721,560
		1,340,578
Materials - 1.80%		
200,000	DS Smith PLC (United Kingdom)	1,037,880
Media - 11.23%		
50,181	Adevinta ASA Class B (Norway) *	667,322
66,120	CyberAgent, Inc. (Japan)	1,098,486
40,000	Frontier Developments PLC (United Kingdom) *	962,702
50,150	Future PLC (United Kingdom)	2,597,059
200,500	Z Holdings Corp. (Japan)	1,161,503
		6,487,072
Renewable Energy - 0.97%		
2,000	SolarEdge Technologies, Inc. (Israel) *	561,140
Retail & Wholesale-Discretionary - 18.29%		
32,075	ASOS PLC (United Kingdom) *	1,036,951
60,000	Boozt AB (Sweden) *	1,216,829
15,000	Fnac Darty SA (France)	981,439
15,000	Hugo Boss AG (Germany)	913,165
750	MercadoLibre, Inc. (Uruguay) *	1,011,300
17,000	Mercari, Inc. (Japan) *	864,702
47,100	MonotaRO Co. Ltd. (Japan)	847,500
25,000	Musti Group Oyj (Finland)	880,735

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2021

<u>Shares</u>		<u>Value</u>
Retail & Wholesale-Discretionary – (Continued)		
150,000	Pets at Home Group PLC (United Kingdom)	943,097
90,300	Rakuten, Inc. (Japan)	904,510
12,000	Zalando SE (Germany) *	971,402
		<u>10,571,630</u>
Retail & Wholesale-Staples - 4.49%		
80,100	Ocado Group PLC (United Kingdom) *	1,817,341
3,000	Zur Rose Group AG (Switzerland) *	774,769
		<u>2,592,110</u>
Software & Technology Services - 18.02%		
300	Adyen NV (Netherlands) *	789,077
22,000	Basware Oyj (Finland) *	757,272
140,000	BlackBerry Ltd. (Canada) *	1,309,000
405,000	Boku, Inc. (United Kingdom) *	900,809
32,080	Comture Corp. (Japan)	1,005,220
250,000	Kahoot! ASA (Norway) *	1,320,760
400,000	Learning Technologies Group PLC. (United Kingdom)	961,621
35,000	Materialise N.V. ADR *	835,450
100,200	RaySearch Laboratories AB Class B (Sweden) *	624,668
20,100	Vitec Software Group AB Class B (Sweden)	1,235,334
400,000	ZOO Digital Group PLC (United Kingdom) *	676,055
		<u>10,415,266</u>
Technology Hardware & Semiconductors - 16.21%		
100,000	Accesso Technology Group PLC (United Kingdom) *	1,106,026
10,000	Advantest Corp. (Japan)	946,120
350,638	Capital & Counties Properties PLC (United Kingdom)	798,386
3,000	Lasertec Corp. (Japan)	918,952
8,240	Nidec Corp. (Japan)	966,994
22,400	Nordic Semiconductor ASA (Norway) *	755,752
33,000	PVA TePla AG (Germany) *	1,579,007
50,000	SLM Solutions Group AG (Germany) *	966,077
8,050	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	968,495
90,000	Tobii AB (Sweden) *	364,652
		<u>9,370,461</u>
TOTAL COMMON STOCKS (Cost \$48,280,729) - 97.86%		<u>56,557,525</u>
TOTAL INVESTMENTS (Cost \$48,280,729) - 97.86%		\$56,557,525
OTHER ASSETS LESS LIABILITIES - 2.14%		<u>1,234,436</u>
NET ASSETS - 100.00%		<u>\$57,791,961</u>

* Non-income producing securities during the period.

ADR - American Depositary Receipt.

PLC - Public Limited Company

SE - Societas Europaea, Latin term means European Company.

SA - Société Anonyme, a French term for a public limited company.

AB - Aktiefbolag, the Swedish term for "limited company" or "corporation".

AG - Aktiengesellschaft, a German term for a public limited company.

SpA - Società per azioni, an Italian term for a public limited company.

KGaA - Kommanditgesellschaft auf Aktien, a German corporate designation standing for partnership limited by shares.

ASA - Allmennaksjeselskap, a Norwegian term for public limited company.

NV - Naamloze Vennootschap, a Dutch term for public limited company.

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

SCHEDULE OF INVESTMENTS (CONTINUED) DECEMBER 31, 2021

As of December 31, 2021 the breakout of the Fund's portfolio by country of issuer was as follows:

Country	% of Net Assets
Belgium	1.44%
Canada	2.27%
Denmark	1.81%
Finland	2.83%
France	5.35%
Germany	9.95%
Ireland	1.10%
Isle of Man	2.56%
Israel	0.97%
Italy	1.40%
Japan	20.57%
Luxembourg	1.07%
Mexico	1.25%
Netherlands	1.36%
Norway	4.75%
Sweden	7.51%
Switzerland	1.34%
Taiwan	1.68%
United Kingdom	26.90%
Uruguay	1.75%
	<u>97.86%</u>

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

STATEMENT OF ASSETS AND LIABILITIES DECEMBER 31, 2021

Assets:	
Investments in Securities at Value (Cost \$48,280,729)	\$ 56,557,525
Receivables:	
Dividends and Interest	17,062
Investments Sold	1,353,354
Shareholder Subscriptions	37,999
Prepaid Expenses	13,730
Total Assets	<u>57,979,670</u>
Liabilities:	
Payables:	
Due to Custodian	81,686
Adviser Fees	46,396
Administrative Fees	18,019
Shareholder Redemptions	14,811
Trustee Fees	1,121
Transfer Agent and Accounting Fees	4,021
Accrued Expenses	21,655
Total Liabilities	<u>187,709</u>
Net Assets	<u>\$ 57,791,961</u>
Net Assets Consist of:	
Paid In Capital	\$ 49,600,645
Distributable Earning	8,191,316
Net Assets, for 3,300,751 Shares Outstanding	<u>\$ 57,791,961</u>
<u>Institutional Class Shares</u>	
Net Assets	\$ 51,453,438
Shares of beneficial interest outstanding	<u>2,937,524</u>
Net asset value per share	<u>\$ 17.52</u>
<u>Class A Shares</u>	
Net Assets	\$ 6,338,523
Shares of beneficial interest outstanding	<u>363,227</u>
Net asset value per share	<u>\$ 17.45</u>

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

STATEMENT OF OPERATIONS

For the year ended December 31, 2021

Investment Income:	
Dividends ^(a)	\$ 263,488
Interest	<u>701</u>
Total Investment Income	<u>264,189</u>
Expenses:	
Advisory fees	371,761
Audit fees	14,000
Custody	35,735
Legal fees	17,219
Transfer Agent and Accounting fees	44,445
Administrative fees	154,900
Shareholder Servicing fees	56,391
Trustee fees	6,455
Registration fees	24,312
Insurance fees	917
Other expenses	10,336
Printing and Mailing fees	<u>2,670</u>
Total Expenses	739,141
Less fees waived and expenses reimbursed by the Adviser	<u>(110,876)</u>
Net Expenses	<u>628,265</u>
Net Investment Loss	<u>(364,076)</u>
Realized and Unrealized Gain (Loss) on Investments:	
Realized Gain on Investments	3,796,886
Net Change in Unrealized Depreciation on Investments	<u>(1,442,789)</u>
Net Realized and Unrealized Gain on Investments	<u>2,354,097</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 1,990,021</u>

^(a) Net of Foreign withholding taxes of \$3,497.

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended <u>12/31/2021</u>	Year Ended <u>12/31/2020</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Loss	\$ (364,076)	\$ (173,439)
Net Realized Gain on Investments	3,796,886	1,085,826
Unrealized Appreciation (Depreciation) on Investments	(1,442,789)	8,538,207
Net Increase in Net Assets Resulting from Operations	<u>1,990,021</u>	<u>9,450,594</u>
Distributions:		
Distributions to Shareholders - Institutional Class	(3,046,819)	(805,847)
Distributions to Shareholders - Class A	(388,024)	(151,413)
Return of Capital - Institutional Class	-	(27,926)
Return of Capital - Class A	-	(5,304)
Total Distributions	<u>(3,434,843)</u>	<u>(990,490)</u>
Capital Share Transactions		
Institutional Class	32,038,770	2,059,162
Class A	2,175,888	1,178,660
Net Increase in Net Assets from Capital Share Transactions	<u>34,214,658</u>	<u>3,237,822</u>
Total Increase in Net Assets	32,769,836	11,697,926
Net Assets:		
Beginning of Year	<u>25,022,125</u>	<u>13,324,199</u>
End of Year	<u>\$ 57,791,961</u>	<u>\$ 25,022,125</u>

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

INSTITUTIONAL CLASS

FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the year/period.

	Year Ended <u>12/31/2021</u>	Year Ended <u>12/31/2020</u>	Year Ended <u>12/31/2019</u>	Period Ended <u>12/31/2018</u> (c)
Net Asset Value at Beginning of Year/Period	\$ 16.29	\$ 10.88	\$ 7.84	\$ 10.00
Gain (Loss) From Investment Operations:				
Net Investment Loss *	(0.15)	(0.12)	(0.03)	(0.04)
Net Gain (Loss) on Securities (Realized and Unrealized)	2.47	6.19	3.07	(2.12)
Total from Investment Operations	<u>2.32</u>	<u>6.07</u>	<u>3.04</u>	<u>(2.16)</u>
Distributions:				
Net Investment Income	-	-	-	-
Realized Gains	(1.09)	(0.64)	-	-
Return of Capital	-	(0.02)	-	-
Total from Distributions	<u>(1.09)</u>	<u>(0.66)</u>	<u>-</u>	<u>-</u>
Net Asset Value at End of Year/Period	<u>\$ 17.52</u>	<u>\$ 16.29</u>	<u>\$ 10.88</u>	<u>\$ 7.84</u>
Total Return **	14.27%	55.77%	38.78%	(21.60)% (b)
Ratios/Supplemental Data:				
Net Assets at End of Year/Period (Thousands)	\$ 51,453	\$ 21,028	\$ 11,878	\$ 4,592
Ratio of Expenses to Average Net Assets				
Before Reimbursement	1.67%	2.16% (e)	2.81%	5.47% (a)
After Reimbursement (d)	1.40%	1.37% (e)	1.19%	1.19% (a) (+)
Ratio of Net Investment Loss to Average Net Assets				
After Reimbursement (d)	(0.81)%	(0.96)%	(0.27)%	(0.53)% (a)
Portfolio Turnover	60.78%	51.26%	25.52%	55.89% (b)

* Per share net investment income (loss) has been determined on the basis of average shares outstanding during the period.

** Assumes reinvestment of dividends.

+ The ratio of expense after reimbursement has been voluntarily decreased by additional 0.46%.

(a) Annualized.

(b) Not annualized.

(c) For the period April 2, 2018 (commencement of investment operation) through December 31, 2018.

(d) Expense waived or reimbursed reflect reductions to total expenses, as discussed in the notes to the financial statements.

(e) Expenses includes 0.20% of administrative fees which were voluntarily waived by the administrator for the year ended December 31, 2020. These amounts would increase the net investment loss ratio or decrease the net investment income ratio, as applicable, had such reductions not occurred.

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

CLASS A

FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the year/period.

	Year Ended <u>12/31/2021</u>	Year Ended <u>12/31/2020</u>	Period Ended <u>12/31/2019</u> (c)
Net Asset Value, at Beginning of Year/Period	\$ 16.26	\$ 10.88	\$ 9.74
Gain (Loss) From Investment Operations:			
Net Investment Loss *	(0.18)	(0.14)	(0.02)
Net Gain on Securities (Realized and Unrealized)	2.46	6.18	1.16
Total from Investment Operations	2.28	6.04	1.14
Distributions:			
Net Investment Income	-	-	-
Realized Gains	(1.09)	(0.64)	-
Return of Capital	-	(0.02)	-
Total from Distributions	(1.09)	(0.66)	-
Net Asset Value, at End of Year/Period	\$ 17.45	\$ 16.26	\$ 10.88
Total Return **	14.05%	55.50%	11.70%
Ratios/Supplemental Data:			
Net Assets at End of Year/Period (Thousands)	\$ 6,339	\$ 3,994	\$ 1,446
Ratio of Expenses to Average Net Assets			
Before Reimbursement	1.69%	2.41% (e)	2.60% (a)
After Reimbursement (d)	1.55%	1.53% (e)	1.44% (a)
Ratio of Net Investment Loss to Average Net Assets			
After Reimbursement (d)	(0.93)%	(1.13)%	(0.64)% (a)
Portfolio Turnover	60.78%	51.26%	25.52% (b)

* Per share net investment loss has been determined on the basis of average shares outstanding during the period.

** Assumes reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

(c) For the period August 30, 2019 (commencement of investment operation) through December 31, 2019.

(d) Expense waived or reimbursed reflect reductions to total expenses, as discussed in the notes to the financial statements.

(e) Expenses includes 0.20% of administrative fees which were voluntarily waived by the administrator for the year ended December 31, 2020. These amounts would increase the net investment loss ratio or decrease the net investment income ratio, as applicable, had such reductions not occurred.

The accompanying notes are an integral part of these financial statements.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. ORGANIZATION

The Mercator International Opportunity Fund (the “Fund”) is a diversified series of the Collaborative Investment Series Trust (the “Trust”). The Trust is a Delaware statutory trust and is registered as an open-end investment company, under the Investment Company Act of 1940, as amended (the “1940 Act”). The Trust is authorized to issue an unlimited number of shares of beneficial interest of separate series without par value. The Fund, along with additional series are currently authorized by the Board of Trustees (the “Board” or “Trustees”). The Fund commenced investment operations on April 2, 2018. The Board has authorized two classes of shares: Institutional Class and Class A shares. Each class is subject to different expenses. Each class differs as to distribution fees, such that Institutional Class shares have no distribution fees but there is a higher minimum initial investment required. See Note 4 to the financial statements for further information regarding the fees for each Class of shares offered by the Fund.

The Fund’s investment objective is long-term growth of capital.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the Fund’s significant accounting policies. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

As an investment company, as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2013-08, the Fund follows accounting and reporting guidance under FASB Accounting Standards Codification Topic 946, “Financial Services – Investment Companies.”

SECURITY VALUATIONS: All investments in securities are recorded at their estimated fair value, as described in Note 3.

SECURITY TRANSACTION TIMING: For financial reporting purposes, investment transactions are accounted for on the trade date. Dividend income and distributions to shareholders are recognized on the ex-dividend date. Non-cash dividend income is recorded at fair market value of the securities received. Interest income is recognized on an accrual basis. The Fund uses the specific identification method in computing gain or loss on sale of investment securities. Discounts and premiums on securities purchased are accreted or amortized over the life of the respective securities using the effective interest method. Withholding taxes on foreign dividends have been provided for in accordance with the Fund’s understanding of the appropriate country’s rules and tax rates.

FEDERAL INCOME TAXES: The Fund makes no provision for federal income or excise tax. The Fund intends to qualify each year as a regulated investment company (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of its taxable income. The Fund also intends to distribute sufficient net investment income and net capital gains, if any, so that it will not be subject to excise tax on

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense. Therefore, no federal income tax or excise provision is required.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained, assuming examination by tax authorities. Management has analyzed the Fund's tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2018-2020) or expected to be taken in the Fund's 2021 tax returns. The Fund identifies its major tax jurisdiction as U.S. federal, however the 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 12 months.

The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year ended December 31, 2021, the Fund did not incur any interest or penalties.

DISTRIBUTIONS TO SHAREHOLDERS: The Fund typically distributes substantially all of its net investment income and realized gains in the form of dividends and taxable capital gains to its shareholders. The Fund intends to distribute dividends and capital gains at least annually. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income taxes purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or NAV per share of the Fund.

FOREIGN CURRENCY: Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments. Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

FOREIGN TAXES: The Fund may be subject to foreign taxes related to foreign income received (a portion of which may be reclaimable), capital gains on the sale of securities and certain foreign currency transactions. All foreign taxes are recorded in accordance with the applicable regulations and rates that exist in the foreign jurisdictions in which the Fund invests.

USE OF ESTIMATES: 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.

SHARE VALUATION: The Fund's NAV is calculated once daily, at the close of regular trading hours on the New York Stock Exchange (the "NYSE") (generally 4:00 p.m. Eastern time) on each day the NYSE is open. The net assets are determined by totaling the value of all portfolio securities, cash and other assets held by the Fund, and subtracting from that total all liabilities, including accrued expenses. The total net assets are divided by the total number of shares outstanding to determine the NAV of each share.

EXPENSES: Expenses incurred by the Trust that do not relate to a specific fund of the Trust will be allocated to the individual funds based on each fund's relative net assets or another appropriate basis (as determined by the Trustees).

SHARE CLASS ACCOUNTING: Investment income, common expenses and realized/unrealized gains (losses) on investments are allocated to the two classes of shares of the Fund on the basis of the daily net assets of each class. Fees relating to a specific class are charged directly to that share class.

3. SECURITY VALUATIONS

Processes and Structure

The Board has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated to the Fund's adviser, Mercator Investment Management, LLC (the "Adviser"), the responsibility for determining fair value prices, subject to oversight by the Board.

Fair Value Pricing Policy

If market quotations are not readily available, the security will be valued at fair value (the amount which the owner might reasonably expect to receive for the security upon its current sale) as determined in good faith by the Adviser ("Fair Value Pricing"), subject to review by the Board. The Adviser must use reasonable diligence in determining whether market quotations are readily available. If, for example, the Adviser determines that one source of market value is unreliable, the Adviser must diligently seek market quotations from other sources, such as other brokers or pricing services, before concluding that

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

market quotations are not available. Fair Value Pricing is not permitted when market quotations are readily available.

Fixed income securities generally are valued using market quotations provided by a pricing service. If the Adviser decides that a price provided by the pricing service does not accurately reflect the fair market value of the securities, when prices are not readily available from a pricing service, or when restricted or illiquid securities are being valued, securities are valued at fair value as determined in good faith by the Adviser, in conformity with guidelines adopted by and subject to review of the Board. Short term investments in fixed income securities with maturities of less than 60 days when acquired, or which subsequently are within 60 days of maturity, may be valued by using the amortized cost method of valuation, when the Board has determined that it will represent fair value.

Fair Value Measurements

The Fund values its investments at fair value. GAAP defines fair value as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and also establishes a framework for measuring fair value, and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. The three-tier hierarchy seeks to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the Fund's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Equity securities (domestic and foreign common stocks). Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Prices denominated in foreign currencies are converted to U.S. dollar equivalents at the current exchange rate. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, exchange traded funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized in Level 2. Other equities traded on inactive markets or valued by reference to similar instruments are also categorized in Level 2.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

Hierarchy of Fair Value Inputs

The Fund utilizes various methods to measure the fair value of most of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- 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 that relevant observable inputs are not available, representing the company's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that 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 the security.

The following table presents information about the Fund's investments measured at fair value as of December 31, 2021, by major security type:

<i>Categories</i>	Financial Instruments—Assets			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
Common Stocks *	<u>\$ 56,557,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,557,525</u>
Total	<u>\$ 56,557,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,557,525</u>

* Industry classifications of these categories are detailed on the Fund's Schedule of Investments.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

During the year ended December 31, 2021, there were no transfers between Level 3 in the Fund. The Fund did not hold any Level 3 securities during the period presented.

4. RELATED PARTY TRANSACTIONS

INVESTMENT ADVISER: Under the terms of a management agreement between the Trust and the Adviser, with respect to the Fund (the “Agreement”), the Adviser, subject to the oversight of the Board, provides or arranges to be provided to the Fund such investment advice as its deems advisable and will furnish or arrange to be furnished a continuous investment program for the Fund consistent with the Fund’s investment objective and policies. Under the advisory agreement, the Fund pays Adviser an annual advisory fee of 0.84% of the Fund’s daily average net assets. The advisory agreement remained in effect for an initial two-year period and may be renewed by the Board annually thereafter. For the year ended December 31, 2021, the Adviser earned \$371,761 in advisory fees from the Fund.

The Adviser contractually agreed to reduce its fees and to reimburse expenses, at least through April 30, 2023, to ensure that total annual Fund operating expenses after fee waiver and reimbursement (exclusive of any front-end or contingent deferred loads, taxes, leverage interest, borrowing interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired (underlying) fund fees and expenses or extraordinary expenses such as litigation) will not exceed 1.40% and 1.55% of the average daily net assets attributable to the Institutional Class and Class A shares, respectively. These fee waivers and expense reimbursements are subject to possible recoupment from the Fund within three years of the date on which the waiver or reimbursement occurs, if such recoupment can be achieved within the lesser of the foregoing expense limits or the expense limits in place at the time of recoupment.

For the year ended December 31, 2021, the Adviser waived advisory fees of \$110,876. As of December 31, 2021, the unreimbursed amounts paid or waived by the Adviser on behalf of the Fund is \$343,606, subject to future recoupment as follows:

<u>Recoverable Through</u>	<u>Amount Recoverable</u>
December 31, 2022	\$126,684
December 31, 2023	\$106,046
December 31, 2024	\$110,876

As of December 31, 2021, the Fund owed the Adviser \$46,396.

On April 18, 2019, the Adviser obtained a Line of Credit from CFS in the amount of \$200,000. The Line of Credit had a Maturity Date of the earlier of February 1, 2021 or the date the Adviser ceases to conduct business with CFS. On March 22, 2021, the Maturity Date of the Line of Credit was extended to the earlier of February 1, 2023 or the date the Adviser ceases to conduct business with CFS. Effective September 9, 2021, the Line of Credit was assigned to Belpointe Services, LLC., an affiliate of CFS. As of February 3, 2022, the unpaid balance owed by the Adviser to Belpointe is \$52,890.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

ADMINISTRATOR AND COMPLIANCE SERVICES: Effective June 1, 2019, the Trust, on behalf of the Fund, entered into an Administration and Compliance Agreement with Collaborative Fund Services, LLC (“CFS”). CFS serves as the Trust’s Administrator and provides compliance services to the Fund. CFS is paid an annual fee of 0.35% of the Fund’s average daily net assets. Greg Skidmore is the President of CFS, and is also an Interested Trustee. For the year ended December 31, 2021, CFS earned \$154,900 for these services. As of December 31, 2021, the Fund owed CFS \$18,019.

TRANSFER AGENT AND FUND ACCOUNTANT: Mutual Shareholder Services, LLC (“MSS”), the Fund’s transfer agent and fund accountant, receives an annual fee from the Fund of \$11.50 per shareholder for transfer agency services. For its services as fund accountant, MSS receives an annual fee from the Fund based on the average net assets of the Fund.

DISTRIBUTION (12B-1) PLAN AND SHAREHOLDER SERVICING FEES: The Trust, with respect to the Fund, adopted a distribution plan in accordance with Rule 12b-1 (“Distribution Plan”) under the 1940 Act for Class A shares with Arbor Court Capital, LLC (“Distributor”). Pursuant to the Distribution Plan, the Fund compensates the Distributor for services rendered and expenses borne in connection with activities primarily intended to result in the sale of the Fund’s Class A shares. The Distribution Plan provides that the Fund may pay annually up to 0.25% of the average daily net assets of the Fund’s Class A. The Distributor is an affiliated entity to the Trust’s transfer agent and fund accountant. The Fund accrued no fees for the year ended December 31, 2021. The Fund owes no Distribution fees to the Distributor at December 31, 2021.

Shareholder servicing fees may be in addition to the Rule 12b-1 fees and any sales charges. These payments are generally made to financial intermediaries that provide shareholder or administrative services, or marketing support. Certain administrative fees, such as sub-transfer agency or sub-administrative fees, may be payable by the Fund. Marketing support may include access to sales meetings, sales representatives and financial intermediary management representatives, inclusion of the Fund on a sales list, including a preferred or select sales list, or other sales programs.

5. INVESTMENT TRANSACTIONS

Investment transactions, excluding short-term investments, for the year ended December 31, 2021, were as follows:

Purchases	\$ 54,977,775
Sales	\$ 25,162,354

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

6. CAPITAL SHARE TRANSACTIONS

At December 31, 2021, there were unlimited shares authorized at no par value for the Fund. Transactions in capital for the years ended December 31, 2021 and 2020 were as follows:

<u>Institutional Class</u>	<u>January 1, 2021</u> <u>through December 31, 2021</u>		<u>January 1, 2020</u> <u>through December 31, 2020</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	2,438,858	\$ 46,986,570	637,636	\$ 6,920,659
Shares Reinvested	172,188	3,004,677	50,880	827,821
Shares Redeemed	(964,070)	(17,952,477)	(489,221)	(5,689,318)
Net Increase	<u>1,646,976</u>	<u>\$ 32,038,770</u>	<u>199,295</u>	<u>\$ 2,059,162</u>

<u>Class A</u>	<u>January 1, 2021</u> <u>through December 31, 2021</u>		<u>January 1, 2020</u> <u>through December 31, 2020</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	165,686	\$ 3,115,529	166,754	\$ 1,822,460
Shares Reinvested	21,862	380,181	9,656	156,717
Shares Redeemed	(69,924)	(1,319,822)	(63,709)	(800,517)
Net Increase	<u>117,624</u>	<u>\$ 2,175,888</u>	<u>112,701</u>	<u>\$ 1,178,660</u>

7. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Fund may enter into contracts that may contain a variety of representations and warranties and provide general indemnifications. The Fund's maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, management considers the risk of loss from such claims to be remote.

8. TAX MATTERS

For federal income tax purposes, the cost of investments owned at December 31, 2021 is \$48,371,089. As of December 31, 2021, the gross unrealized appreciation on a tax basis totaled \$12,342,509 and the gross unrealized depreciation totaled \$4,156,073 for a net unrealized appreciation of \$8,186,436.

The difference between the book cost and tax cost of investments of the Fund represents disallowed wash sales for tax purposes.

As of December 31, 2021, the components of distributable earnings on a tax basis were as follows:

Unrealized appreciation (depreciation)	\$ 8,186,436
Undistributed capital gain	4,880
<u>Distributable Earnings</u>	<u>\$ 8,191,316</u>

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED) DECEMBER 31, 2021

The Fund's capital loss carryforward, post-October losses and post December losses are determined only at the end of each fiscal year. The Fund had no capital loss carryforward, post-October losses, or late year losses for the year ended December 31, 2021.

For the year ended December 31, 2021, the Fund paid an ordinary distribution of \$403,664, and a long-term capital gain distribution of \$3,031,179.

For the year ended December 31, 2020, the Fund paid an ordinary distribution of \$246,786, a long-term capital gain distribution of \$710,474, and a return of capital distribution of \$33,230.

9. BENEFICIAL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the Fund under Section 2(a)(9) of the 1940 Act. As of December 31, 2021, TD Ameritrade, Inc. held in omnibus accounts for the benefit of others approximately 77% of the voting securities of the Fund and may be deemed to control the Fund.

10. MARKET RISK

Overall market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions and depressions, or other events could have a significant impact on the Fund and its investments and may impair market liquidity, thereby increasing liquidity risk. The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest rates can have the same impact on all types of securities and instruments.

An outbreak of infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has now been detected globally. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19, and other infectious illness outbreaks that may arise in the future, could adversely affect the economies of many nations or the entire global economy, individual issuers and capital markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

11. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Fund through the issuance of these financial statements and has noted no such events requiring disclosure or recognition.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Mercator International Opportunity Fund and
Board of Trustees of Collaborative Investment Series Trust

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Mercator International Opportunity Fund (the “Fund”), a series of Collaborative Investment Series Trust, as of December 31, 2021, the related statement of operations for the year then ended, the statements of changes in net assets, the related notes, and the financial highlights for each of the two years in the period then ended (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, the results of its operations for the year then ended, and the changes in net assets and the financial highlights for each of the two years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund’s financial highlights for the periods ended December 31, 2019, and prior, were audited by other auditors whose report dated February 24, 2020, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. 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 Fund 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 audits 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 are free of material misstatement whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. 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. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2019.

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.

Milwaukee, Wisconsin

February 28, 2022

MERCATOR INTERNATIONAL OPPORTUNITY FUND

EXPENSE ILLUSTRATION DECEMBER 31, 2021 (UNAUDITED)

Expense Example

As a shareholder of the Fund, you incur ongoing costs which typically consist of management fees and other Fund expenses. This Example 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.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held during the entire six-month period, July 1, 2021 through December 31, 2021.

Actual Expenses

The actual line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The hypothetical line of the table below provides information about hypothetical account values and hypothetical expenses based on the 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 balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in this Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Institutional Class

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>July 1, 2021</u>	<u>December 31, 2021</u>	<u>July 1, 2021 to December 31, 2021</u>
Actual	\$1,000.00	\$ 951.17	\$6.89
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,018.15	\$7.12

* Expenses are equal to the Fund's annualized expense ratio of 1.40%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

MERCATOR INTERNATIONAL OPPORTUNITY FUND

EXPENSE ILLUSTRATION (CONTINUED) DECEMBER 31, 2021 (UNAUDITED)

Class A

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>July 1, 2021</u>	<u>December 31, 2021</u>	<u>July 1, 2021 to December 31, 2021</u>
Actual	\$1,000.00	\$ 950.48	\$7.62
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,017.39	\$7.88

* Expenses are equal to the Fund's annualized expense ratio of 1.55%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

MERCATOR INTERNATIONAL OPPORTUNITY FUND

ADDITIONAL INFORMATION

DECEMBER 31, 2021 (UNAUDITED)

PORTFOLIO HOLDINGS

The Fund files its complete schedule of investments with the Securities and Exchange Commission (“SEC”) for the first and third quarters of each fiscal year on Form N-PORT. The Form N-PORT filing must be made within 60 days of the end of the quarter. The Fund’s Form N-PORT is available on the SEC’s web site at <http://www.sec.gov>. You may also obtain copies by calling the Fund at 1-800-869-1679, free of charge.

PROXY VOTING

The Fund’s proxy voting policies, procedures and voting records relating to common stock securities in the Fund’s investment portfolio, for the most recent twelve month period ended June 30, are available without charge, upon request, by calling the Fund’s toll-free telephone number 1-800-869-1679. The Fund will send this information within three business days of receipt of the request, by first class mail or other means designed to ensure prompt delivery. The Fund’s proxy information is also available on the SEC’s website at <http://www.sec.gov>.

LIQUIDITY RISK MANAGEMENT PROGRAM

The Fund has adopted and implemented a written liquidity risk management program as required by Rule 22e-4 (the “Liquidity Rule”) under the 1940 Act. The program is reasonably designed to assess and manage the Fund’s liquidity risk, taking into consideration, among other factors, the Fund’s investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources.

During the fiscal period ended December 31, 2021, the Trust’s Liquidity Risk Management Program Committee (the “Committee”) reviewed the Fund’s investments and determined that the Fund held adequate levels of cash and highly liquid investments to meet shareholder redemption activities in accordance with applicable requirements. Accordingly, the Committee concluded that (i) the Fund’s liquidity risk management program is reasonably designed to prevent violations of the Liquidity Rule and (ii) the Fund’s liquidity risk management program has been effectively implemented.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

TRUSTEES & OFFICERS

DECEMBER 31, 2021 (UNAUDITED)

The following tables provide information about Board and the senior officers of the Trust. Information about each Trustee is provided below and includes each person's: name, address, age (as of the date of the Funds' most recent fiscal year end), present position(s) held with the Trust, principal occupations for the past five years. Unless otherwise noted, the business address of each person listed below is 500 Damonte Ranch Parkway, Building 700, Unit 700, Reno, NV 89521. Unless otherwise noted, each officer is elected annually by the Board.

The following table provides information regarding each Trustee who is not an "interested person" of the Trust, as defined in the 1940 Act.

Name Address ² and Year of Birth	Position(s) Held with the Fund	Term of Office/Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex ¹ Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Dean Drulias, Esq. Birth Year: 1947	Trustee	Indefinite/ November 2017 - present	Attorney (self-employed), since 2012	16	None
Shawn Orser Birth Year: 1975	Trustee	Indefinite/ November 2017 - present	CEO, Seaside Advisory (6/2016-Present); Executive Vice President, Seaside Advisory (2009-6/2016).	16	None
Fredrick Stoleru Birth Year: 1971	Trustee	Indefinite/ November 2017 - present	Chief Executive Officer and President of Atlas Resources LLC since February 2017, Senior Vice President, Atlas Energy, 2015-2017, Vice President of the General Partner of Atlas Growth Partners, L.P. since 2013	16	None
Ronald Young Jr. Birth Year: 1974	Trustee	Indefinite/ March 2020 - present	President – Young Consulting, Inc. (2008-Present); President – Tri State LED, Inc. (2010-Present).	16	None

¹The "Fund Complex" consists of the Collaborative Investment Series Trust.

² The address for each Trustee listed is 500 Damonte Ranch Parkway, Building 700, Unit 700, Reno, NV 89521.

The Independent trustees are paid fees based on the amount of a Fund's assets.

The Fund's SAI references additional information about the Trustees and is available free of charge, upon request, by calling toll free at 1-800-869-1679.

MERCATOR INTERNATIONAL OPPORTUNITY FUND

TRUSTEES & OFFICERS (CONTINUED) DECEMBER 31, 2021 (UNAUDITED)

The following table provides information regarding each Trustee who is an “interested person” of the Trust, as defined in the 1940 Act, and each officer of the Trust.

Name, Address³ and Year of Birth	Position(s) Held with the Fund	Term of Office/ Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex² Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
Gregory Skidmore ¹ Year of Birth: 1976	Trustee and President	Indefinite/ November 2017 - present	President, Belpointe Asset Management, LLC since 2007.	16	None
Kyle R. Bubeck Year of Birth: 1955	Chief Compliance Officer	Since October 2021	President and Founder of Beacon Compliance Consulting, Inc. (since 2010); CFO and CCO of Trendstar Advisors, LLC (2003 to 2009).	N/A	N/A
William McCormick Year of Birth: 1964	Treasurer	Since October 2021	Senior Wealth Advisor – Belpointe Asset Management (since 2019); Wealth Advisor – Advisory Services Network (2016 to 2019).	N/A	N/A
Brad Rundbaken Year of Birth: 1970	Secretary	Since October 2021	Manager – Collaborative Fund Services, LLC (since 2018); Wealth Advisor – Belpointe Asset Management (2015 to 2018).	N/A	N/A

¹ Gregory Skidmore is considered an “Interested” Trustee as defined in the 1940 Act because of their ownership interest in Collaborative Fund Services, LLC.

²The “Fund Complex” consists of the Collaborative Investment Series Trust.

³ The address for each Trustee and Officer listed is 500 Damonte Ranch Parkway, Building 700, Unit 700, Reno, NV 89521.

PRIVACY NOTICE
COLLABORATIVE INVESTMENT SERIES TRUST

FACTS **WHAT DOES THE COLLABORATIVE INVESTMENT SERIES 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 the Collaborative Investment Series Trust chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information:	Do we share information?	Can you limit sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	YES	NO
For our marketing purposes - to offer our products and services to you.	NO	We don't share
For joint marketing with other financial companies.	NO	We don't share
For our affiliates' everyday business purposes - information about your transactions and records.	NO	We don't share
For our affiliates' everyday business purposes - information about your credit worthiness.	NO	We don't share
For our affiliates to market to you	NO	We don't share
For non-affiliates to market to you	NO	We don't share
QUESTIONS?	Call 1-800-595-4866	

PRIVACY NOTICE (Continued)

What we do:

<p>How does the Collaborative Investment Series Trust protect my personal information?</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>How does the Collaborative Investment Series Trust collect my personal information?</p>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ● open an account or deposit money ● direct us to buy securities or direct us to sell your securities ● seek advice about your investments <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<p>Why can't I limit all sharing?</p>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> ● sharing for affiliates' everyday business purposes – information about your creditworthiness. ● affiliates from using your information to market to you. ● sharing for nonaffiliates to market to you. <p>State laws and individual companies may give you additional rights to limit sharing.</p>

Definitions

<p>Affiliates</p>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> ● <i>The Collaborative Investment Series Trust does not share with affiliates.</i>
<p>Non-affiliates</p>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> ● <i>The Collaborative Investment Series Trust does not share with non-affiliates so they can market to you.</i>
<p>Joint marketing</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"> ● <i>The Collaborative Investment Series Trust doesn't jointly market.</i>

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Investment Adviser

Mercator Investment Management, LLC

Distributor

Arbor Court Capital, LLC

Transfer and Dividend Disbursing Agent

Mutual Shareholder Services, LLC

Custodian

U.S. Bank N.A.

Legal Counsel

Thompson Hine LLP

Independent Registered Public Accounting Firm

Cohen & Company, Ltd.

This report is provided for the general information of the Fund's shareholders. It is not authorized for distribution unless preceded or accompanied by an effective prospectus, which contains more complete information about the Fund.