

RiverNorth Flexible Municipal Income Fund II, Inc.

NYSE: RFMZ Adviser: RiverNorth Subadviser: MacKay Shields

RIVERNORTH®

Q4 2023 | 12.31.2023

Investment Objective

The RiverNorth Flexible Municipal Income Fund II, Inc. seeks to provide current income exempt from regular U.S. federal income taxes¹ with a secondary objective of total return.

Investment Strategy

The Fund's Managed Assets are allocated among two principal strategies: Tactical Municipal Closed-End Fund (CEF) Strategy (managed by RiverNorth) and Municipal Bond Income Strategy (managed by MacKay Shields LLC).

RiverNorth determines which portion of the Fund's assets is allocated to each strategy and may, from time to time, adjust the allocations. The Fund may allocate between 25% to 65% of its Managed Assets to the Tactical Municipal CEF Strategy and 35% to 75% of its Managed Assets to the Municipal Bond Income Strategy.

The Tactical Municipal CEF Strategy typically invests in municipal CEFs and exchange-traded funds (ETFs) seeking to derive value from the discount and premium spreads associated with CEFs. The Municipal Bond Income Strategy primarily invests in municipal debt securities of any credit quality, including securities that are rated below investment grade².

Portfolio Detail

Top 5 Holdings ^A (% of portfolio)		Top 5 States ^A (% of portfolio)	
Nuveen Qlty Muni Income Fund	3%	California	14%
Chicago Ill O'Hare Intl 5.25% 1/1/2045	3%	New York	13%
Chicago Ill Park Dist 5.0% 1/1/2044	3%	Illinois	12%
Hawaii St Arpt Sys Rev 5.0% 7/1/2048	3%	Pennsylvania	5%
Illinois St 5.5% 5/1/2039	2%	Florida	5%

^AData as of 12.31.2023. Based on market value (including assets attributable to leverage). Subject to change. This should not be considered a recommendation to buy or sell any security. Portfolio detail statistics are estimates made by the adviser and subject to change.

Distribution Information***

Current Distribution (monthly)	\$0.0866
Annualized Distribution Rate (NAV)	6.7%
Annualized Distribution Rate (MKT Price)	7.9%
Total Distributions Paid Share	
Total Distributions Paid (YTD)	\$1.04
Total Distributions Paid (Inception)	\$3.05

Distributions

Ex-Date	Record Date	Payable Date	Amount
Distributions Paid			
7.13.23	7.14.23	7.31.23	\$0.0865
8.14.23	8.15.23	8.31.23	\$0.0865
9.14.23	9.15.23	9.29.23	\$0.0865
10.12.23	10.13.23	10.31.23	\$0.0865
11.14.23	11.15.23	11.30.23	\$0.0865
12.14.23	12.15.23	12.29.23	\$0.0865
Distributions Declared			
1.12.24	1.16.24	1.31.24	\$0.0866
2.14.24	2.15.24	2.29.24	\$0.0866
3.14.24	3.15.24	3.28.24	\$0.0866

Distribution dates are estimates and subject to change.

^{**}Managed Assets are the Fund's total assets (including any assets attributable to leverage), minus the sum of its accrued liabilities (other than Fund liabilities incurred for the purpose of creating effective leverage (i.e. TOBs) or Fund liabilities related to liquidation preference of any preferred shares issued). Managed Assets includes the effects of leverage and investments in affiliated funds.

^{***}Leverage is based on the use of proceeds received from tender option bonds transactions (TOBs), issuing Preferred Shares, or funds borrowed from banks or other institutions, expressed as a percentage of "Managed Assets."

^{****}The Fund has implemented a level distribution policy resulting in monthly distributions of \$0.0866 per share of common stock, representing an annualized distribution rate of 6.7% as of 12.31.23. Distributions may be paid from sources of income other than ordinary income, such as net realized short-term capital gains, net realized long-term capital gains and return of capital. The Fund estimates that 37.43% of the distribution is attributable to current year net investment income and 62.57% is attributable to return of capital. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. If a distribution includes anything other than net investment income, the Fund provides a Section 19(a) notice of the best estimate of its distribution sources at that time. These estimates may not match the final tax characterization (for the full year's distributions) contained in shareholders' 1099-DIV forms after the end of the year.

Share Information (as of 12.31.2023)

NYSE Symbol	RFMZ
NAV Ticker	XRFZX
CUSIP	76883Y107
Inception Date	2.24.2021
Shares Outstanding	24,351,756
Market Price	\$13.10
NAV	\$15.42
Fund Premium/(Discount)	-15.0%
Total Net Assets	\$375.6M
Total Managed Assets*	\$617.0M

The NAV ticker symbol represents the Fund's Net Asset Value per share as it is reported by the Fund Sponsor via NASDAQ.

Strategy Weights

Municipal Bond Income - MacKay Shields	60%
Tactical Municipal CEF - RiverNorth	40%

Fixed Income Allocation (% of portfolio)

Investment Grade (IG)	92%
Not Rated	5%
High Yield	2%

Portfolio Statistics

Estimated Unhedged Duration ³ (years)	11.4
Estimated Hedged Duration (years)	7.8
Leverage Ratio**	39.1%
% of Alternative Minimum Tax (AMT)	19.8%
Average Discount of CEF Portfolio ⁴	-13.4%

Performance

Total Returns	RFMZ NAV	RFMZ Market Price	BBG US Muni Index ⁵
Q4 2023	11.30%	8.52%	7.89%
1 Year ^{^^}	7.58%	4.56%	6.40%
Since Inception ^{^^6}	-2.24%	-7.68%	-0.16%

^{^^}Annualized.

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and investment return of an investment will fluctuate so that your shares may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling 844.569.4750. Total return measures net investment income and capital gain or loss from portfolio investments. All performance shown assumes reinvestment of dividends and capital gains distributions.

Portfolio Management Team



Patrick Galley, CFA
RiverNorth
Industry start date: 1997



Steve O'Neill, CFA
RiverNorth
Industry start date: 2002



John Loffredo, CFA
MacKay Shields
Industry start date: 1987



Robert DiMella, CFA
MacKay Shields
Industry start date: 1989



Mike Petty
MacKay Shields
Industry start date: 1985



David Dowden
MacKay Shields
Industry start date: 1989



Scott Sprauer
MacKay Shields
Industry start date: 1991



Robert Burke, CFA
MacKay Shields
Industry start date: 1985



John Lawlor
MacKay Shields
Industry start date: 2001

Start date with Fund for all Portfolio Managers: Since Inception⁶

Disclosures & Definitions

Although the income from the Fund's municipal bond investments is generally exempt from federal income tax, you may owe taxes on any capital gains realized through the Fund's trading or through your own redemption of shares. For some investors, a portion of the Fund's income may be subject to state and local taxes, as well as to the federal alternative minimum tax.

Risk is inherent in all investing. Investing in any investment company security involves risk, including the risk that you may receive little or no return on your investment or even that you may lose part or all of your investment. Therefore, before investing in the Common Shares, you should consider the risks as well as the other information in the prospectus.

More detailed information regarding these risks can be found in the Fund's prospectus.

Past performance is no guarantee of future results. Diversification does not ensure a profit or guarantee against loss.

An investment in the Fund is not appropriate for all investors and is not intended to be a complete investment program. The Fund is designed as a long-term investment and not as a trading vehicle.

The Fund is a closed-end fund and closed-end funds do not continuously issue shares for sale as open-end mutual funds do. Since the initial public offering, the Fund now trades in the secondary market. Investors wishing to buy or sell shares need to place orders through an intermediary or broker. The share price of a closed-end fund is based on the market's value.

Investments may include securities that have a rating that below investment grade, including "high yield" securities. High yield bonds are subject to interest rate risk. If rates increase, the value generally declines.

Leverage is a speculative technique that exposes a closed-end fund to greater risk and increased costs than if it were not used. The use of leverage may cause greater volatility in the level of a closed-end fund's NAV, market price and distributions on its common shares. Leverage will also result in higher fees to the closed-end fund manager because the amount of assets under management will be included in the Fund's managed assets. There can be no assurance that a closed-end fund will use leverage or that its leveraging strategy will be successful during any period in which it is employed.

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¹ May be includable in taxable income for purposes of the Federal alternative minimum tax.

² Investments may include securities that have a rating that is below investment grade, including "high yield" securities, which are bonds that have adequate capacity to meet financial commitments, but are more subject to adverse economic conditions or changing circumstances, as defined by Nationally Recognized Statistical Rating Organizations ("NRSRO"), such as Fitch.

³ Estimated Duration: Duration is a measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed as a number of years. Duration is estimated by the adviser based on certain assumptions from third-party data and is subject to change. The difference between Unhedged and Hedged duration is that hedged duration includes the effect of a short US Treasury Futures position used to manage interest rate risk.

⁴ The price at which a closed-end fund trades often varies from its NAV. Some funds have market prices below their net asset values - referred to as a discount. Conversely, some funds have market prices above their net asset values - referred to as a premium.

⁵ The Bloomberg US Municipal Index is an unmanaged index made up of a representative list of general obligation, revenue, insured and pre-refunded bonds. The index is frequently used as a general measure of tax-exempt bond market performance. The index cannot be invested in directly and does not reflect fees and expenses.

⁶ Inception date of the Fund: 2.24.2021.

Investors should consider the investment objective, management fees, risks, charges and expenses of the Fund carefully before investing. The Prospectus contains this and other information about the Fund. For a current Prospectus, call toll-free 844.569.4750 or visit rivernorth.com. Please read the Prospectus carefully before you invest.

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