Oberweis
Asset Management

OBERWEIS SMALL-CAP OPPORTUNITIES FUND
INVESTOR CLASS (OBSOX)
INSTITUTIONAL CLASS (OBSIX)

4Q 2017

AVERAGE ANNUAL TOTAL RETURNS ***(as of December 31, 2017)***

	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception 9/15/96	Gross/Net Expense Ratio*
Oberweis Small-Cap Opportunities Fund Institutional Class (OBSIX)**	**5.04%**	**25.94%**	**25.94%**	**12.62%**	**15.14%**	**6.54%**	**7.30%**	**1.91%/1.30%**
Oberweis Small-Cap Opportunities Fund Investor Class (OBSOX)	**4.98%**	**25.54%**	**25.54%**	**12.31%**	**14.84%**	**6.27%**	**7.03%**	**2.23%/1.72%**
Russell 2000 Growth Index	4.59%	22.17%	22.17%	10.28%	15.84%	9.19%	7.06%	

** December 31, 2017 unaudited data. The gross expense ratio includes expense off set arrangements and expense reimbursements. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2018 to reduce its management fees or reimburse OBSOX to the extent that total ordinary operating expenses exceed in any one year 1.55% expressed as a percentage of the Fund's average daily net assets and for OBSIX 1.30%. The annual expense ratio will reflect a blend of both the old and new expense reimbursement arrangements in effect for 2017.*

***Institutional Class shares OBSIX performance information was calculated using the historical performance of Investor Class shares for periods prior to May 1, 2017.*

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have a gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweis.funds.com for the most recent month-end performance. Before investing, consider the Fund's investment objectives, risks, charges, and expenses. To obtain a copy of the prospectus or summary prospectus containing this and other information, please visit our website at oberweisfunds.com or call 800-323-6166. Read it carefully before investing. The Oberweis Funds invest in rapidly growing smaller and medium-sized companies that may offer greater return potential. However, these investments often involve greater risks and volatility. Foreign investments involve greater risks than U.S. investments, including political and economic risks and the risk of currency fluctuations. There is no guarantee that the Funds can achieve their objectives.

The Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted earnings growth rates. The index is an unmanaged group of stocks, whose performance does not reflect the deduction of fees, expenses or taxes.

The Oberweis Funds are distributed by Oberweis Securities, Inc. Member: FINRA & SIPC.

The Quarter in Review

The Oberweis Small-Cap Opportunities Fund returned 25.54% versus 22.17% for the benchmark Russell 2000 Growth Index in 2017, an outperformance of 337 basis points. During the fourth quarter, the Fund returned 4.98% versus 4.59% for the Russell 2000 Growth Index, an outperformance of 39 basis points.

This performance was generated in the face of mixed style and capitalization forces. Growth stocks outperformed value stocks by a wide margin during the quarter and the year , a reversal from 2016 which aided the portfolio from a style perspective. On the other hand, performance was hampered by the strength in low-quality stocks and biotech stocks. The lowest ROE quintile was the strongest performing segment within the benchmark; not coincidently, biotech stocks, which returned a staggering 60% in 2017 and represented nearly 10.7% of the benchmark at the year-end, detracted from portfolio performance. As previously discussed, we are consistently and substantially underweight biotech shares given that most companies lack earnings (and therefore the potential for earnings "surprises") and do not fit our investment philosophy.

The big surprise in 2017 was market volatility – or lack thereof. In fact, using the CBOE's VIX Index as a proxy, 2017 ranks as the "quietest" year for market volatility since 1990. During 2017, the VIX Index closed below 10 on 52 occasions, a stunning measure considering the VIX registered only nine such closes during the entire period from 1990 through 2016 . The biggest intra-year peak-to-trough decline for the S&P 500 Index during 2017, at 3.6%, was the lowest intra-year drawdown in the index since 1995 . We suspect a reversion to the mean could be in the offing in 2018.

Strength in equities was not limited to the U.S. in 2017, as European markets such as France, Germany, and the UK posted strong returns. Several emerging markets were also robust, led by rebounds in China and India and continued strength in Brazil. Japanese equities also performed well.

[1] For 2017, the Russell 2000 Growth Index and the Russell 2000 Value Index returned 22.17% and 7.84%, respectively. For the fourth quarter, the Russell 2000 Growth Index and the Russell 2000 Value Index returned 4.59% and 2.05%, respectively.
[2] For 2017, the Russell 1000 Growth Index (a proxy for large-cap stocks) and the Russell 2000 Growth Index returned 30.21% and 22.17%, respectively. For the fourth quarter, the Russell 1000 Growth Index and the Russell 2000 Growth Index returned 7.86% and 4.59%, respectively.
[3] Source: Steven G. DeSanctis, Jefferies LLC.
[4] Source: JP Morgan Guide to the Markets.

OBERWEIS SMALL-CAP OPPORTUNITIES FUND INVESTOR CLASS (OBSOX) INSTITUTIONAL CLASS (OBSIX)

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The Quarter In Review (continued)

Global equities were buoyed by surprising economic and profits growth worldwide, and we believe recent data support strong economic growth in 2018. In the U.S., corporate profits accelerated in 2016 and 2017 and expectations are for continued growth in 2018 given the anticipated benefits from corporate tax reform. U.S. manufacturing PMI was stronger in 2017 than 2016, culminating in a December monthly reading that was the highest of the year. The U.S. consumer's balance sheet remains in great shape, bolstered by record net worth and historically low levels of debt service requirements. Housing is still affordably priced as mortgage rates – while higher than last year – remain at historically low levels. And despite an economic expansion nine years in the making, capital goods orders and housing starts are only at average historical levels, debunking concerns of froth or overheating.

Furthermore, we believe the recently passed Tax Cuts and Jobs Act will fuel incremental economic growth in the short-term. Importantly, the reduction of the corporate tax rate to 21% will result in a cash flow boon for companies that should lead to increased levels of investment as at least a portion of that cash is plowed back. Furthermore, the repatriation of cash held abroad likely increases marginal spending by business on property, plant, equipment, and ultimately, jobs. The bill also allows for the immediate expensing of short-lived capital investments for the next five years to further encourage expenditures.

This corporate tax change and corresponding increase in free cash flow, as we noted last quarter, also favorably impact the valuation of U.S. stocks, particularly for small-cap companies that tend to do more business domestically than large-cap multi-nationals. We believe the upside to earnings from the tax change is not yet adequately reflected for many of our portfolio holdings. We also suspect that tax-related upward earnings estimate revisions will positively impact the flow of investment ideas for our portfolio in 2018.

More broadly, valuations (as measured by P/E's) in the U.S. are at above-average levels for both the S&P 500 Index and for our investable universe of small-cap growth companies, a fact that is discussed ad nausea on CNBC and in the financial media these days. We would continue to caution that these above-average P/E's are against a backdrop of interest rates that are well below average levels, theoretically rendering historical P/E comparisons – which occurred during higher rate environments – less important.

That said, we believe the biggest risk to equity markets – aside from simmering and frankly unpredictable geo-political events – lies with interest rates. The Federal Reserve has now clearly moved to a tightening stance, raising rates three times in 2017 and importantly embarking on a balance sheet reduction strategy that will become increasingly impactful in 2018. Additionally, Federal Reserve Chair nominee Jerome Powell represents a potential "uncertainty" as he takes office and puts his own stamp on central bank policies. The market may be hyper-sensitive to his comments early in his tenure, particularly given that the leadership change coincides with a shift in Fed policy to a more hawkish stance after nearly a decade of easy money.

While headlines and investor risk appetites can change on a whim in the short-term, our bottom-up strategy has always been focused on investing in businesses with idiosyncratic attributes that afford the potential for earnings growth to surprise to the upside. These companies are often undergoing a transformational change or event that we believe is potentially misunderstood or underestimated by the consensus. While the earnings multiples afforded such companies can oscillate from quarter to quarter, we believe that prudent stock selection of a diversified portfolio of companies with prospects for better-than-expected earnings growth is likely to outperform the broader market over the long-term.

Fund Highlights

As of December 31, 2017, the Fund was 98.7% invested in 84 different positions. The Fund had its largest weightings in technology (26.1% average weighting during the quarter versus 19.8% for the Russell 2000 Growth Index), consumer discretionary (19.5% versus 15.7%) and producer durables (19.0% versus 15.7%). The Fund was most underweight healthcare (15.0% versus 23.1%), materials (4.8% versus 8.6%), and financial services (7.9% versus 10.7%).

Fourth quarter performance was positively impacted by stock selection in technology (where our holdings returned 5.58% versus a 1.93% return for the benchmark's technology holdings), consumer discretionary (8.83% versus 8.06%), and materials (13.90% versus 6.95%). Selections in producer durables were a drag on performance (1.28% versus 4.81%).

Key Benefits

The Small-Cap Opportunities Fund seeks to capitalize on the exceptional growth potential of smaller companies that are often misunderstood by traditional Wall Street research analysts. The Oberweis Small-Cap Opportunities Fund invests, under normal circumstances, at least 80% of its net assets in the securities of companies (with market capitalizations less than $5 billion at the time of investment) where our expectations for earnings growth differ from consensus expectations. These companies often boast exciting products and/or services, a strong and sustainable competitive position, and the potential for upward revisions in earnings expectations in the future. Our fundamental research process is specifically designed to efficiently identify such opportunities.

The potential key benefits of the Small-Cap Opportunities Fund are:

- Potential for significant alpha over a full market cycle
- Combines empirically-proven Behavioral Finance principles with the very best of fundamental bottom-up research
- Disciplined and repeatable investment process managed by a passionate and experienced investment team
- Fundamental research process specifically designed to efficiently discover smaller cap companies that are misunderstood by traditional Wall Street research analysts
- Exposure to smaller cap companies offering the potential for earnings growth that differs from consensus expectations
- Diversified portfolio with a focus on risk management

The Oberweis Funds invest in rapidly growing smaller and medium sized companies which may offer greater return potential. However, these investments often involve greater risks and volatility. There is no guarantee that the portfolios can achieve their objectives.

Minimum Investment:

Oberweis Small-Cap Opportunities Fund Investor Class (OBSOX): $1,000 non-IRA, $500 IRA

Oberweis Small-Cap Opportunities Fund Institutional Class (OBSIX): $1.0 million

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OBERWEIS SMALL-CAP OPPORTUNITIES FUND INVESTOR CLASS (OBSOX) INSTITUTIONAL CLASS (OBSIX)

4Q 2017

FUND CHARACTERISTICS *(AS OF DECEMBER 31, 2017)*

Number of Stocks	84
Weighted Market Capitalization (in millions)	$2,607
Median Market Capitalization (in millions)	$2,035
P/E Forward 4 Quarters (estimated)	18.6x
Long-Term Debt to Total Equity	13.0%
Return on Equity	7.0%
Cash Position	1.3%
Portfolio Turnover (2017)	142%

Source: Thomson Reuters Eikon

TOP TEN HOLDINGS *(as of September 30, 2017)*

	Company		Line of Business
1	Rogers Corp	2.4%	Manufactures specialty materials and components
2	SkyWest, Inc.	2.3%	Operates a regional aireline within North America
3	The Children's Place	2.1%	Retailer that offers value-priced apparel and accessories for children
4	LogMeIn, Inc.	2.1%	Provides a portfolio of cloud-based service offerings which helps people and businesses connect to their wrodplace, colleagues and customers
5	Tactile System Technology, Inc.	2.0%	Develops medical devices for the treatment of lymphedema
6	Coherent, Inc.	1.9%	Manufactures laser-based photonic products
7	Extreme Networks, Inc.	1.8%	Provides software-driven networking solutions
8	Carbonite, Inc.	1.8%	Provides cloud data protection services to consumers and businesses
9	Ceva, Inc.	1.8%	Licensor of DSP cores and integrated applications to the semiconductor industry
10	Cavium, Inc.	1.7%	Provides semiconductor processors that enable intelligent networking

Top 10 holdings as a percentage of Total Net Assets. Portfolio Holdings are subject to change at any time. References to specific securities should not be construed as a recommendation to buy or sell and should not be assumed profitable. Source: Thomson Reuters Eikon

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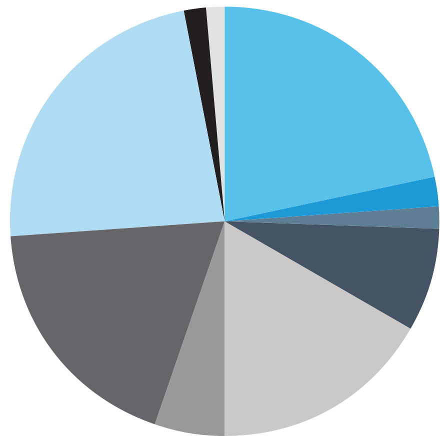
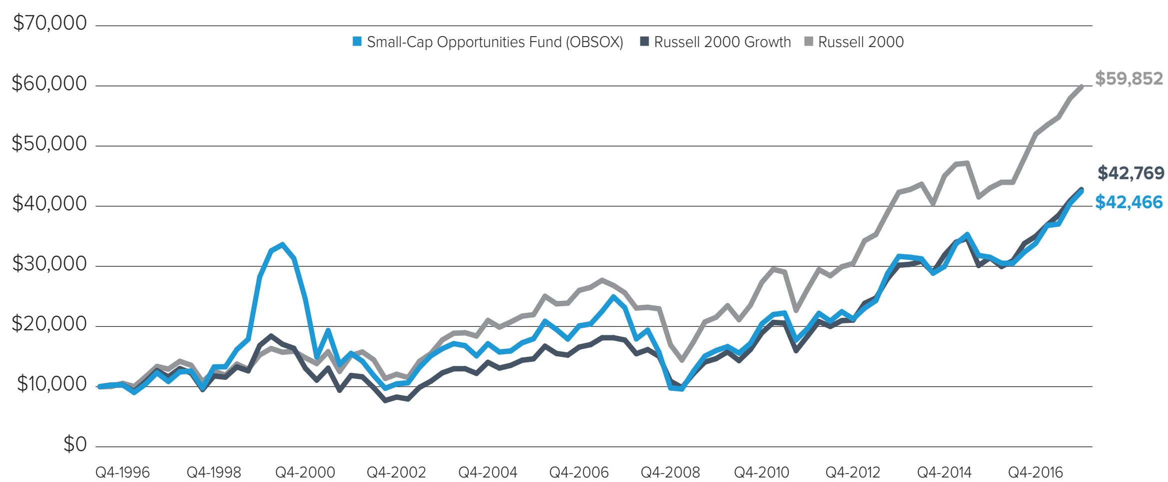
SECTOR WEIGHTINGS *(as of December 31, 2017)*

Consumer Discretionary	21.8%
Consumer Staples	2.3%
Energy	1.6%
Financial Services	7.7%
Health Care	16.7%
Materials & Processing	5.2%
Producer Durables	18.6%
Technology	23.1%
Utilities	1.7%
Cash	1.3%
Total	100.0%



Sector weightings as a percentage of Total Net Assets. Source: Thomson Reuters Eikon

GROWTH OF $10,000 — WITH INCOME INVESTED *(September 15, 1996–December 31, 2017)*



The Oberweis Aperture

Our unique, highly disciplined investment approach includes a series of eight criteria to focus our research efforts.

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Oberweis Asset Management, Inc.

Recognized as a leading small-cap stock specialist, Oberweis has been helping institutional investors manage their assets prudently and effectively for many years.

MEET THE TEAM