Oberweis Asset Management

OBERWEIS CHINA OPPORTUNITIES FUND
INVESTOR CLASS (OBCHX)
INSTITUTIONAL CLASS (OCHIX)

4Q 2018

AVERAGE ANNUAL TOTAL RETURNS ***(as of December 31, 2018)***

	QTD	1 YR	3 YR	5 YR	10 YR	Since Inception 10/1/2005	Gross/Net Expense Ratio*
Oberweis China Opportunities Fund Institutional Class (OCHIX)**	**-15.15%**	**-25.85%**	**1.58%**	**-0.70%**	**12.76%**	**10.42%**	**1.65%/1.61%**
Oberweis China Opportunities Fund Investor Class (OBCHX)	**-15.22%**	**-26.01%**	**1.36%**	**-0.92%**	**12.49%**	**10.15%**	**1.91%/1.86%**
MSCI Zhong-Hua Small-Cap Growth Index	-11.63%	-23.26%	-8.55%	-7.38%	7.14%	N/A	

**As of December 31, 2018. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2019 to reduce its management fees or reimburse OBCHX to the extent that total ordinary operating expenses exceed in any one year 2.24% expressed as a percentage of the Fund's average daily net assets and for OCHIX 1.99%.*

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

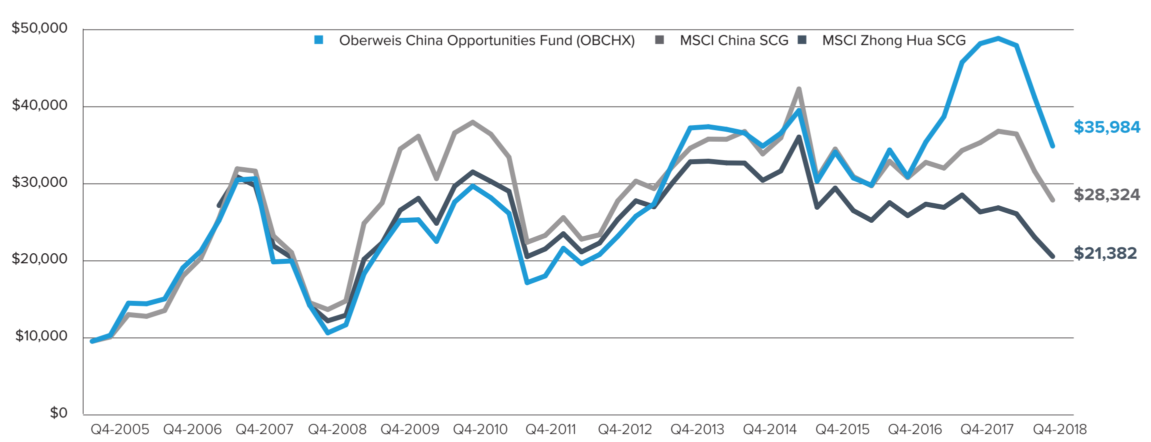
Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweisfunds.com for most 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 MSCI Zhong Hua Small-Cap Growth Index (Net) is a free float-adjusted market capitalization index that is designed to measure the performance of small cap stocks in the developed markets and emerging markets of China and Hong Kong excluding China A shares, with minimum dividends reinvested net of withholding tax. The MSCI Zhong Hua Small-Cap Growth Index began on May 31, 2007, and the line graph for the Index begins at the same value as the Fund on that date.

The MSCI China Small Cap Growth Index is a free float adjusted market capitalization index that is designed to measure the small cap growth equity market performance in China excluding A share classes, with minimum dividends reinvested net of withholding tax.

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

GROWTH OF $10,000 — WITH INCOME INVESTED ***(October 1, 2005 – December 31, 2018)***



Oberweis Asset Management

OBERWEIS CHINA OPPORTUNITIES FUND INVESTOR CLASS (OBCHX) INSTITUTIONAL CLASS (OCHIX)

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The Quarter & Year in Review

For the quarter ending December 31, 2018, Oberweis China Opportunities Fund returned -15.22% while its benchmark, the MSCI Zhong Hua Small Cap Growth Index, returned -11.63%, an underperformance of 359 bps. For the full year, Oberweis China Opportunities Fund returned -26.01% and MSCI Zhong Hua Small Cap Growth returned -23.26%, an underperformance of 275 bps.

During the quarter, weak Chinese macroeconomic data continued to weigh on Chinese equity markets. Revenue at industrial enterprises increased by only 9.1% in the first eleven months and profits at industrial enterprises decreased by 1.8% in November. China's manufacturing PMI declined to 49.4 in December, the lowest since February 2016, as US-China trade tensions weighed on Chinese manufacturers' expectations and employment. Infrastructure investment remained weak in the quarter, growing only 3.7% through November, mainly impacted by the continuous tightening of local government financing vehicles. The most worrysome data was retail sales growth, which continued to trend down to 8.1% in November, the slowest growth since June 1999, dragged down mainly by weak automobile and home appliance sales. This was the first time that we saw all the three major drivers of the Chinese economy under such great pressure since China joined WTO in 2001. On the monetary side, due to the continuous efforts to deleverage the economy, credit was tight for the full year, which drove the growth of total social financing balance --- the balance of the aggregate volume of funds provided by China's domestic financial system to non-financial sectors --- to 9.9% and growth of M2 to 8%. Both reached the lowest point in a decade, which also put pressure on the economic growth.

Macroeconomic weakness also impacted corporate earnings. Market consensus earnings growth was revised down to 10% for 2019 in December compared with 15% in April. Aggregate net profit growth of all A-share Chinese companies fell to 4.5% year-over-year in the third quarter of 2018, compared with 14.9% and 15% in the first and second quarter respectively. The slowdown in corporate earnings growth triggered a massive equity market sell-off and fund outflows in the second half of 2019. Thanks to the Hong Kong and China connect programs, capital flows to China offshore and Hong Kong equity markets accumulated to over USD40bn in first five months of 2018, when earnings growth peaked. But that capital inflow quickly reversed when market began to expect a significant slowdown in earnings growth in the second half, which resulted in an over USD10bn outflow in the second half.

Despite all these headwinds, we see several positive developments that will support the economic growth in the near term and lay the foundation for future growth. First, the Chinese government continue to deleverage the economy and has not succumbed to demands for credit easing, even when faced with the economic growth slowdown of past few quarters. As a result, despite slower economic growth, the structure of the economy has improved significantly. The services sector contributed more than 53.1% to overall GDP and consumption contributed more than 78% of economic growth in the first three quarters of 2018. We expect the contribution of consumption will continue to rise in the future. Second, faced with the uncertainties of external demand and domestic consumption slowdown, the Chinese government has also initiated new policies to boost consumption through a personal income tax cut and encouraged innovation and technology development by subsidizing corporate R&D expenditures, which is likely to support economic growth in the short term and continue to drive the transition to a domestic consumption-driven and more sustainable development model in the long run. Monetary policy also became more accommodative with two RRR cuts within three months as of January 2019 and the Chinese government has changed the official policy to "leverage stabilization" from "deleveraging" since last December. Third, President Trump and President Xi reached an agreement on December 1st to put the trade war on hold for 90 days and resume negotiations. Although there are still many uncertainties surrounding the trade negotiations, the tariff truce provides an opportunity for both sides to adjust the trade policies. The probability of a full-scale trade war is significantly lowered compared with last quarter, especially against the background of global economic slowdown in 2019.

Outlook

Despite Chinese and global economic growth slowdown in the near term, we are still optimistic about China's ongoing economic transition and Chinese companies' earnings potential in the long run. Confidence of private sectors in China continued to recover in the quarter, evidenced by the steady recovery of private fixed assets investment in the past two years. Even against the background of financial deleveraging, China has managed to optimize its overall economic structure in the past few years; it becomes less vulnerable to external shocks and more reliant on domestic demand. Chinese equity valuations are more attractive after the recent selloff. But most importantly, valuations have become extremely compelling. A good deal of bad news is fully factored into stock prices at current valuations. The MSCI China Index is trading at a P/E ratio of 10.4x forward 12 month estimates with 10% estimated earnings growth in 2019 and 14% growth in 2020, compared with 10-year historical average of 11.3x.

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OBERWEIS CHINA OPPORTUNITIES FUND INVESTOR CLASS (OBCHX) INSTITUTIONAL CLASS (OCHIX)

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Outlook (continued)

As for our strategy, we continue to focus on misunderstood companies undergoing positive fundamental changes when we believe such changes have not been fully understood by the market yet. It's rare that GDP is the primary determining factor in the success of most of our holdings. Instead, we look for niche oriented companies whose success is more predicted on product success, market consolidation, regulatory changes, and the evolution of new markets in China. In the quarter, we found new ideas in the consumer discretionary, energy and industrial sectors. Generally, these companies are leading players in niche markets that whose growth is more predicated on product acceptance than on overall GDP growth. Many such ideas are beneficiaries of the ongoing structural economic and social changes occurring in China.

Fund Highlights

During the quarter, the Fund was invested in 49 companies. The biggest performance contributors were industrials, utilities and financials.

Our biggest performance distractors were the healthcare, information technology, and consumer discretionary. Our overweight of these "new China" sectors led to our underperformance relative to the benchmarks in the quarter. But we believe these sectors will continue to benefit from the ongoing economic transition in China and will generate superior returns for investors in the long run.

Key Benefits

The Oberweis China Opportunities Fund invests at least 80% of its net assets in China securities. Currently, China securities include equity securities of companies that are organized under the laws of The People's Republic of China, Hong Kong, Taiwan or Singapore. Companies that have at least 50% of their assets in China or derive at least 50% of their revenues from business activities in China are also included in China equity securities. Companies normally meet the Oberweis Aperture investment criteria prior to investing. Oberweis Asset Management was among the first to focus on smaller growth Chinese companies.

The potential key benefits of the China Opportunities Fund are:

- Participate in China's transformation from an emerging market to an economic power
- Benefit from the anticipated above-average growth of China's GDP over the next decade
- Take advantage of the powerful impact that China's emerging consumer class will have on the global demand for goods and services, as China continues to evolve from that of a rural to an urban-based society
- Access to attractive but lesser-known companies that lack formal institutional coverage but possess above growth potential
- Achieve a more effective asset allocation, and greater long-term diversification through investments in Chinese and Pacific Rim equities
- Low correlation to major foreign and U.S. markets
- Potential for significant alpha over a full market cycle

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. Investing in the regional markets of China involves risks and considerations not present when investing in more-established securities markets. Investing in regionally concentrated investment funds should be considered speculative and thus not appropriate for all investors. There is no guarantee that the portfolios can achieve their objectives.

Minimum Investment:

Oberweis China Opportunities Fund Investor Class (OBCHX): $1,000 non-IRA, $500 IRA

Oberweis China Opportunities Fund Institutional Class (OCHIX): $1.0 million

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

Oberweis Asset Management

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INVESTOR CLASS (OBCHX)
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4Q 2018

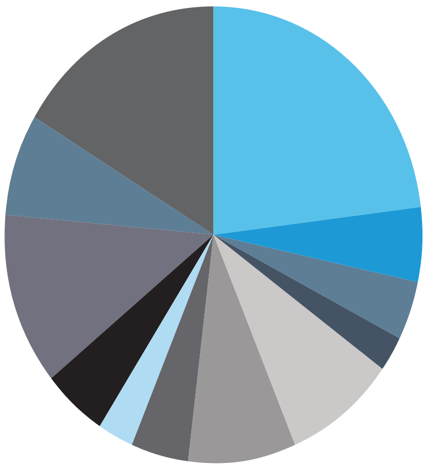
TOP TEN HOLDINGS *(as of September 30, 2018)*

	Company		Line of Business
1	Alibaba Group Holding Ltd.	6.3%	China's largest e-commerce provider
2	Tencent Holdings Ltd.	4.2%	Leading internet services provider in China
3	Shenzhou International Group	3.4%	Manufactures and processes textiles in China
4	CSPC Pharmaceutical Group Ltd.	2.9%	Leading Chinese pharmaceutical company focusing on innovative drugs
5	New Oriental Education	2.8%	Provides private educational services in China
6	Jiangsu Hengrui Medicine	2.6%	Leading Chinese pharmaceutical company with products focused on oncology, antineoplastic, and contrast agents
7	Kweichow Moutai	2.6%	Leading global provider of liquor based in China
8	Chongqing Zhifei Biological Product	2.6%	Largest vaccine manufacturer and distributor in China
9	Shanghai International Airport Co.	2.5%	Second largest airport in China by passenger traffic
10	China Resources Cement	2.5%	Leading cement manufacturer in South China

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

SECTOR WEIGHTINGS *(as of December 31, 2018)*

Consumer Discretionary	23.1%
Consumer Staples	5.4%
Energy	4.0%
Financials	2.7%
Health Care	8.5%
Industrials	8.5%
Information Technology	4.3%
Materials	2.9%
Real Estate	5.0%
Communication Services	12.1%
Utilities	7.2%
Cash	16.3%
Total	100.0%



Sector weightings as a % of Total Net Assets.

Source: Thomson Reuters Eikon used unless otherwise noted. Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.