

OBERWEIS INTERNATIONAL OPPORTUNITIES INSTITUTIONAL FUND (OBIIIX)

2Q 2019

AVERAGE ANNUAL TOTAL RETURNS (as of June 30, 2019)

	QTD	YTD	1 Yr	3 YR	5 YR	Since Inception 3/10/2014	Gross/Net Expense Ratio*
Oberweis International Opportunities Institutional Fund (OBIIIX)	3.24%	19.44%	-9.33%	6.99%	4.96%	4.45%	1.11%/1.08%
MSCI World ex-US Small-Cap Growth Index	2.59%	15.64%	-5.90%	9.03%	4.89%	5.06%	

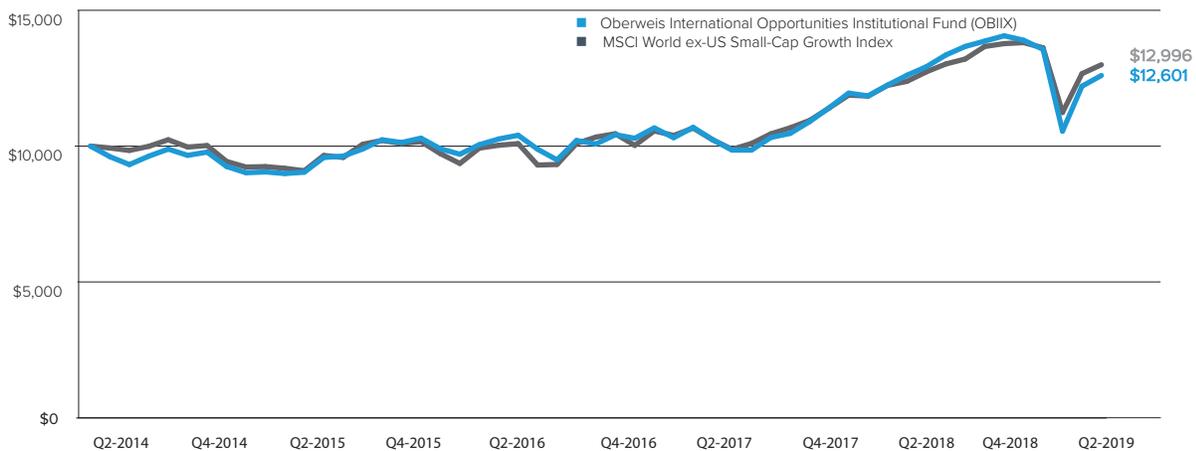
*As of December 31, 2018. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2020 to reduce its management fees or reimburse OBIIIX to the extent that total ordinary operating expenses exceed in any one year 1.10% expressed as a percentage of each Fund's average daily net assets.

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 World ex-US Small-Cap Growth Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the performance of small cap growth developed markets excluding the U.S., 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 (March 10, 2014 — June 30, 2019)



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The Quarter in Review

We are pleased to report favorable results for the second quarter and first half of 2019. For the quarter, the Oberweis International Opportunities Institutional Fund returned 3.24% versus 2.59% for the MSCI World ex USA Small Cap Growth Index, for an excess return of 65bps. For the first half of 2019, the Oberweis International Opportunities Institutional Fund returned 19.44% versus 15.64% for the MSCI World ex USA Small Cap Growth Index, for an excess return of 380bps.

Global equities inched higher in the second quarter, adding to the strong gains of the first quarter, amid rising expectations for continued accommodative monetary policy. Softening global manufacturing data and heightened uncertainty around trade have kept hawks at bay. As a result, demand for the safety of bonds increased, pushing approximately \$13 trillion of global debt into negative yield. Gold, Bitcoin and so-called bond proxies such as utilities and staples witnessed strong performance. The massive inflows to bonds and income-oriented equities give us reason to pause. We tend to avoid the expensive valuation typical of “the crowded trade,” and today’s “search for yield” seems to be one such example. As a result, we remain underweight real estate and utilities.

Stock selection was particularly strong this quarter. While country and sector allocation effects were neutral, stock selection accounted for all of the second quarter’s alpha. The opportunity to cast a global net makes it a little easier to build a portfolio of ideas that are not as greatly directly dependent on GDP growth, irrespective of sector. The portfolio benefited from stock selection in industrials and materials, bolstered by gains in an Australian aerial imaging company and in a well-run Australian gold miner. The portfolio is underweight traditional materials such as heavy machinery, as we believe that trade tensions remain too big of an obstacle to predict. We did find an increasing number of healthcare ideas, which tend to be more immune to minor changes in global economic growth. At the country level, Australia was our largest overweight and among our biggest alpha generator this quarter, largely driven by companies that started their products and services within Australia but have grown globally over time. France, Belgium and Canada also contributed positively, primarily due to strong stock selection. Japan remained a challenge, being our largest country detractor. In Japan, companies with negative revisions did better than those experiencing positive earnings revisions (the types of companies we seek to own) in the second quarter.

Outlook

We remain positive on global equities relative to last quarter. Even with the S&P 500 near an all-time high, investor sentiment remains decidedly pessimistic. The most recent Merrill Lynch fund flow survey suggests that investors are the most bearish that they have been since the global financial crisis. Cash allocation is among the highest in 16 years, equity allocation the lowest since March 2009 and, helped by falling inflation expectations, bond allocation near an 8 year high. Historically these measures have proven to be good contrarian indicators, especially when positioned towards the extreme end. Bull markets rarely end amid negative investor sentiment.

Also, at the individual company level, earnings expectations at international small-cap firms have remained conservative, driven by the dual uncertainties of tariffs and soft global manufacturing data. A low bar in earnings guidance makes it easier for companies to beat expectations, even while recognizing the risks ahead. We saw a similar dynamic in the second quarter with European stocks, where expectations called for muted growth. Europe’s growth has not been great but still better than expectations. Europe ended up posting the highest earnings revisions ratio in the world. Expectations were so low that a mediocre reality still beat expectations.

From our vantage point, our “relative-to-expectations” strategy tends to fare well when expectations are not too high, and we believe that to be the case today. Investor sentiment appears to be tilted toward bonds over equities. Within equities, investors favor US over international. At the companies themselves, management teams have kept investor earnings expectations in check. In short, the stage of low expectations has been set, and even modest results ahead of expectations would surprise positively.

Fund Highlights

At quarter-end, the Fund was invested in 74 stocks in 15 countries. Our top five country weightings (Fund weighting versus the MSCI World ex-US Small Cap Growth Index) at the end of the quarter were the United Kingdom (19.9% vs. 15.4%), Japan (16.2% vs. 27.1%), Australia (13.9% vs. 7.3%), Canada (9.6% vs. 8.6%), and France (8.3% vs. 3.3%). On a sector basis, the Fund is overweight Information Technology (20.1% vs. 14.0%) and underweight Real Estate (0.0% vs. 7.0%).

COUNTRY ALLOCATION (As of June 30, 2019)

	Oberweis International Opportunities Institutional Fund (OBIIX)	MSCI World ex-US Small-Cap Growth Index
United Kingdom	19.9%	15.4%
Japan	16.2%	27.1%
Australia	13.9%	7.3%
Canada	9.6%	8.6%
France	8.3%	3.3%
Sweden	6.0%	6.3%
Belgium	4.6%	2.1%
China	4.2%	0.0%
Germany	4.0%	6.0%
Netherlands	3.9%	2.6%
Switzerland	0.3%	4.5%
Italy	1.3%	3.0%
Denmark	1.4%	2.3%
Other Countries	3.0%	11.5%
Cash	3.4%	N/A
Total:	100.0%	100.0%

*Country Allocation is defined using MSCI's Country Classification methodology and represents countries whose allocation in the Strategy or Index is 2% or more. Country allocations representing less than 2% are categorized in "Other Countries". Country Allocation as a Percentage of Total Net Assets.

Source: Thomson Reuters Eikon

Key Benefits

The Oberweis International Opportunities Institutional Fund seeks to identify and capitalize on the investment opportunities offered by smaller companies in Europe, the UK, Canada, Asia, Japan, and Latin America. The Fund focuses on identifying less well-known small-cap companies which traditionally receive less coverage than larger companies, consequently providing unique opportunities to unearth hidden values.

The potential key benefits of the International Opportunities Institutional Fund are:

- Diversified portfolio of smaller, non-U.S. companies with higher than expected earnings potential
- Combines empirically-proven Behavioral Finance principles with the very best of fundamental bottom-up research
- Access to attractive but lesser-known foreign companies that do not receive significant institutional coverage but possess higher than expected growth potential
- Achieve a more effective asset allocation, and greater long-term diversification of their portfolios through investments in non-U.S. equities
- Invests primarily in developed markets with some exposure to emerging markets
- Potential for significant alpha over a full market cycle

Minimum Investment: \$1,000,000

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

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](#)

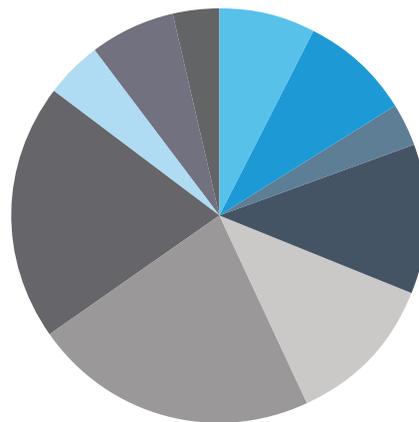
TOP TEN HOLDINGS (as of March 31, 2019)

	Company		Line of Business
1	Burford Capital Ltd.	3.6%	Market leader in providing litigation finance, investing its own balance sheet and 3rd party funds
2	Afterpay Touch Group	3.1%	Australian-based payments company
3	Teleperformance	2.9%	International provider of outsourced call centers and customer management services
4	Wuix Bio	2.8%	Leading global provider of outsourced clinical trial services and manufacturing for biologic products
5	Evolution Mining	2.7%	Australian gold miner
6	Intermediate Capital Group	2.5%	Private equity company investing in international debt products based in the United Kingdom
7	ASR Nederland	2.2%	Dutch-based and focused insurance company, both life and non-life products
8	Outsourcing, Inc.	2.2%	A Japan-based staffing services and engineering and manufacturing outsourcing company
9	Evolution Gaming Group	2.2%	Leading provider of live online casino games
10	Nomad Foods Ltd	2.2%	Produces and distributes frozen food in Europe

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 June 30, 2019)

Consumer Discretionary	7.7%
Consumer Staples	8.6%
Energy	3.2%
Financials	11.7%
Health Care	12.2%
Industrials	22.2%
Information Technology	20.1%
Materials	4.4%
Real Estate	0.0%
Communication Services	6.5%
Utilities	0.2%
Cash	3.4%
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