Oberweis
Asset Management

OBERWEIS MICRO-CAP FUND INVESTOR CLASS (OBMCX) INSTITUTIONAL CLASS (OMCIX)

4Q 2019

AVERAGE ANNUAL TOTAL RETURNS ***(as of December 31, 2019)***

	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception 1/1/1996	Gross/Net Expense Ratio*
Oberweis Micro-Cap Fund Institutional Class (OMCIX)**	**8.88%**	**22.09%**	**22.09%**	**11.24%**	**12.89%**	**12.69%**	**10.23%**	**1.34%/1.32%**
Oberweis Micro-Cap Fund Investor Class (OBMCX)	**8.79%**	**21.94%**	**21.94%**	**11.00%**	**12.64%**	**12.42%**	**9.96%**	**1.60%/1.58%**
Russell Microcap Growth Index	17.69%	23.33%	23.33%	7.28%	4.87%	10.69%	N/A	
Russell 2000 Growth Index	11.39%	28.48%	28.48%	12.49%	9.34%	13.01%	7.27%	

**As of December 31, 2019. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2020 to reduce its management fees or reimburse OBMCX to the extent that total ordinary operating expenses, as defined, exceed in any one year the following amounts expressed as a percentage of each Fund's average daily net assets: 1.8% of the first $50 million; plus 1.6% of average daily net assets in excess of $50 million and for OMCIX 1.55% of the first $50 million; plus 1.35% of average daily net assets in excess of $50 million.*

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

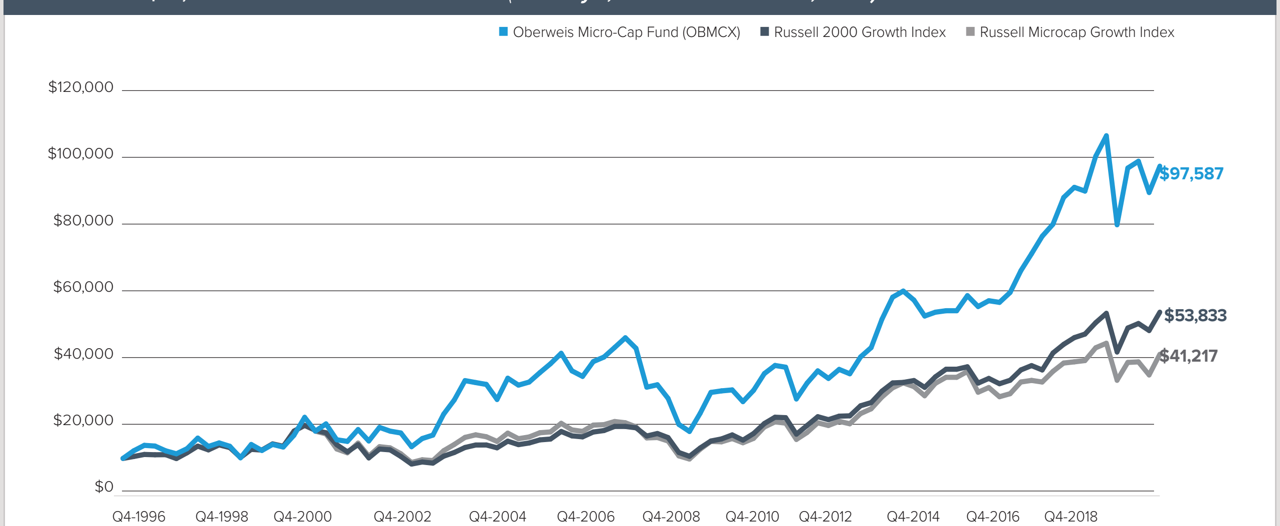
Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have a gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweis.funds.com for the 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 Index measures the performance of approximately 2,000 companies with small-market capitalizations. 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 Russell Microcap Growth Index measures the performance of those Russell Micro Cap companies with higher price-to-book ratios and higher forecasted growth values. The performance data includes reinvested dividends.

The Russell Microcap Index is represented by the smallest 1,000 securities in the small cap Russell 2000 Index plus the next 1,000 securities. Each 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.

GROWTH OF $10,000 — WITH INCOME INVESTED ***(January 1, 1996–December 31, 2019)***



The Russell Microcap Growth Index began on 7/3/00, and the line graph for the Index begins at the same value as the Fund on that date.

OBERWEIS MICRO-CAP FUND
INVESTOR CLASS (OBMCX)
INSTITUTIONAL CLASS (OMCIX)

4Q 2019

The Quarter and Year in Review

The Oberweis Micro-Cap Fund returned 21.94% versus 23.33% for the Russell Microcap Growth Index in 2019. In the fourth quarter, the Fund returned 8.79% versus 17.69% for the Russell Microcap Growth Index, a sizable shortfall of 890 basis points. While we finished 2019 on a disappointing note, we are long-term investors with a strong track record of excess returns demonstrated by our 5-year annualized return of 12.64% compared to 4.87% for the Index, an outperformance of 777 basis points.

Although we produced a strong absolute return in 2019, it was a challenging year for our investment style as we faced numerous headwinds that increased with intensity as the year progressed, concluding with one of the strangest and most frustrating quarters we have seen in many years. Similar to 2018, bigger was better last year. Capitalization was again a significant drag relative to larger-cap market proxies with performance worsening as capitalization declined[1]; stocks with market caps under $500 million in the Russell 2000 Growth Index significantly underperformed the broader index return[2].

Growth stocks performed better than value during the year[3], but the growth style outperformance was conspicuously driven by low return-on-equity stocks[4], biotechs, and other non-earners[5]. The largest drag on performance late in the year was our limited exposure to biotech stocks, which spiked during the fourth quarter (as shown below in the 2019 price graph of the Biotech industry within the Russell 2000 Growth Index):

Biotech companies, which now represent over 30% of the Russell Microcap Growth, returned a staggering 46% during the fourth quarter alone, and 49% during all of 2019, significantly outpacing the overall Index return of 17.69% and 23.33%, respectively. We have historically had nominal exposure to biotech shares because earnings surprises are fundamental to our process of identifying companies undergoing misunderstood fundamental changes. Biotechs are often quasi-venture-stage enterprises without meaningful sales and earnings that are typically highly dependent on the outcome of a future binary event. These businesses are usually unprofitable and burning cash while on a quest for positive clinical data that will hopefully lead to a sale at a juicy valuation down the road. Rather than identifying incremental execution progress that is misunderstood, biotech investors must reliably predict the outcomes of these largely binary events, and we do not generally have an edge in such predictions. In the short-run, however, market risk appetite can sometimes lead to sizable valuation swings in microcap biotechs and skew benchmark returns, even in the absence of a change in aggregate industry profits. Late in 2019, the lack of congruence between our investment process and biotech stocks and resulting health care underweight cost us nearly 640 basis points of relative performance in the fourth quarter.

It wasn't only biotechs that impacted performance late in the year. The microcap segment of the market was also led by other stocks devoid of earnings – companies we would usually classify as "junk." We see this below in a graph of MSCI Barra's "Profitability" factor performance, which was distinctly negative throughout much of the year and culminated in a sharp collapse beginning mid-October. The negative factor performance suggests that stocks of profitable companies – which represent the vast majority of our investments – performed poorly.

[1] The Russell Microcap Growth Index underperformed the Russell 2000 Growth Index by 515 basis points and underperformed the Russell 1000 Growth Index by 1,306 basis points in 2019.
[2] Stocks with market caps < $500 million within the Russell 2000 Growth Index returned 16.92% in 2019 versus 28.48% for the Index, an underperformance of 1,156 basis points.
[3] The Russell 2000 Growth Index returned 28.48% versus 22.39% for the Russell 2000 Value Index in 2019, an outperformance of 609 basis points.
[4] The lowest two quintiles of ROE stocks within the Russell 2000 Growth Index performed best during both the quarter and the year.
[5] Non-earners within the Russell 2000 Growth Index performed the best compared to all other P/E quintiles during both the quarter and the year.

MSCI Barra's "Earnings Quality" factor tells a very similar story. Earnings Quality was negative all year and also collapsed in the fourth quarter. Similarly, companies with strong earnings quality – defined by Barra as those with strong cash flows relative to earnings and good sales growth – also underperformed in 2019.

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The Quarter and Year in Review (continued)

While the types of stocks that led the market in 2019 was surprising and limited our excess return for the year, the overall rally is something we anticipated. A year ago we noted the prevalence of attractive equity valuations and extreme levels of fear gripping market participants. We characterized 2019 as "an above-average investment opportunity" and one of the best we had seen since 2011. Absolute equity returns generated inside and outside the U.S. in 2019 certainly proved that out. Today, however, we are essentially at the opposite end of the spectrum with positive sentiment as the market makes new all-time highs. Valuations, while far from expensive, are nonetheless above-average, suggesting equities are pricing in at least some re-acceleration in economic and earnings growth. For equities to move materially higher from here will likely require growth that surprises to the upside.

There are certainly multiple factors in play that could drive that exact outcome. Monetary policy is now squarely dovish. The Federal Reserve cut interest rates three times in 2019, global central bank bond purchases are again accelerating, and the yield curve has steepened since the inversion fears of early 2019. Furthermore, the U.S. consumer remains in solid shape, bolstered by a record-low debt-service ratio, record household net worth, record low unemployment and wage growth that is starting to accelerate again. Importantly, inflation worldwide remains under control.

While current monetary policy is intended to stimulate economic growth, there remain numerous macro-level influences that could cause volatility to increase and investors to be fearful again in the short-term. Despite the recent thaw in trade tensions with China, we must discount President Trump's track record of volatile decision-making and are concerned that we are a tweet away from seeing those gains evaporate. Recent tensions with Iran in the Mideast also represent a potential shock should they escalate. Finally, the presidential election could increase the clouds of uncertainty as Democratic candidates jockey for position and their eventual nominee squares off against the president in what's sure to be a hotly contested race with the potential for incendiary rhetoric. Markets dislike uncertainty, and there are multiple unpredictable issues this year that could trip up the market in the short-run.

Even though there may be pockets of increased volatility in 2020, we believe investors are likely to again embrace companies generating surprising earnings growth as some of the dramatic moves we observed late in 2019 (i.e. biotech) likely mean-revert. 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, 2019, the Fund was 96.1% invested in 75 different positions. The Fund had its largest over-weightings in technology (29.4% average weighting during the quarter versus 14.2% for the Russell Microcap Growth Index), producer durables (20.6% versus 13.3%), and consumer discretionary (14.6% versus 8.5%). The Fund was most underweight in health care (17.8% versus 42.6%, due mainly to our lack of biotech exposure), financial services (6.7% versus 11.8%), and consumer staples (0.0% versus 2.8%).

In the fourth quarter performance was positively impacted by stock selection in financial services (where our holdings returned 28.56% versus an 8.20% return for the benchmark's financial services holdings), while performance was negatively impacted by stock selection in health care (16.51% versus 33.03%).

Key Benefits

The Micro-Cap Fund invests at least 80% of its net assets in the securities of very small companies which, at the time of purchase, have a market capitalization of less than or equal to $600 million or are within the range of companies represented in the Russell Micro-Cap Growth Index, whichever is greater. This is an effort to capture the exceptional growth potential of emerging companies in the earliest and most dynamic phase of their development.

The potential key benefits of the Micro-Cap Fund are:

- Access to one of the least efficient segments of the equity market
- 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 micro-cap companies that are misunderstood by traditional Wall Street research analysts
- Exposure to micro-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 Micro-Cap Fund Investor Class (OBMCX): $1,000 non-IRA, $500 IRA

Oberweis Micro-Cap Fund Institutional Class (OMCIX): $1.0 million

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INSTITUTIONAL CLASS (OMCIX)

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TOP TEN HOLDINGS *(as of September 30, 2019)*

	Company		Line of Business
1	Tandem Diabetes Care, Inc.	2.8%	Develops pump systems for diabetes patients
2	Skywest, Inc.	2.6%	Operates a regional airline
3	DMC Global, Inc.	2.5%	Global technology company that offers collaboration, research, development, and other services
4	Mobileiron, Inc.	2.4%	Develops software platforms for mobile devices
5	Skyline Champion Corp.	2.4%	Manufacture of mobile home and truck campers
6	Vericel Corp.	2.3%	Develops cell therapy products for the treatment of patients in the sports medicine and burn care markets
7	Boot Barn Holdings, Inc.	2.2%	Owns and operates a lifestyle retail chain in the US
8	Century Communities, Inc.	2.2%	Operates a home building and construction company
9	MTS Systems Corp.	2.0%	Supplier of high performance test systems and sensors
10	Career Education Corp.	2.0%	Provides for-profit secondary education in the U.S.

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

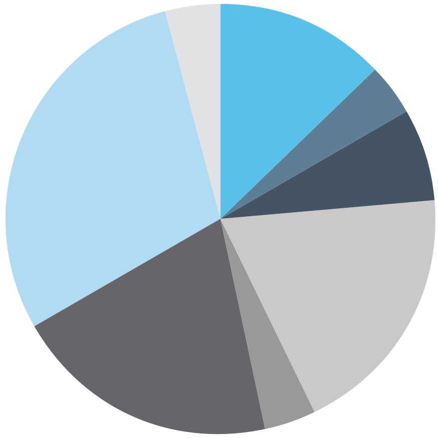
FUND CHARACTERISTICS *(as of December 31, 2019)*

Number of Stocks	75
Weighted Market Capitalization (in millions)	$988
Median Market Capitalization (in millions)	$705
P/E Forward 4 Quarters (estimated)	14.4x
Long-Term Debt to Total Equity	9.3%
Return on Equity	5.6%
Cash Position	3.9%
Portfolio Turnover (2019)	112%

Source: Thomson Reuters Eikon

SECTOR WEIGHTINGS *(as of December 31, 2019)*

Consumer Discretionary	12.8%
Consumer Staples	0.0%
Energy	4.1%
Financial Services	6.8%
Health Care	19.2%
Materials & Processing	3.8%
Producer Durables	20.2%
Technology	29.2%
Utilities	0.0%
Cash	3.9%
Total	100.0%



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