

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

4Q 2020

AVERAGE ANNUAL TOTAL RETURNS (as of December 31, 2020)

	QTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception 1/1/1996	Gross/Net Expense Ratio*
Oberweis Micro-Cap Fund Institutional Class (OMCIX)**	35.36%	30.20%	11.81%	17.49%	13.87%	10.96%	1.34%/1.33%
Oberweis Micro-Cap Fund Investor Class (OBMCX)	35.29%	29.91%	11.58%	17.23%	13.60%	10.69%	1.59%/1.58%
Russell Microcap Growth Index	29.65%	40.13%	14.04%	13.08%	11.57%	N/A	

*Unaudited data as of December 31, 2020. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2021 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.

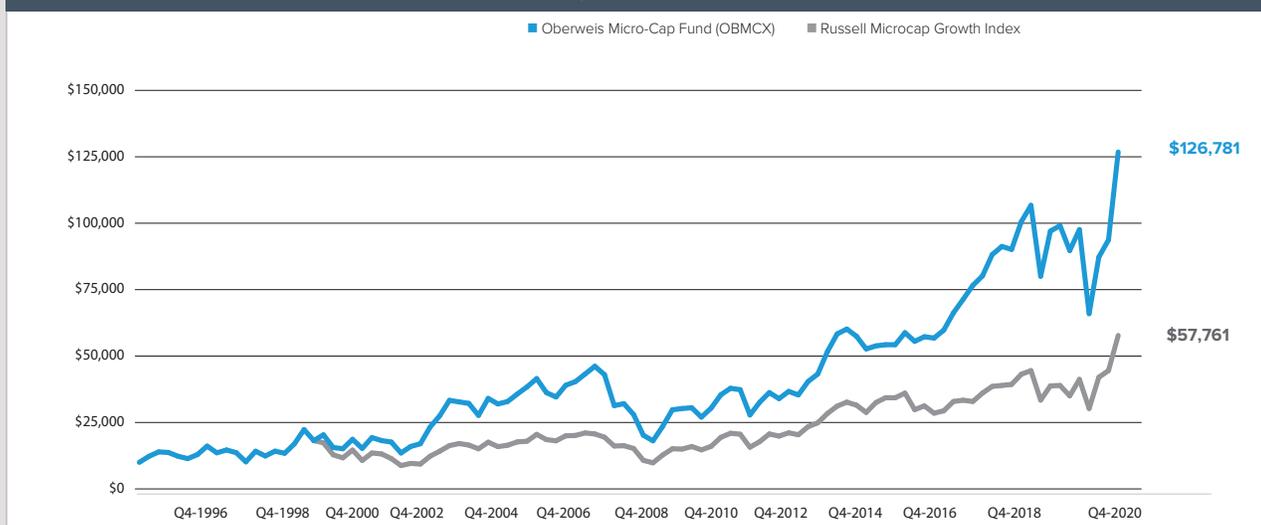
Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate, so that you may have a gain or loss when shares are sold. Current performance may be higher or lower than quoted. Visit us online at oberweis.funds.com for the 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 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, 2020)



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 2020

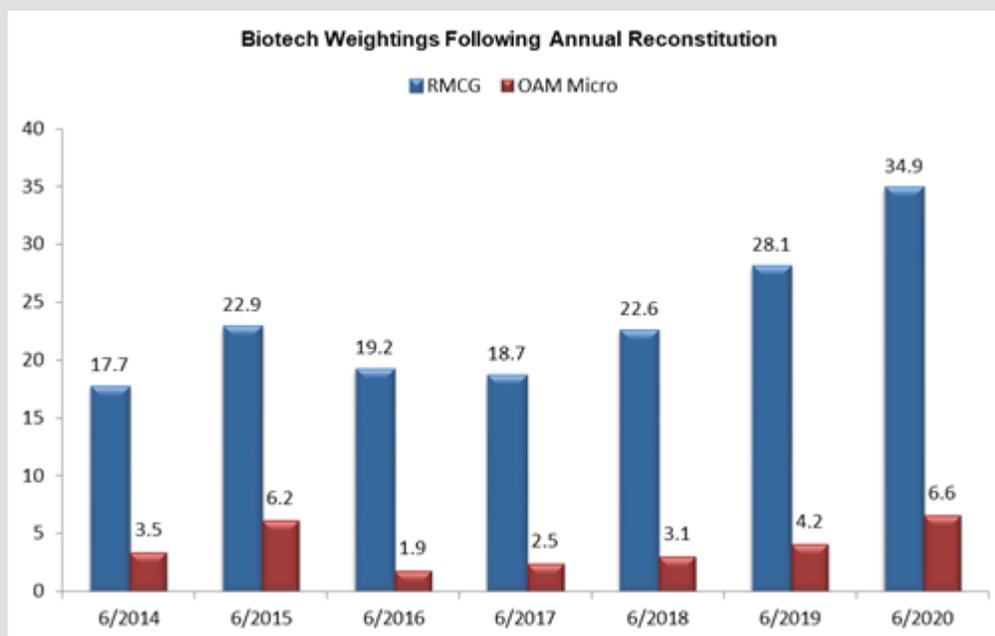
The Quarter in Review

The Oberweis Micro-Cap Fund returned 35.29% versus 29.65% for the Russell Microcap Growth Index in the fourth quarter, an outperformance of 564 basis points. For the year, the Fund posted a strong absolute return of 29.91% but lagged the benchmark return of 40.13% by 1022 basis points.

2020 was a remarkable and surprising year in the equity market, particularly against a backdrop of a global economic recession triggered by the onslaught of Covid-19. Returns in the fourth quarter were particularly robust, but there were notable winners and losers. Large caps again outperformed small-caps¹, although to a lesser extent than they did in 2019. Growth stocks trounced value stocks during the year².

Within growth, however, the rising tide did not lift all boats. Returns for the full year and the fourth quarter were driven by biotechs, unprofitable companies³, and low return-on-equity companies, characteristics we find undesirable given our disciplined investment philosophy. The environment throughout the year was challenging for our investment style, which focuses on investing in companies that are generally profitable or close to profitability with the potential to generate significant positive earnings surprises.

Instead, during 2020, investors shunned companies with profitability and earnings at a rate we last witnessed in 1999. The biggest drag on relative performance was our significant underweighting in biotech stocks, which continued their remarkable run that started in October 2019. Biotechs returned 55.4% during 2020 and over 135% from the correction low on March 18th, far outpacing the benchmark. Micro-cap biotech companies tend to be unprofitable and are often driven by future binary events, attributes which are inconsistent with our investment style and leads to a consistent underweight in the portfolio. Biotechs have had good years and bad years over time (for example, biotechs dropped over 20% in 2016 and 19% in 2018), and typically biotech stocks tend to trade in unison where upside moves are often tied to increased appetite for risk. Last year, interest rates collapsed and the Federal Reserve aggressively provided record levels of monetary stimulus, causing risk appetites – and biotech stocks en masse – to soar. Historically, biotechs represented a relatively stable allocation within the benchmark, but more recently have become a much larger percentage and increasingly account for a greater proportion of our short-term performance volatility compared to the index (see below).



¹ During 2020, the Russell 1000 Growth Index returned 38.49% versus 34.63% for the Russell 2000 Growth Index, a difference of 386 basis points.

² During 2020, the Russell 2000 Growth Index returned 34.63% versus 4.63% for the Russell 2000 Value Index, a difference of 3,000 basis points.

³ Non-earners outperformed all P/E quintiles of the Russell 2000 Growth Index during 2020 and the fourth quarter.

**OBERWEIS MICRO-CAP FUND
 INVESTOR CLASS (OBMCX)
 INSTITUTIONAL CLASS (OMCIX)**
4Q 2020
The Quarter and Year in Review (continued)

Unprofitable companies (some of which are the aforementioned biotechs) and the most expensive stocks also led the market in 2020, with non-earners returning nearly 67% and the highest P/E quintile returning over 48%; the remaining four P/E quintiles in the Russell 2000 Growth Index averaged only 10.7% for the year⁴, substantially underperforming the overall index return. Companies generating low returns on equity – where we have limited exposure – outperformed by a wide margin (see table below). The vast majority of our investments are in profitable companies generating free cash flow or companies on the verge of profitability. In our experience, profitable companies demonstrate and confirm the viability of a business model and are less-dependent on capital markets to fund future growth because of internal cash generation. Our focus on profitability reduces downside risk just when it's most likely that capital markets will tighten for small-cap companies.

**Russell 2000 Growth Index 2020 Performance by ROE Quintile and
 Micro-Cap Growth Portfolio Weighting by ROE Quintile**

	<u>'20 Return</u>	<u>OAM Micro Weight</u>
Highest ROE Quintile 1	22.79%	20.7%
ROE Quintile 2	10.76%	21.7%
ROE Quintile 3	26.59%	30.9%
ROE Quintile 4	82.74%	21.8%
Lowest ROE Quintile 5	56.34%	4.8%

While there has been much discussion in the financial media about stretched valuations for S&P 500 companies, we still find valuations in our portfolio and in our investible universe to be more favorable than normal. Moreover, we've seen our universe expand as the economy begins to recover and companies report earnings surprises against low expectations. Combined, these two characteristics leave us excited about our holdings as we turn the calendar. Within the portfolio, we have countless stocks that offer attractive upside based on their potential for earnings surprises and our proprietary earnings estimates: an ecommerce technology company that grew earnings 67% last quarter and trades less than 15x our 2021 estimate; a delivery vehicle manufacturer that grew earnings 38% and trades for 14x; and an action apparel retailer that grew earnings 55%, has over 30% of its market cap in cash, and trades for only 10x.

Still, the year ahead presents risks beyond our collective ability to escape the pandemic for good. When Covid-19 does subside, expect increasing attention on what it cost to weather the storm and a renewed focus on the exploding federal debt. Inflation, which is still in check and, importantly, is expected to remain so, is another potential concern. Unexpected acceleration in prices could force the Fed to revise its previously telegraphed plans and become more hawkish sooner, leading to higher interest rates. Finally, political uncertainty remains high in the U.S. going into President-elect Biden's first term, and potential Democratic policies regarding taxation and welfare-type programs may jostle the market as we move through 2021.

No matter what happens in the short-term, our bottom-up strategy has always focused on investing in businesses with idiosyncratic attributes that afford the potential for earnings growth to surprise materially to the upside. These companies are 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 selection of a diversified portfolio of these companies is likely to outperform the benchmark over the long-term.

⁴ Performance of the Russell 2000 Growth Index in 2020 from the lowest P/E quintile to the highest P/E quintile = -2.36%, +3.79%, +10.89%, +30.59% (average of these four quintiles = +10.7%), and +48.79%. Non-earners returned +66.74%.

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

4Q 2020

Fund Highlights

As of December 31, 2020, the Fund was 98.9% invested in 66 different positions. The Fund had its largest overweightings in technology (35.8% average weighting during the quarter versus 20.3% for the Russell Microcap Growth Index), producer durables (19.8% versus 8.3%), and consumer discretionary (16.3% versus 9.8%). The Fund was most underweight healthcare (17.5% versus 48.0%, due mainly to a significant underweight in biotech issues), consumer staples (0.6% versus 2.7%) and utilities (0.0% versus 2.0%).

Performance in the fourth quarter was positively impacted by stock selection in healthcare (where our holdings returned 44.63% versus a 19.59% return for the benchmark's healthcare holdings), while performance was negatively impacted by stock selection in consumer discretionary (24.78% versus 27.84%).

FUND CHARACTERISTICS *(as of December 31, 2020)*

Number of Stocks	66
Weighted Market Capitalization (in millions)	\$1,654
Median Market Capitalization (in millions)	\$957
P/E Forward 4 Quarters (estimated)	12.0x
Long-Term Debt to Total Equity	11.7%
Return on Equity	5.6%
Cash Position	1.1%
Portfolio Turnover (2020)	89.1%

Source: Thomson Reuters Eikon

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

For more information please contact:

Brian K. Lee, Director of Marketing & Client Service
Oberweis Asset Management, Inc.

3333 Warrenville Rd., Suite 500, Lisle, IL 60532
(800) 323-6166 | (630) 577-2321 | brian.lee@oberweis.net

Marc Carlson, Director Marketing & Client Service
Oberweis Asset Management, Inc.

3333 Warrenville Rd., Suite 500, Lisle, IL 60532
(800) 323-6166 | (630) 577-2364 | marc.carlson@oberweis.net

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](#)

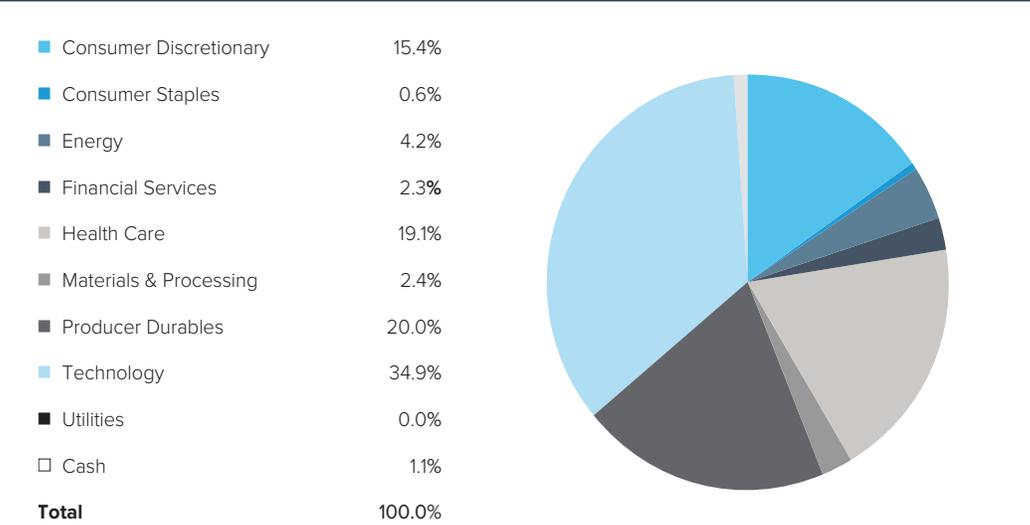
OBERWEIS MICRO-CAP FUND INVESTOR CLASS (OBMCX) INSTITUTIONAL CLASS (OMCIX)

4Q 2020

TOP TEN HOLDINGS (as of September 30, 2020)

Company		Line of Business
1 Digital Turbine, Inc.	4.7%	Provides an on-device media platform
2 Bandwidth, Inc.	3.8%	Provides cloud-based communications services
3 Castle Biosciences, Inc.	3.7%	Provides components for the semiconductor industry
4 Channel Advisor Corporation	2.8%	Provides e-commerce channel management solutions
5 Crocs, Inc.	2.6%	Designs and manufactures shoes
6 CareDx, Inc.	2.6%	Provides diagnostic testing services for transplant patients
7 Upwork, Inc.	2.5%	Provides online recruitment services
8 Ameresco, Inc.	2.4%	Provides a range of energy solutions
9 LiqTech International, Inc.	2.3%	Manufactures clean energy filters and exhaust solutions
10 Model N, Inc.	2.3%	Provides revenue management solutions

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, 2020)


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