

OBERWEIS GLOBAL OPPORTUNITIES FUND

INSTITUTIONAL CLASS: (OBGIX)

MARKET COMMENTARY

1Q 2022

The Quarter in Review

Risk-aversion rose markedly in the first quarter of 2022. Volatility and investor uncertainty increased amid rapidly rising interest rates, exceptionally strong inflation, the migration of the Covid Omicron variant to China, and Russia's invasion of Ukraine. During periods of rising fear, equities broadly tend to decline but particularly growth companies, whose valuations are usually predicated on earnings growth that can stretch many years into the future. Also problematic is that higher interest rates increase the time value of money, which tends to negatively affect growth stock valuations. Against this backdrop, global equities sharply declined, especially small-cap growth stocks, creating a near-term headwind for our Fund. The Global Opportunities Fund returned -18.95% in the first quarter of 2022 versus -6.25% for the MSCI ACWI Small-Cap Index. Even following a quarter of sharp underperformance, the Fund remains well ahead of its benchmark over the trailing three- and five-year periods. For the three-year period ending 3/31/2022, the Global Opportunities Fund reported an annualized return of 18.90% versus 11.75% for the benchmark. Over the trailing five years, the Fund returned 11.84% annualized versus 9.55% for benchmark.

We are not overly focused on quarterly or annual performance, irrespective of whether favorable or unfavorable. Most of the time, short-term results tend to be defined by oscillations of market sentiment rather than meaningful shifts in the long-term ability of our holdings to generate positive cash flow. In fact, over the life of this Fund, short-term downward shifts in risk appetite have often yielded P/E multiple compression and have, at extremes, set the stage for some of this Fund's best subsequent periods as multiples revert back to their means. No one knows the future, but we are incrementally more constructive on forward returns when fear rises and valuations decline.

We remain focused on the identification of stocks with misunderstood growth potential over the long term. In fact, part of our Fund is focused on "time arbitrage" – exploiting the tendency of investors to hyper-focus on short-term earnings horizons and thus undervalue big growth stories over the long term. We believe that patient investors earn superior returns by focusing on the value of earnings growth over the very long term, even while recognizing that such growth tends to be non-linear and that market volatility can be unpredictable.

Broadly, that means our Global Opportunities Fund will typically be overweight sectors ripe for innovation. For example, technology and certain niches within healthcare have typically been excellent hunting grounds for new innovators. For these companies, it won't be inflation or the war in Ukraine that ultimately determines their success or failure; instead, it will be their ability to launch products that gain traction in the marketplace. While not immune to the cycles of the market and the oscillations of P/E multiples, their true value will be determined by cash flows from product adoption, not market sentiment. In fact, we believe that companies with much higher-than-average revenue growth are – in the long run - considerably less susceptible to the very market forces that many people worry about, such as inflation and recession. Our entire team is focused on finding companies with this type of misunderstood growth potential.

AVERAGE ANNUAL TOTAL RETURNS (as of March 31, 2022)

	QTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception 1/7/1987	Gross/Net Expense Ratio*
Oberweis Global Opportunities Fund Institutional Class (OBGIX)**	-18.95%	-11.07%	18.90%	11.84%	11.21%	9.28%	1.13%/1.13%
Oberweis Global Opportunities Fund Investor Class (OBEGX)	-19.01%	-11.32%	18.59%	11.56%	10.93%	9.01%	1.38%/1.38%
MSCI ACWI Small-Cap Index	-6.25%	-0.35%	11.75%	9.55%	9.64%	N/A	

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. Unusually high returns may not be sustainable. Visit us online at oberweisfunds.com for most recent month end performance.

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.

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.

*Audited data as of December 31, 2021. Oberweis Asset Management, Inc. (OAM), the Fund's investment advisor is contractually obligated through April 30, 2023 to reduce its management fees or reimburse OBEGX 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 OBGIX 1.55% of the first \$50 million; plus 1.35% of average daily net assets in excess of \$50 million.

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

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

The MSCI ACWI Small-Cap Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of small cap developed markets and emerging markets, with minimum dividends reinvested net of withholding tax. The MSCI ACWI Small-Cap Index began on May 31, 1994.

Fund Highlights

As of March 31, 2022, the Fund was 97.1% invested in 47 different positions. The Fund had its largest over-weightings in technology (38.2% average weighting during the quarter versus 12.7% for the MSCI ACWI Small Cap Index), consumer discretionary (28.5% versus 12.8%), and healthcare (17.4% versus 9.5%). The Fund was most underweight industrials (5.0% versus 18.4%), real estate (0.0% versus 10.0%), and financials (4.0% versus 13.7%). Our overweight position in technology was a headwind during the quarter.

During the first quarter, the Fund was negatively impacted by stock selection in the US (where our holdings returned -16.89% versus -5.94% for the MSCI ACWI Small Cap Index), Israel (-47.71% versus -0.56%), and Japan (-29.72% versus -7.08%). At a sector level, the Fund was negatively impacted from stock selection in consumer discretionary (-23.67% versus -13.51%) and technology (-18.81% versus -11.58%). In terms of geographic distribution, the Fund was on average 53.9% invested in North America, 19.3% in Asia, and 20.7% in Europe.

Organization Update

There was no change to the team during the quarter.

Oberweis Asset Management's Investment Philosophy

We believe that investing in smaller companies driving revenue and earnings growth in excess of expectations results in superior investment performance over long periods of time. We believe that innovation is the key to economic growth and wealth creation and are committed to investing in companies at the forefront of innovation – smaller company stocks that offer the potential for extraordinary revenue and earnings growth.

The entrepreneurial spirit is alive and well at these companies. Many are nimble and uniquely address the needs of their customers with patented new products and services. Successful investing, however, demands more than finding companies with good growth prospects. We must also buy these stocks for our clients at prices that make sense. By paying careful attention to companies' valuations in relation to expected earnings growth rates, we seek to purchase stocks when they still have considerable appreciation potential.

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