

Morningstar Prospects

July 2024

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Osterweis Opportunity, by David Carey

Asset Class	Morningstar Category	Vehicle	Comments
Equity	Small Growth	Mutual Fund	New Fund/Experienced Manager

A compact yet capable team runs Osterweis Opportunity (formerly Osterweis Emerging Opportunity). Lead manager Jim Callinan has more than 35 years of industry experience and has led this team since the mutual fund’s November 2016 inception. Comanagers Bryan Wong and Matt Unger, as well as analyst Jamie Wolf, support Callinan in his research efforts and average more than 10 years of industry experience. The team divides coverage along sector lines, but its members work closely together to share industry insights and provide additional feedback into ideas.

The team takes a bold yet sound approach to investing in small-cap growth firms. It looks for companies with strong competitive advantages and skilled management teams that can double their share prices over the next five years. This results in a relatively concentrated portfolio of just 30-40 stocks. While the approach is sound in principle, portfolio-level risks are heightened owing to the team’s loose risk parameters and concentrated portfolio.

Results have been impressive since the mutual fund’s late November 2016 inception. Through June 2024, the investor shares’ 15.7% annualized return dusted the Russell 2000 Growth Index’s 8.2% gain.

Portfolio Manager(s)	Start Date	Portfolio Manager(s)	Start Date
Jim Callinan	11-2016	Matt Unger	12-2021
Bryan Wong	12-2021		

OSTERWEIS OPPORTUNITY FUND

(Formerly the Emerging Opportunity Fund)

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The Fund's average annual total return for the one-year, three-year, five-year, ten-year, and since-inception periods ending 3/31/2025 were as follows:

	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception (10/1/2012)
Osterweis Opportunity Fund	-6.98%	1.81%	13.87%	11.06%	12.75%
Russell 2000 Growth Index	-4.86%	0.78%	10.78%	6.14%	9.00%

Gross/Net expense ratio as of 3/31/2024: 1.20% / 1.12%. The Adviser has contractually agreed to waive certain fees through June 30, 2025. The net expense ratio is applicable to investors.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted above. Performance data current to the most recent month end may be obtained by calling toll-free (866) 236-0050.

Performance prior to December 1, 2016 is that of another investment vehicle (the "Predecessor Fund") before the commencement of the Fund's operations. The Predecessor Fund was converted into the Fund on November 30, 2016. The Predecessor Fund's performance shown includes the deduction of the Predecessor Fund's actual operating expenses. In addition, the Predecessor Fund's performance shown has been recalculated using the management fee that applies to the Fund, which has the effect of reducing the Predecessor Fund's performance. The Predecessor Fund was not a registered mutual fund and so was not subject to the same operating expenses or investment and tax restrictions as the Fund. If it had been, the Predecessor Fund's performance may have been lower.

Opinions expressed in the article are those of the author and portfolio manager. These opinions are subject to change at any time, are not guaranteed, and should not be considered investment advice.

The Osterweis Funds are available by prospectus only. The Funds' investment objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information about the Funds. You may obtain a summary or statutory prospectus by calling toll free at (866) 236-0050, or visiting www.osterweis.com/statpro. Please read the prospectus carefully before investing to ensure the Fund is appropriate for your goals and risk tolerance.

Mutual fund investing involves risk. Principal loss is possible. The Osterweis Opportunity Fund may invest in unseasoned companies, which involve additional risks such as abrupt or erratic price movements. The Fund may invest in small and mid-sized companies, which may involve greater volatility than large-sized companies. The Fund may invest in IPOs and unseasoned companies that are in the early stages of their development and may pose more risk compared to more established companies. The Fund may invest in ETFs, which involve risks that do not apply to conventional funds. Higher turnover rates may result in increased transaction costs, which could impact performance. From time to time, the Fund may have concentrated positions in one or more sectors subjecting the Fund to sector emphasis risk. The Fund may invest in foreign and emerging market securities, which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks may increase for emerging markets

The Russell 2000 Growth Index (Russell 2000G) is a market-capitalization-weighted index representing the small cap growth segment of U.S. equities. This index does not incur expenses, is not available for investment and includes the reinvestment of dividends.

While the fund is no-load, management fees and other expenses still apply. Please refer to the prospectus for more information.

Osterweis Capital Management is the adviser to the Osterweis Funds, which are distributed by Quasar Distributors, LLC.
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