

OSTERWEIS

FUNDS

July 23, 2020

Dear Shareholder,

During the second quarter of 2020, the Osterweis Strategic Investment Fund (the Fund) generated a total return of 14.59%, outperforming the blended benchmark return of 13.32% (60% S&P 500 Index/40% Bloomberg Barclays U.S. Aggregate Bond Index (the “BC Agg”)).

Returns as of 06/30/2020	QTR	YTD	1 YR.	3 YR.	5 YR.	Since Inception (8/31/2010)
Osterweis Strategic Investment Fund	14.59%	-1.58%	4.66%	5.60%	4.94%	8.53%
60% S&P 500 Index/40% Bloomberg Barclays U.S. Aggregate Bond Index	13.32%	0.98%	8.58%	8.93%	8.41%	10.00%
S&P 500 Index	20.54%	-3.08%	7.51%	10.73%	10.73%	14.00%
Bloomberg Barclays U.S. Aggregate Bond Index	2.90%	6.14%	8.74%	5.32%	4.30%	3.65%

Performance data quoted represent past performance; past performance 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 the original investment. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (866) 236-0050. An investment should not be made solely on returns. The Fund's gross expense ratio was 1.21% as of March 31, 2020.

As we enter the third quarter, we find ourselves in the midst of a second wave of Covid-19 that is complicating the recovery picture. Wall Street has generally remained optimistic thus far, buoyed by support from the Fed and continued progress towards a vaccine, but the situation remains fluid.

In the attached Outlook, we take a closer look at how we are positioning the Fund given this uncertainty. Most importantly, we are focusing on high quality companies that we believe are well-positioned to weather the slowdown, however long it may last. This is not new for us – we have favored dominant companies for a while – but given the pandemic we think it is even more critical to own

companies that are able to grow during the downturn, either organically or by taking market share from weaker competitors that are unable to survive.

We also discuss why we believe today's low interest rate environment is potentially a major tailwind for equity markets. Stock prices are inversely correlated with interest rates and positively correlated with growth rates. We believe companies with clear paths to growth in this environment should generate favorable returns. Furthermore, many of these companies pay attractive dividends that we expect will grow over time.

In fixed income, second quarter volatility gave us the opportunity to acquire higher quality bonds and convertibles at favorable valuations. We plan to continue to opportunistically upgrade our fixed income exposure in times of market stress.

We thank you for your continued confidence in our management.

Sincerely,



Jim Callinan



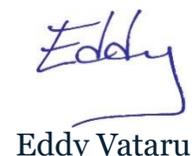
John Osterweis



Larry Cordisco



Carl Kaufman



Eddy Vataru

Enclosure

This commentary contains the current opinions of the author as of the date above, which are subject to change at any time. This commentary has been distributed for informational purposes only and is not a recommendation or offer of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but is not guaranteed.

The Osterweis Strategic Investment Fund may invest in small- and mid-capitalization companies, which tend to have limited liquidity and greater price volatility than large-capitalization companies. 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 Fund may invest in Master Limited Partnerships, which involve risk related to energy prices, demand and changes in tax code. The Fund may invest in debt securities that are un-rated or rated below investment grade. Lower-rated securities may present an increased possibility of default, price volatility or illiquidity compared to higher-rated securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. 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 also make investments in derivatives that may involve certain costs and risks such as those related to liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Leverage may cause an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. Investments in preferred securities typically have an inverse relationship with changes in the prevailing interest rate. Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments.

The S&P 500 Index is an unmanaged index that is widely regarded as the standard for measuring large-cap U.S. stock market performance.

The Bloomberg Barclays U.S. Aggregate Bond Index (BC Agg) is an unmanaged index which is widely regarded as the standard for measuring U.S. investment grade bond market performance.

These indices do not incur expenses and are not available for investment. These indices include reinvestment of dividends and/or interest income.

Duration measures the sensitivity of a fixed income security's price (or the aggregate market value of a portfolio of fixed income securities) to changes in interest rates. Fixed income securities with longer durations generally have more volatile prices than those of comparable quality with shorter durations.

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 by visiting osterweis.com. Please read the prospectus carefully before investing to ensure the Fund is appropriate for your goals and risk tolerance.

Earnings growth is not representative of the fund's future performance.

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

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