

Semi-Annual Report



Morgan Dempsey Small/Micro Cap Value Fund (MITYX)

February 28, 2018

Investment Adviser

Morgan Dempsey Capital Management, LLC
111 Heritage Reserve
Suite 200
Menomonee Falls, Wisconsin 53051

Phone: 877-642-7227

Table of Contents

LETTER TO SHAREHOLDERS	3
EXPENSE EXAMPLE	7
INVESTMENT HIGHLIGHTS	9
SCHEDULE OF INVESTMENTS	11
STATEMENT OF ASSETS AND LIABILITIES	16
STATEMENT OF OPERATIONS	17
STATEMENTS OF CHANGES IN NET ASSETS	18
FINANCIAL HIGHLIGHTS	20
NOTES TO FINANCIAL STATEMENTS	22
NOTICE OF PRIVACY POLICY & PRACTICES	29
ADDITIONAL INFORMATION	30

Dear Shareholders,

The Fund returned 6.51% for the six months ended February 28, 2018 versus the Russell 2000 Value Total Return Index which returned 5.09%.

Volatility returned from its year-long Sabbatical during February 2018 to remind investors that stocks can move lower as well as higher. Strong equity performance in January 2018 was followed by declines during the next two months that resulted in the first negative performance by the S&P 500 Index for a calendar quarter since the third quarter of 2015.

The Fund performance during January 2018 was slightly negative -0.50% vs. 1.23% for the Russell 2000 Value Total Return Index, and in February 2018 the Fund returned -5.80% vs. -5.00% for the Russell 2000 Value Total Return Index. We believe that in spite of the Fund's underperformance in January and February, the market has entered into a period that has and will continue to favor the type of value small and micro cap stocks the Fund owns.

This is a continuation of the rotation back to value as part of the normalization of monetary policy and rising interest rates. The eight-year period of easy capital has come to an end, and highly leveraged companies, specifically those who have floating rate debt on their books, will likely find it harder to compete with the Fund's "Fortress Balance Sheet" zero-to-low-debt companies. We will continue to remind our Shareholders that well over 40% of the stocks in the Russell 2000 Value Total Return Index are highly leveraged, and we believe that "accounting gravity" has returned to the markets, which benefited the Fund's overall performance for the six months ended February 28, 2018.

January's strong positive index and market performance could be attributed to a continuation of the Trump tax plan rally that began in December 2017. The fiscal stimulus from the tax cuts is expected to catalyze business investment and the accompanying economic growth. Tighter Fed policy and rising interest rates were interpreted by many market participants as an indication that this was occurring, encouraging investors to drive stock prices higher. The significant, but short-lived, correction in February 2018 could be blamed on higher-than-expected inflation data amidst an improving economic and employment landscape, spooking bond investors. Interest rates moved too high, too fast, helping to trigger a huge spike in the equity volatility index. The markets violently declined but quickly recovered much of their losses.

The U.S. Federal Reserve is in the process of reversing the extraordinary monetary policies that it initiated in December 2008 to combat the Great Recession. The Fed is expected to begin to allow the bonds that it purchased in its Quantitative Easing program to mature without replacing them, reducing the size of its holdings. The Federal Reserve also is slowly raising interest rates to levels that are more appropriate for this stage of an economic cycle. We believe that this transition is creating a great deal of uncertainty in the financial markets. If Quantitative Easing supported financial asset prices, it would be logical to assume that unwinding it would have the opposite effect. Since Quantitative Easing had never been tried before, no one knows how reversing the process will impact the markets. We are at the beginning of the end of a grand monetary experiment.

Investors face a unique investment environment with no historical precedent. We suspect that this is one of the reasons for the intense daily and intra-day volatility that recently has affected the equity market. The inability of investors to ascertain the ultimate impact of the end of the Federal Reserve's unprecedented policies appears to have made them extremely sensitive to the day-to-day flow of new information. A single economic data point, news story or Trumpian tweet can send the equity market careening higher or spiraling lower. A high level of uncertainty surrounding the directional change in monetary policy appears to amplify the impact of this type of additional information. This probably

will continue until investors become more certain about the eventual impact of the end of Quantitative Easing. For this reason, we continue to believe that positioning the Fund defensively will be beneficial as the year continues to unfold.

Our conclusion is the same as it was in our previous shareholder letters. We believe that controlling risk is more important than trying to maximize return in the current investment environment, and therefore we are comfortable maintaining our conservative investment stance.

This shift to value and quality is providing the Fund with a tailwind, and we believe we have entered into a period where the market uncertainty and volatility will favor active management. We maintain our position that controlling risk is important; our focus on quality and value-based active processes did well during the first six months of the Fund's fiscal year, and as of this writing that has continued.

Fund Performance

For the six months ended February 28, 2018, the Morgan Dempsey Small/Micro Cap Value Fund returned 6.51% vs. the Russell 2000 Value Total Return Index which returned 5.09%.

Issue Specific

The following were our strongest performing companies and our weakest performing companies for the Fund for the six months ended February 28, 2018:

Top 3 Contributors for the six months ended February 28, 2018:

TWIN Twin Disc, Inc.

Industrials: Engines & Transmissions

Twin Disc, Inc. engages in the manufacturing and sale of marine and heavy-duty off-highway power transmission equipment. It operates through the Manufacturing and Distribution segments. According to the company, "It is obvious that conditions have improved for Twin Disc. The North American pressure pumping fleet continued to add horsepower both through new rig construction and overhauls of ideal equipment. However, we also saw a widespread demand in aftermarket parts for all of our products". Other products that saw improved demand were higher horsepower hydraulic power take-offs and marine transmissions. The company's backlog continues to grow, and the efficiency programs they enacted in the past are beginning to payoff.

Cabot Microelectronics Corporation

Materials: Electronic Materials

Cabot Microelectronics Corporation is headquartered in Aurora, Illinois, and is the world's leading supplier of chemical mechanical planarization (CMP) polishing slurries used in semiconductor manufacturing, and second largest CMP pads supplier to the semiconductor industry. The company's products play a critical role in the production of advanced semiconductor devices, helping to enable the manufacture of smaller, faster and more complex devices by its customers. Over the last six months, Cabot has reported strong revenue and earnings per share growth. The company has continued to see significant revenue growth and demand for their CMP slurries for polishing tungsten, dielectrics slurries, and CMP pads. The company is well positioned and optimistic that this momentum will carry forward.

MSA Safety, Inc.

Industrials: Safety Clothing and Equipment

MSA Safety, Inc. develops, manufactures, and supplies safety products that protect people and facility infrastructures in North America, Europe, and internationally. The company continued to see strong demand for their newest product, the G1 self-contained breathing apparatus (SCBA). The company has rebounded due to an increase in oil/gas prices.

Bottom 3 Contributors for the six months ended February 28, 2018:

Weis Markets, Inc.

Consumer Staples: Grocery Retail

Weis Markets, Inc. engages in the ownership and operation of 204 retail food stores in the Mid-Atlantic region of the United States. The recent announcement of the acquisition of Whole Foods by Amazon rocked the grocery store industry. While we think this could potentially pose a threat to other grocery store retailers, it will take a while before the effects are felt. We also believe that Weis is well positioned to be somewhat protected from an Amazon type threat. The company offers an online shopping experience currently with plans to expand it in the future.

Gorman Rupp Company

Industrials: Pumps & Pumping Equipment

The Gorman-Rupp Company engages in the design, manufacture, and global marketing of pumps and pump systems for use in diverse water, wastewater, construction, dewatering, industrial, petroleum, original equipment, agriculture, fire protection, heating, ventilating, and air conditioning, military and other liquid-handling applications. Gorman's share price climbed before earnings and shares pulled back slightly after the earnings announcement. There was nothing significant to note.

Ampco-Pittsburgh Corporation

Industrials: Metal Fabrication

Ampco-Pittsburgh Corporation manufactures and sells custom-designed engineering products. It operates through Forged & Cast Engineered Products and Air & Liquid Processing segments. Ampco announced mostly positive earnings during the quarter, but expenses due to their acquisition of Akers AB, early termination of their credit facility, and foreign exchange losses all impacted earnings.

Sector Performance:

The following were our strongest performing sectors and our weakest performing sectors for the six months ended February 28, 2018:

Top 3 Performing Sectors:

Real Estate – The sector declined, and the Fund has zero exposure

Utilities – The sector declined, and the Fund has zero exposure

Information Technology – The sector declined and the Fund has very little exposure

Bottom 3 Performing Sectors:

Consumer Discretionary

Materials

Consumer Staples

Perspective and Outlook:

World economies and the U.S. economy have continued to improve. As we reported in our semi-annual shareholder letter, there is an optimism at our companies as they exit the long period of uncertainty and hesitancy that plagued the markets for many years. We continue to be bullish that small-cap value will outperform growth and large caps, and that cyclical will outperform defensives. We do see a period of lower than historical returns for equities, which should advantage active management versus the index. With rising interest rates, the large amount of companies in the Russell 2000 Value Total Return Index that have no earnings, who are highly leveraged, we continue to believe, will mean a period of outperformance of quality value stocks, active management, and the Fund.

Therefore, Morgan Dempsey believes an investment discipline that requires “fortress balance sheets,” strong cash flow characteristics, low debt, and self-funding organic growth is preferable at this juncture (and always) to holding companies laden with debt and plagued by refinancing risk.

As always, we believe our pursuit of companies with strong competitive characteristics, strong “fortress” balance sheets combined with our preference for Founder/Owner Operator run businesses we believe offers the Fund an additional level of protection if the economy weakens or there is a sharp correction in the equity markets. Our emphasis on dynamic, strong business models and market leaders who are focused on organic growth through new product development should allow us to continue to participate in up markets. We remain fully invested and confident that we can achieve our goal of outperforming our benchmark over full market cycles.

Past performance is not a guarantee of future results.

The information provided herein represents the opinion of Morgan Dempsey Capital Management, LLC and is not intended to be a forecast of future events, a guarantee of future results, nor Investment advice.

Mutual fund investing involves risk. Principal loss is possible. Investments in small and microcap companies involve additional risks such as limited liquidity and greater volatility. Unlike mutual funds, exchange-traded funds (“ETFs”) do not necessarily trade at the net asset values of their underlying securities, which means an ETF could potentially trade above or below the value of its underlying portfolio. The Fund’s use of derivatives could cause losses due to the unexpected effect of market movements on a derivative’s price, or because the derivatives do not perform as anticipated.

Earnings growth is not a measure of the Fund’s future performance.

Fund holdings and sector allocations are subject to change at any time and should not be considered recommendations to buy or sell any security. Please refer to the Schedule of Investments in this report for a complete list of fund holdings.

The Russell 2000® Value Total Return Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. You cannot invest directly in an index.

The Standard & Poor’s 500 Index (S&P 500) is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large-cap universe, made up of companies selected by economists. The S&P 500 is a market value weighted index and one of the common benchmarks for the U.S. stock market; other S&P indexes include small-cap companies with market capitalization between \$300 million and \$2 billion and an index of mid-cap companies. Investment products based on the S&P 500 include index funds, and exchange-traded funds are available to investors.

This report is intended for the shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus.

The Morgan Dempsey Small/Micro Cap Value Fund is distributed by Quasar Distributors, LLC.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Expense Example

(Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees and (2) ongoing costs, including management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund, and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (9/1/17 – 2/28/18).

Actual Expenses

The first line of the following table provides information about actual account values and actual expenses. Although the Fund charges no load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund's transfer agent. If you request that a redemption be made by wire transfer, currently a \$15.00 fee is charged by the Fund's transfer agent. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem your shares of the Fund within 90 days of purchase. IRA accounts will be charged a \$15.00 annual maintenance fee. To the extent the Fund invests in shares of exchange-traded funds or other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the direct expenses of the Fund. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example. The example includes, but is not limited to, management fees, fund administration and accounting, custody and transfer agent fees. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Expense Example (Continued)

(Unaudited)

	Beginning Account Value	Ending Account Value	Expenses Paid During Period
	<u>9/1/17</u>	<u>2/28/18</u>	<u>9/1/17 – 2/28/18*</u>
Actual	\$1,000.00	\$1,065.10	\$6.66
Hypothetical (5% annual return before expenses)	\$1,000.00	\$1,018.35	\$6.51

* Expenses are equal to the Fund's annualized expense ratio of 1.30%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

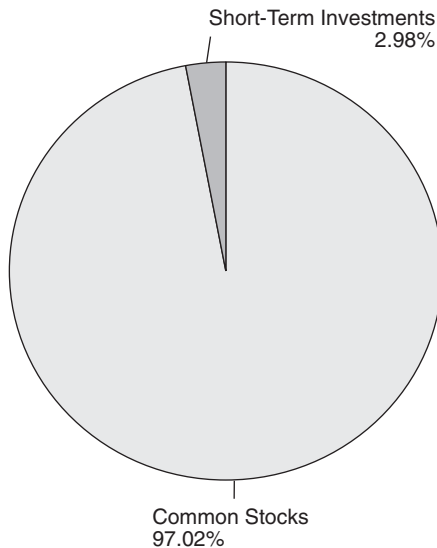
MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Investment Highlights

(Unaudited)

The investment objective of the Fund is long-term capital appreciation. To achieve its investment objective, the Fund invests in companies with micro- and small-size market capitalizations (“micro-cap” and “small-cap” companies). The Fund currently defines micro-cap companies as companies with market capitalizations between \$50 million and \$500 million and small-cap companies as companies with market capitalizations between \$500 million and \$3 billion. Under normal market conditions, at least 80% of the Fund’s net assets, plus the amount of any borrowings for investment purposes, will be invested in common stocks and other equity securities of micro-cap and small-cap companies. The Fund’s allocation of portfolio holdings as of February 28, 2018 is shown below.

Allocation of Portfolio Holdings (% of Investments)



Continued

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Investment Highlights (Continued)

(Unaudited)

Average Annual Total Returns as of February 28, 2018

	<u>One Year</u>	<u>Five Years</u>	<u>Since Inception (12/31/10)</u>
Morgan Dempsey Small/Micro Cap Value Fund	5.84%	7.65%	7.41%
Russell 2000® Value Total Return Index	<u>2.96%</u>	<u>10.59%</u>	<u>9.99%</u>

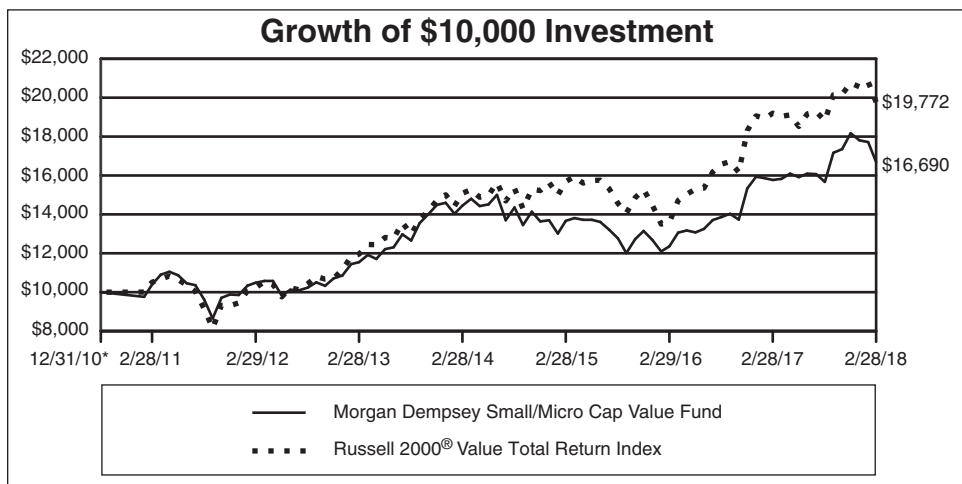
Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 877-642-7227. The Fund imposes a 2.00% redemption fee on shares redeemed within ninety days of purchase. Performance quoted does not reflect the redemption fee. If reflected, total returns would be reduced.

Investment performance reflects fee waivers in effect. In the absence of such waivers, total returns would be reduced.

The returns shown assume reinvestment of Fund distributions and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The following graph illustrates performance of a hypothetical investment made in the Fund and a broad-based securities index on the Fund's inception date. The graph does not reflect any future performance.

The Russell 2000® Value Total Return Index is an unmanaged index of those Russell 2000 companies chosen for their value orientation.

One cannot invest directly in an index.



* Inception Date

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Schedule of Investments

February 28, 2018 (Unaudited)

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS – 97.05%		
Adhesives, Coatings, Sealants & Paints – 0.71%		
CSW Industrials, Inc. (a)	3,405	\$ 156,119
Aerospace/Defense – 2.90%		
Cubic Corp.	5,096	312,894
Espey Manufacturing & Electronics Corp.	6,077	163,957
SIFCO Industries, Inc. (a)	31,660	158,300
		<u>635,151</u>
Agriculture & Dairy Farms – 1.20%		
Cal-Maine Foods, Inc. (a)	6,177	263,140
Ammunition & Explosive Ordnance – 1.34%		
National Presto Industries, Inc.	3,227	293,012
Athletic Sporting Goods – 1.40%		
Johnson Outdoors, Inc. – Class A	4,965	306,043
Building Products & Supply – 3.55%		
Apogee Enterprises, Inc.	6,915	298,313
Insteel Industries, Inc.	7,320	206,717
Simpson Manufacturing Co, Inc.	4,940	273,281
		<u>778,311</u>
Casinos & Gaming – 1.52%		
Monarch Casino & Resort, Inc. (a)	7,861	331,970
Chemicals – 0.65%		
Oil-Dri Corp. of America	3,956	142,653
Chemicals – Specialty – 0.58%		
Hawkins, Inc.	3,769	126,262
Cinema Theater Exhibitors – 4.90%		
Marcus Corp.	39,854	1,076,057
Commercial Banks – Community – 8.35%		
Ames National Corp.	8,260	219,303
Auburn National Bancorporation, Inc.	6,324	228,170
Bar Harbor Bankshares	7,950	215,445
Eagle Bancorp Montana, Inc.	8,973	177,665
First of Long Island Corp.	7,447	202,917
German American Bancorp, Inc.	11,081	367,115

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Schedule of Investments (Continued)

February 28, 2018 (Unaudited)

	<u>Shares</u>	<u>Value</u>
Commercial Banks – Community – 8.35% (Continued)		
Hingham Institution for Savings	1,418	\$ 283,614
Nicolet Bankshares, Inc. (a)	2,491	134,688
		<u>1,828,917</u>
Commercial Vehicles Manufacturing – 0.48%		
Wabash National Corp.	4,815	<u>105,208</u>
Construction & Engineering Services – 5.16%		
Granite Construction, Inc.	19,464	<u>1,130,858</u>
Construction & Mining Machinery – 1.70%		
Astec Industries, Inc.	6,321	<u>372,307</u>
Containers – Metal, Glass & Plastic – 1.31%		
AptarGroup, Inc.	3,202	<u>286,323</u>
Crane Hoist & Chains – 1.04%		
Columbus McKinnon Corp.	6,443	<u>228,727</u>
Electrical Power Equipment & Grid Infrastructure – 2.39%		
MYR Group, Inc. (a)	10,862	351,386
Powell Industries, Inc.	6,534	174,001
		<u>525,387</u>
Electronic Circuit Board – 1.11%		
Kimball Electronics, Inc. (a)	13,984	<u>242,622</u>
Electronic Equipment & Instruments – 1.23%		
Badger Meter, Inc.	5,673	<u>270,035</u>
Engines & Transmissions – 1.89%		
Twin Disc, Inc. (a)	17,286	<u>413,481</u>
Fork Trucks & Lifts – 1.18%		
Hyster-Yale Materials Handling, Inc. – Class A	3,629	<u>258,349</u>
Grocery Retail – 3.98%		
Weis Markets, Inc.	23,402	<u>872,193</u>
Guns & Accessories – 3.87%		
Sturm, Ruger & Co., Inc.	19,703	<u>848,214</u>
Health Care – Equipment – 4.28%		
ICU Medical, Inc. (a)	1,371	317,044

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MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Schedule of Investments (Continued)

February 28, 2018 (Unaudited)

	<u>Shares</u>	<u>Value</u>
Health Care – Equipment – 4.28% (Continued)		
Merit Medical Systems, Inc. (a)	5,993	\$ 272,682
Utah Medical Products, Inc.	3,910	346,816
		<u>936,542</u>
Health Care – Supplies – 0.95%		
Atrion Corp.	355	<u>209,060</u>
Health Safety & Protective Supply – 4.99%		
Lakeland Industries, Inc. (a)	10,470	137,681
MSA Safety, Inc.	11,851	955,546
		<u>1,093,227</u>
Home Furniture – 1.21%		
Hooker Furniture Corp.	7,110	<u>265,558</u>
Homebuilders – Single Family Home Construction – 0.71%		
M/I Homes, Inc. (a)	5,330	<u>154,837</u>
Insurance – Property/Casualty – 0.99%		
Baldwin & Lyons, Inc. – Class B	4,768	107,995
United Fire Group, Inc.	2,470	109,866
		<u>217,861</u>
Laboratories Equipment & Furniture – 0.42%		
Kewaunee Scientific Corp.	3,127	<u>93,028</u>
Meat, Poultry & Fish – 0.98%		
Sanderson Farms, Inc.	1,738	<u>214,035</u>
Metal Fabrication – 0.48%		
Ampco-Pittsburgh Corp. (a)	10,415	<u>106,233</u>
Metal Pipelines & Tubes – 1.31%		
Northwest Pipe Co. (a)	6,445	112,981
Synalloy Corp.	12,509	171,373
		<u>284,354</u>
Oil & Gas Drilling Equipment – 1.84%		
Dril-Quip, Inc. (a)	6,383	287,554
Gulf Island Fabrication, Inc.	13,926	114,890
		<u>402,444</u>

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Schedule of Investments (Continued)

February 28, 2018 (Unaudited)

	<u>Shares</u>	<u>Value</u>
Oil & Gas Exploration/Production – 1.31%		
Unit Corp. (a)	14,953	\$ 286,499
Oil & Gas Field Services – 1.91%		
Keane Group, Inc. (a)	11,560	179,758
Oil States International, Inc. (a)	2,940	72,324
RPC, Inc.	8,511	167,156
		<u>419,238</u>
Packaged Foods – 5.12%		
Flowers Foods, Inc.	9,367	194,272
J & J Snack Foods Corp.	6,903	927,279
		<u>1,121,551</u>
Pollution & Waste Control – 0.57%		
Perma-Pipe International Holdings, Inc. (a)	14,279	125,655
Pumps & Pumping Equipment – 4.94%		
Franklin Electric Co, Inc.	2,618	102,495
Gorman-Rupp Co.	36,614	976,861
		<u>1,079,356</u>
Rail Road Equipment & Rolling Stock – 0.49%		
FreightCar America, Inc. (a)	7,237	107,035
Research Publishing – 0.32%		
Value Line, Inc.	3,771	70,065
Retail – Apparel – 0.42%		
Duluth Holdings, Inc. – Class B (a)	5,428	91,299
Retail – Specialty – 0.85%		
Buckle, Inc.	5,959	125,437
Zumiez, Inc. (a)	3,063	60,341
		<u>185,778</u>
RV, Motor Home & Trailer – 0.94%		
Thor Industries, Inc.	1,602	206,658
Semiconductor Chemicals & Supply – 3.73%		
Cabot Microelectronics Corp.	2,856	291,026
KMG Chemicals, Inc.	6,321	379,070
Park Electrochemical Corp.	8,700	148,074
		<u>818,170</u>

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Schedule of Investments (Continued)

February 28, 2018 (Unaudited)

	<u>Shares</u>	<u>Value</u>
Semiconductor Equipment – 1.50%		
MKS Instruments, Inc.	2,955	\$ 329,040
Structural Metal, Plate Work, & Sheet Metal – 1.80%		
LB Foster Co. – Class A (a)	15,115	395,257
Tools & Hardware – 0.15%		
LS Starrett Co. – Class A	3,785	32,173
Tow Truck & Wreckers – 0.64%		
Miller Industries, Inc.	5,754	140,110
Trucking FTL/LTL – 0.90%		
Marten Transport Ltd.	9,133	197,729
Valves, Fluid Power & Control Equipment – 0.86%		
Graham Corp.	9,338	188,721
TOTAL COMMON STOCKS (Cost \$19,037,475)		<u>\$21,262,852</u>
SHORT-TERM INVESTMENTS – 2.98%		
Money Market Funds – 2.98%		
STIT-Treasury Obligations Portfolio, Institutional Class, 1.310% (b)	653,741	653,741
TOTAL SHORT-TERM INVESTMENTS (Cost \$653,741)		<u>653,741</u>
Total Investments (Cost \$19,691,216) – 100.03%		21,916,593
Liabilities in Excess of Other Assets – (0.03%)		(5,822)
TOTAL NET ASSETS – 100.00%		<u>\$21,910,771</u>

(a) Non-income producing security.

(b) Seven day yield as of February 28, 2018.

Industry classifications are determined by Morgan Dempsey Capital Management, LLC and may reference data from sources such as Global Industry Classification Standard (GICS). GICS was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poors Financial Services LLC (“S&P”). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Statement of Assets and Liabilities

February 28, 2018 (Unaudited)

Assets

Investments, at value (cost \$19,691,216)	\$21,916,593
Dividends and interest receivable	39,321
Receivable for Fund shares sold	1,500
Other assets	11,945
Total Assets	<u>21,969,359</u>

Liabilities

Payable for investments purchased	21,408
Payable to affiliates	18,385
Payable to Adviser	7,982
Accrued expenses and other liabilities	10,813
Total Liabilities	<u>58,588</u>

Net Assets

	<u>\$21,910,771</u>
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Net Assets Consist of:

Paid-in capital	\$24,021,385
Accumulated undistributed net investment income	44,349
Accumulated net realized loss	(4,380,340)
Net unrealized appreciation on investments	2,225,377
Net Assets	<u>\$21,910,771</u>

Shares of beneficial interest outstanding (unlimited number of shares authorized, \$0.001 par value)	<u>1,466,253</u>
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Net asset value, redemption price and offering price per share ⁽¹⁾	<u>\$ 14.94</u>
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⁽¹⁾ If applicable, redemption price per share may be reduced by a 2.00% redemption fee for shares redeemed within ninety days of purchase.

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Statement of Operations

For the Six Months Ended February 28, 2018 (Unaudited)

Investment Income

Dividend income	\$ 188,296
Interest income	3,031
Total Investment Income	<u>191,327</u>

Expenses

Management fees	124,328
Administration fees	20,002
Transfer agent fees and expenses	14,413
Fund accounting fees	14,299
Federal and state registration fees	9,782
Legal fees	8,810
Audit and tax fees	8,476
Chief Compliance Officer fees	3,982
Trustees' fees	3,571
Custody fees	3,051
Reports to shareholders	2,573
Other expenses	2,204
Total Expenses	<u>215,491</u>
Less waivers and reimbursements by Adviser (Note 4)	<u>(68,513)</u>
Net Expenses	<u>146,978</u>

Net Investment Income 44,349

Realized and Unrealized Gain on Investments

Net realized gain from investments	511,989
Change in net unrealized appreciation on investments	829,648
Net Realized and Unrealized Gain on Investments	<u>1,341,637</u>
Net Increase in Net Assets from Operations	<u>\$1,385,986</u>

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Statements of Changes in Net Assets

	Six Months Ended February 28, 2018 (Unaudited)	Year Ended August 31, 2017
From Operations		
Net investment income	\$ 44,349	\$ 23,280
Net realized gain from investments	511,989	906,564
Net change in unrealized appreciation on investments	<u>829,648</u>	<u>1,329,382</u>
Net increase in net assets from operations	<u>1,385,986</u>	<u>2,259,226</u>
From Distributions		
Net investment income	<u>(23,030)</u>	<u>(64,096)</u>
Net decrease in net assets resulting from distributions paid	<u>(23,030)</u>	<u>(64,096)</u>
From Capital Share Transactions		
Proceeds from shares sold	1,848,747	5,146,248
Net asset value of shares issued to shareholders in payment of distributions declared	3,015	9,584
Costs for shares redeemed ⁽¹⁾	<u>(2,042,476)</u>	<u>(3,958,516)</u>
Net increase (decrease) in net assets from capital share transactions	<u>(190,714)</u>	<u>1,197,316</u>
Total Increase in Net Assets	1,172,242	3,392,446
Net Assets:		
Beginning of period	<u>20,738,529</u>	<u>17,346,083</u>
End of period	<u>\$21,910,771</u>	<u>\$20,738,529</u>
Accumulated Undistributed Net Investment Income	<u>\$ 44,349</u>	<u>\$ 23,030</u>

(1) Net of redemption fees of \$0 and \$204 for the period ended February 28, 2018 and year ended August 31, 2017, respectively.

The accompanying notes are an integral part of these financial statements.

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MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Financial Highlights

	Six Months Ended February 28, 2018 (Unaudited)
Net Asset Value, Beginning of Year/Period	<u>\$14.04</u>
Income from investment operations:	
Net investment income ⁽¹⁾	0.03
Net realized and unrealized gain (loss) on investments	<u>0.89</u>
Total from investment operations	<u>0.92</u>
Less distributions paid:	
From net investment income	(0.02)
From net realized gain on investments	<u>—</u>
Total distributions paid	<u>(0.02)</u>
Paid-in capital from redemption fees (Note 2)	<u>—</u>
Net Asset Value, end of Year/Period	<u>\$14.94</u>
Total Return ⁽³⁾	6.51%
Supplemental Data and Ratios:	
Net assets at end of year/period (000's)	\$21,911
Ratio of expenses to average net assets:	
Before waiver and expense reimbursement ⁽⁴⁾	1.91%
After waiver and expense reimbursement ⁽⁴⁾	1.30%
Ratio of net investment income (loss) to average net assets:	
Before waiver and expense reimbursement ⁽⁴⁾	(0.22)%
After waiver and expense reimbursement ⁽⁴⁾	0.39%
Portfolio turnover rate ⁽³⁾	8.88%

(1) Per share net investment income has been calculated using the daily average shares outstanding method.

(2) Rounds to less than 0.5 cent per share.

(3) Not annualized for periods less than one year.

(4) Annualized for periods less than one year.

(5) The ratio of expenses to average net assets includes interest expenses. The annualized before waiver and expense reimbursement and after waiver and expense reimbursement ratios excluding interest expenses were 2.13% and 1.30% and 1.57% and 1.30% for the years ended August 31, 2016 and August 31, 2015, respectively.

(6) Includes a voluntary waiver by U.S. Bancorp Fund Services, LLC and U.S. Bank, N.A. which amounted to 0.53% of the total waiver.

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Financial Highlights (Continued)

Per Share Data for a Share Outstanding Throughout Each Year/Period

	Year Ended August 31,				
2017	2016	2015	2014	2013	
<u>\$12.46</u>	<u>\$11.56</u>	<u>\$13.79</u>	<u>\$12.30</u>	<u>\$10.20</u>	
0.02	0.05	0.05	0.02	0.07	
<u>1.61</u>	<u>0.93</u>	<u>(1.52)</u>	<u>1.63</u>	<u>2.29</u>	
<u>1.63</u>	<u>0.98</u>	<u>(1.47)</u>	<u>1.65</u>	<u>2.36</u>	
(0.05)	(0.08)	(0.04)	(0.00) ⁽²⁾	(0.17)	
<u>—</u>	<u>—</u>	<u>(0.72)</u>	<u>(0.16)</u>	<u>(0.09)</u>	
<u>(0.05)</u>	<u>(0.08)</u>	<u>(0.76)</u>	<u>(0.16)</u>	<u>(0.26)</u>	
<u>0.00⁽²⁾</u>	<u>0.00⁽²⁾</u>	<u>0.00⁽²⁾</u>	<u>0.00⁽²⁾</u>	<u>0.00⁽²⁾</u>	
<u>\$14.04</u>	<u>\$12.46</u>	<u>\$11.56</u>	<u>\$13.79</u>	<u>\$12.30</u>	
13.03%	8.55%	(11.04)%	13.43%	23.64%	
\$20,739	\$17,346	\$27,398	\$90,274	\$18,110	
2.03%	2.14% ⁽⁵⁾	1.58% ⁽⁵⁾	1.59%	3.42%	
1.30%	1.31% ⁽⁵⁾	1.31% ⁽⁵⁾	1.30%	1.30% ⁽⁶⁾	
(0.61)%	(0.38)%	0.12%	(0.13)%	(1.52)%	
0.12%	0.45%	0.39%	0.16%	0.60% ⁽⁶⁾	
23.85%	16.66%	7.83%	13.87%	37.76%	

The accompanying notes are an integral part of these financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements

February 28, 2018 (Unaudited)

(1) Organization

Trust for Professional Managers (the “Trust”) was organized as a Delaware statutory trust under a Declaration of Trust dated May 29, 2001. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Morgan Dempsey Small/Micro Cap Value Fund (the “Fund”) represents a distinct diversified series with its own investment objective and policies within the Trust. The investment objective of the Fund is long-term capital appreciation. The Trust may issue an unlimited number of shares of beneficial interest at \$0.001 par value. The assets of the Fund are segregated, and a shareholder’s interest is limited to the fund in which shares are held. The Fund became effective on April 30, 2010 and commenced operations on December 31, 2010. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services—Investment Companies”. Costs incurred by the Fund in connection with the organization and the initial public offering of shares were paid by Morgan Dempsey Capital Management, LLC (the “Adviser”), the Fund’s investment adviser.

(2) Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of the financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

(a) *Investment Valuation*

Each security owned by the Fund that is listed on a securities exchange is valued at its last sale price on that exchange on the date as of which assets are valued.

If the security is listed on more than one exchange, the Fund will use the price of the exchange that the Fund generally considers to be the principal exchange on which the security is traded. Portfolio securities listed on the NASDAQ Stock Market, Inc. (“NASDAQ”) will be valued at the NASDAQ Official Closing Price, which may not necessarily represent the last sale price. If there has been no sale on such exchange or on NASDAQ on such day, the security is valued at the mean between the most recent bid and asked prices on such day or the security shall be valued at the latest sales price on the “composite market” for the day such security is being valued. The composite market is defined as a consolidation of the trade information provided by national securities and foreign exchanges and over-the-counter markets as published by a Pricing Service.

If market quotations are not readily available, a security or other asset will be valued at its fair value as determined under fair value pricing procedures approved by the Board of Trustees. These fair value pricing procedures will also be used to price a security when corporate events, events in the securities market and/or world events cause the Adviser to believe that a security’s last sale price may not reflect its actual

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

fair value. The intended effect of using fair value pricing procedures is to ensure that the Fund is accurately priced. The Board of Trustees will regularly evaluate whether the Fund's fair value pricing procedures continue to be appropriate in light of the specific circumstances of the Fund and the quality of prices obtained through the application of such procedures by the Trust's valuation committee.

Debt securities, including short-term debt instruments having a maturity of 60 days or less, are valued at the mean in accordance with prices supplied by an approved Pricing Service. Pricing Services may use various valuation methodologies such as the mean between the bid and the asked prices, matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. If a price is not available from a Pricing Service, the most recent quotation obtained from one or more broker-dealers known to follow the issue will be obtained. Quotations will be valued at the mean between the bid and the offer. Any discount or premium is accreted or amortized over the expected life of the respective security using the constant yield method.

Money market funds, demand notes and repurchase agreements are valued at cost. If cost does not represent current market value the securities will be priced at fair value.

Redeemable securities issued by open-end, registered investment companies are valued at the NAVs of such companies for purchase and/or redemption orders placed on that day. All exchange-traded funds are valued at the last reported sale price on the exchange on which the security is principally traded.

FASB Accounting Standards Codification, "Fair Value Measurements and Disclosures" Topic 820 ("ASC 820"), establishes an authoritative definition of fair value and sets out a hierarchy for measuring fair value. ASC 820 requires an entity to evaluate certain factors to determine whether there has been a significant decrease in volume and level of activity for the security such that recent transactions and quoted prices may not be determinative of fair value and further analysis and adjustment may be necessary to estimate fair value. ASC 820 also requires enhanced disclosure regarding the inputs and valuation techniques used to measure fair value in those instances as well as expanded disclosure of valuation levels for each class of investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical securities.
- Level 2 – Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 – Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's investments carried at fair value as of February 28, 2018:

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Common Stocks ⁽¹⁾	\$21,262,852	\$ —	\$ —	\$21,262,852
Short-Term Investments	<u>653,741</u>	<u>—</u>	<u>—</u>	<u>653,741</u>
Total Investments in Securities	<u>\$21,916,593</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$21,916,593</u>

⁽¹⁾ See the Schedule of Investments for industry classifications.

During the six months ended February 28, 2018, there were no transfers between levels for the Fund. It is the Fund's policy to record transfers at the end of the reporting period.

The Fund held no Level 3 securities during the six months ended February 28, 2018. The Fund did not hold any financial derivative instruments during the reporting period.

(b) *Federal Income Taxes*

The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code necessary to qualify as a regulated investment company and to make the requisite distributions of income and capital gains to its shareholders sufficient to relieve it from all or substantially all federal income taxes. Therefore, no federal income tax provision has been provided.

As of and during the year ended August 31, 2017, the Fund did not have a liability for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to uncertain tax benefits as income tax expense in the Statement of Operations. During the year ended August 31, 2017, the Fund did not incur any interest or penalties. The Fund is not subject to examination by U.S. taxing authorities for the tax periods prior to the year ended August 31, 2014.

(c) *Distributions to Shareholders*

The Fund will distribute any net investment income and any net realized long-term or short-term capital gains at least annually. Distributions from net realized gains for book purposes may include short-term capital gains. All short-term capital gains are included in ordinary income for tax purposes. Distributions to shareholders are recorded on the ex-dividend date. The Fund may also pay a special distribution at the end of the calendar year to comply with federal tax requirements.

(d) *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

(e) *Share Valuation*

The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding for the Fund, rounded to the nearest cent. The Fund's shares will not be priced on the days on which the New York Stock Exchange ("NYSE") is closed for trading. The Fund charges a 2.00% redemption fee on shares redeemed within ninety days of purchase. These fees are deducted from the redemption proceeds otherwise payable to the shareholder. The Fund will retain the fee charged as an increase in paid-in capital and such fees become part of the Fund's daily NAV calculation. The Fund did not collect any redemption fees during the six months ended February 28, 2018.

(f) *Expenses*

Expenses associated with a specific fund in the Trust are charged to that fund. Common expenses are typically allocated evenly between the funds of the Trust, or by other equitable means.

(g) *Other*

Investment transactions are recorded on the trade date. The Fund determines the gain or loss from investment transactions using the first in – first out "FIFO" method by comparing the original cost of the security lot sold with the net sale proceeds. Dividend income is recognized on the ex-dividend date and interest income is recognized on an accrual basis.

(3) Federal Tax Matters

The tax character of distributions paid during the years ended August 31, 2017 and August 31, 2016 were as follows:

	<u>August 31, 2017</u>	<u>August 31, 2016</u>
Ordinary Income	\$64,096	\$126,967

As of August 31, 2017, the components of accumulated earnings on a tax basis were as follows:

Cost basis of investments for federal income tax purposes	<u>\$19,760,320</u>
Gross tax unrealized appreciation	4,040,506
Gross tax unrealized depreciation	<u>(3,049,645)</u>
Net tax unrealized appreciation	<u>\$ 990,861</u>
Undistributed ordinary income	23,030
Undistributed long-term capital gain	—
Total distributable earnings	<u>\$ 23,030</u>
Other accumulated loss	<u>(4,487,461)</u>
Total accumulated loss	<u>\$ (3,473,570)</u>

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

The tax basis of investments for tax and financial reporting purposes differs principally due to the deferral of losses on wash sales.

At August 31, 2017, the Fund had the following short-term and long-term capital losses remaining, which will be carried forward indefinitely to offset future realized capital gains. To the extent the Fund realizes future net capital gains, taxable distributions to its shareholders will be first offset by any unused capital loss carryovers from the year ended August 31, 2017.

Short-Term	\$2,489,632
Long-Term	<u>1,997,829</u>
	<u>\$4,487,461</u>

The Fund utilized capital losses for the year ended August 31, 2017.

Short-Term	\$ 21,520
Long-Term	<u>978,998</u>
	<u>\$1,000,518</u>

GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended August 31, 2017, no such classifications were required.

(4) Investment Adviser

The Trust has an Investment Advisory Agreement (the "Agreement") with the Adviser to furnish investment advisory services to the Fund. Under the terms of the Agreement, the Fund compensates the Adviser for its management services at the annual rate of 1.10% of the Fund's average daily net assets.

The Adviser has contractually agreed to waive its management fee and/or reimburse the Fund's other expenses at least through December 29, 2018, at the discretion of the Adviser and the Board of Trustees, to the extent necessary to ensure that the Fund's total operating expenses (exclusive of front-end or contingent deferred sales loads, Rule 12b-1 plan fees, shareholder servicing plan fees, taxes, leverage (i.e., any expenses incurred in connection with borrowings by the Fund), interest (including interest incurred in connection with bank and custody overdrafts), brokerage commission and other transactional expenses, expenses incurred in connection with any merger or reorganization, dividends or interest on short positions, acquired fund fees and expenses and extraordinary expenses such as litigation do not exceed 1.30% of the Fund's average daily net assets (the "Expense Limitation Cap"). For the six months ended February 28, 2018, expenses of \$68,513 were waived or reimbursed by the Adviser. Any such waiver or reimbursement is subject to later adjustment to allow the Adviser to recoup amounts waived or reimbursed up to three years from the date such amount was waived or reimbursed, subject to the operating expense limitation agreement, if such reimbursements will not cause the Fund to exceed the lesser of: (1) the expense limitation in place at the time of the waiver; or (2) the expense limitation in place at the time of the recoupment.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

The following table shows the remaining waived or reimbursed expenses subject to potential recovery expiring by:

August 31, 2018	\$ 70,829
August 31, 2019	\$156,656
August 31, 2020	\$145,954
February 28, 2021	\$ 68,513

(5) Related Party Transactions

U.S. Bancorp Fund Services, LLC (“USBFS” or the “Administrator”) acts as the Fund’s Administrator under an Administration Agreement. The Administrator prepares various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund’s custodian, transfer agent and accountants; coordinates the preparation and payment of the Fund’s expenses; and reviews the Fund’s expense accruals. USBFS also serves as the fund accountant and transfer agent to the Fund. U.S. Bank, N.A. (“US Bank”), an affiliate of USBFS, serves as the Fund’s custodian. Fees and expenses incurred for the six months ended February 28, 2018, and owed as of February 28, 2018 are as follows:

	<u>Incurred</u>	<u>Owed</u>
Administration	\$20,002	\$6,302
Accounting	\$14,299	\$4,679
Transfer Agency	\$14,413	\$4,635
Custody	\$ 3,051	\$1,458

Quasar Distributors, LLC (the “Distributor”) acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares. The Distributor is an affiliate of USBFS and US Bank.

Certain officers of the Fund are also employees of USBFS. A Trustee of the Trust is affiliated with USBFS and US Bank. This same Trustee is a board member and an interested person of the Distributor.

The Fund also has a line of credit with US Bank (see Note 9).

The Trust’s Chief Compliance Officer is also an employee of USBFS. For the six months ended February 28, 2018, the Fund was allocated \$3,982 of the Trust’s Chief Compliance Officer fees. As of February 28, 2018, fees of \$1,311 were owed by the Fund to USBFS for Chief Compliance Officer services.

(6) Capital Share Transactions

Transactions in shares of the Fund were as follows:

	<u>Six Months Ended February 28, 2018</u>	<u>Year Ended August 31, 2017</u>
Shares sold	119,996	373,110
Shares redeemed	(131,092)	(288,927)
Shares reinvested	188	668
Net increase (decrease)	<u>(10,908)</u>	<u>84,851</u>

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notes to Financial Statements (Continued)

February 28, 2018 (Unaudited)

(7) Investment Transactions

The aggregate purchases and sales of securities, excluding short-term investments, for the Fund for the six months ended February 28, 2018, were \$1,962,712 and \$2,125,563, respectively. There were no purchases or sales of U.S. government securities for the Fund.

(8) Beneficial Ownership

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the 1940 Act. US Bank, custodian for the fund, and Quasar, distributor for the Fund, are wholly owned subsidiaries of USBFS. USBFS provides transfer agency, fund accounting and fund administration services to the Fund and is a subsidiary of US Bank. US Bank, for the benefit of its customers, holds more than 25% of the Fund's outstanding shares, 78.09%, therefore, these entities are all considered affiliates of the Fund.

(9) Line of Credit

At February 28, 2018, the Fund had a line of credit in the amount of the lesser of \$2,500,000 or 33.33% of the fair value of unencumbered assets of the Fund, as defined, which matures on August 10, 2018. This unsecured line of credit is intended to provide short-term financing, if necessary, subject to certain restrictions, in connection with shareholder redemptions. Interest was accrued at the prime rate of 4.25% from September 1, 2017 through December 13, 2017, and 4.50% thereafter. The credit facility is with the Fund's custodian, US Bank. During the six months ended February 28, 2018, the Fund had borrowings on the line of credit on two days, with an average borrowing and interest rate on those days of \$179,500 and 4.50%, respectively. Interest expense of \$45 incurred during the period is included within other expenses on the Statement of Operations. The balance as of January 16, 2018 of \$180,000 was the maximum amount of borrowings outstanding during the six months ended February 28, 2018. As of February 28, 2018, the Fund did not have any borrowings on the line of credit outstanding.

(10) Subsequent Events

The Fund has evaluated events and transactions that have occurred subsequent to February 28, 2018 and determined there were no subsequent events that would require recognition or disclosure in financial statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Notice of Privacy Policy & Practices

We collect non-public personal information about you from the following sources:

- information we receive about you on applications or other forms;
- information you give us orally; and
- information about your transactions with us or others.

We do not disclose any non-public personal information about our shareholders or former shareholders without the shareholder's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated parties and unaffiliated third parties with whom we have contracts for servicing the Fund. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibility. All shareholder records will be disposed of in accordance with applicable law. We maintain physical, electronic and procedural safeguards to protect your non-public personal information and require third parties to treat your non-public personal information with the same high degree of confidentiality.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared with unaffiliated third parties.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Additional Information

(Unaudited)

Tax Information

The Fund designated 100% of its ordinary income distribution for the year ended August 31, 2017, as qualified dividend income under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

For the year ended August 31, 2017, 100% of dividends paid from net ordinary income qualified for the dividends received deduction available to corporate shareholders.

Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund enters into contracts that provide general indemnifications to other parties. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

Information about Trustees

The business and affairs of the Trust are managed under the direction of the Board of Trustees. Information pertaining to the Trustees of the Trust is set forth below. The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request by calling 877-642-7227.

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Independent Trustees					
Michael D. Akers, Ph.D. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1955	Trustee	Indefinite Term; Since August 22, 2001	30	Professor, Department of Accounting, Marquette University (2004–present); Chair, Department of Accounting, Marquette University (2004–2017).	Independent Trustee, USA MUTUALS (an open-end investment company with three portfolios).
Gary A. Drska 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1956	Trustee	Indefinite Term; Since August 22, 2001	30	Pilot, Frontier/Midwest Airlines, Inc. (airline company) (1986–present).	Independent Trustee, USA MUTUALS (an open-end investment company with three portfolios).

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Additional Information (Continued)

(Unaudited)

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Trust Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Jonas B. Siegel 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1943	Trustee	Indefinite Term; Since October 23, 2009	30	Retired (2011–present); Managing Director, Chief Administrative Officer (“CAO”) and Chief Compliance Officer (“CCO”), Granite Capital International Group, L.P. (an investment management firm) (1994–2011).	Independent Trustee, Gottex Trust (an open-end investment company with one portfolio) (2010–2016); Independent Manager, Ramius IDF fund complex (two closed-end investment companies) (2010–2015); Independent Trustee, Gottex Multi-Asset Endowment fund complex (three closed-end investment companies) (2010–2015); Independent Trustee, Gottex Multi-Alternatives fund complex (three closed-end investment companies) (2010–2015).

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Additional Information (Continued)

(Unaudited)

Name, Address and Year of Birth	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
Interested Trustee and Officers					
Joseph C. Neuberger* 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1962	Chairperson and Trustee	Indefinite Term; Since August 22, 2001	30	President (2017–present); Chief Operating Officer (2016– present); Executive Vice President, U.S. Bancorp Fund Services, LLC (1994–2017).	Trustee, USA MUTUALS (an open-end investment company with three portfolios); Trustee, Buffalo Funds (an open-end investment company with ten portfolios) (2003–2017).
John P. Buckel 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	President and Principal Executive Officer	Indefinite Term; Since January 24, 2013	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2004–present).	N/A
Jennifer A. Lima 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1974	Vice President, Treasurer and Principal Financial and Accounting Officer	Indefinite Term; Since January 24, 2013	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2002–present).	N/A

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Additional Information (Continued)

(Unaudited)

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Trust Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Elizabeth B. Scaff 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1985	Chief Compliance Officer, Vice President and Anti-Money Laundering Officer	Indefinite Term; Since July 1, 2017	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (February 2017–present); Vice President and Assistant CCO, Heartland Advisors, Inc. (December 2016–January 2017); Vice President and CCO, Heartland Group, Inc. (May 2016–November 2016); Vice President, CCO and Senior Legal Counsel (May 2016–November 2016), Assistant CCO and Senior Legal Counsel (January 2016–April 2016), Senior Legal and Compliance Counsel (2013–2015), Heartland Advisors, Inc.	N/A
Adam W. Smith 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1981	Secretary	Indefinite Term; Since May 29, 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2012–present).	N/A
Cullen O. Small 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1987	Assistant Treasurer	Indefinite Term; Since January 22, 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2010–present).	N/A

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Additional Information (Continued)

(Unaudited)

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Trust Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Kelly A. Burns 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1987	Assistant Treasurer	Indefinite Term; Since April 23, 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2011–present).	N/A
Melissa Aguinaga 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1987	Assistant Treasurer	Indefinite Term; Since July 1, 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2010–present).	N/A

* Mr. Neuberger is an “interested person” of the Trust as defined by the 1940 Act by virtue of the fact that he is a board member and an interested person of Quasar Distributors, LLC (the “Distributor”), the Fund’s principal underwriter.

A NOTE ON FORWARD LOOKING STATEMENTS (Unaudited)

Except for historical information contained in this report for the Fund, the matters discussed in this report may constitute forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These include any adviser or portfolio manager predictions, assessments, analyses or outlooks for individual securities, industries, market sectors and/or markets. These statements involve risks and uncertainties. In addition to the general risks described for the Fund in the current Prospectus, other factors bearing on this report include the accuracy of the Adviser's or portfolio managers' forecasts and predictions, and the appropriateness of the investment programs designed by the Adviser or portfolio managers to implement their strategies efficiently and effectively. Any one or more of these factors, as well as other risks affecting the securities markets and investment instruments generally, could cause the actual results of the Fund to differ materially as compared to benchmarks associated with the Fund.

ADDITIONAL INFORMATION (Unaudited)

The Fund has adopted proxy voting policies and procedures that delegate to the Adviser the authority to vote proxies. A description of the Fund's proxy voting policies and procedures is available without charge, upon request, by calling the Fund toll free at 1-877-642-7227. A description of these policies and procedures is also included in the Fund's Statement of Additional Information, which is available on the SEC's website at <http://www.sec.gov>.

The Fund's proxy voting record for the most recent 12 month period ended June 30th is available without charge, upon request, by calling, toll free, 1-877-642-7227, or by accessing the SEC's website at <http://www.sec.gov>.

The Fund files its complete schedule of portfolio holdings with the SEC four times each fiscal year at quarter-ends. The Fund files the complete schedule of portfolio holdings with the SEC on Form N-CSR (second and fourth quarters) and on Form N-Q (first and third quarters). Shareholders may view the Fund's Forms N-CSR and N-Q on the SEC's website at www.sec.gov. Forms N-CSR and N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330 (general SEC number).

HOUSEHOLDING (Unaudited)

In an effort to decrease costs, the Fund intends to reduce the number of duplicate prospectuses and annual and semi-annual reports you receive by sending only one copy of each to those addresses shared by two or more accounts and to shareholders the Fund reasonably believes are from the same family or household. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-877-642-7227 to request individual copies of these documents. Once the Fund receives notice to stop householding, the Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements.

MORGAN DEMPSEY SMALL/MICRO CAP VALUE FUND

Investment Adviser	Morgan Dempsey Capital Management, LLC 111 Heritage Reserve Suite 200 Menomonee Falls, Wisconsin 53051
Legal Counsel	Godfrey & Kahn, S.C. 833 East Michigan Street, Suite 1800 Milwaukee, Wisconsin 53202
Independent Registered Public Accounting Firm	Cohen & Company, Ltd. 1350 Euclid Avenue Suite 800 Cleveland, Ohio 44115
Transfer Agent, Fund Accountant and Fund Administrator	U.S. Bancorp Fund Services, LLC 615 East Michigan Street Milwaukee, Wisconsin 53202
Custodian	U.S. Bank, N.A. Custody Operations 1555 North River Center Drive Milwaukee, Wisconsin 53212
Distributor	Quasar Distributors, LLC 777 East Wisconsin Avenue Milwaukee, Wisconsin 53202

This report is intended for shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus.