

Oberweis Asset Management, Inc.
Verification and Small-Cap Opportunities Composite Performance Examination Report

December 31, 2019





Verification and Performance Examination Report

Oberweis Asset Management, Inc.
3333 Warrenville Road, Suite 500
Lisle, IL 60532

We have verified whether Oberweis Asset Management, Inc. (the "Firm") (1) has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods from January 1, 2015 through December 31, 2019, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2019. We have also conducted a performance examination of the Firm's Small-Cap Opportunities Composite for the periods from January 1, 2015 through December 31, 2019. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures and for the Small-Cap Opportunities Composite's compliant presentation. Our responsibility is to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from January 1, 2015 through December 31, 2019; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of December 31, 2019.

A verification covering the periods from January 1, 1993 through December 31, 2014 was performed by another verification firm, whose report expressed an unqualified opinion thereon.



Also, in our opinion, the Firm has, in all material respects:

- Constructed the Small-Cap Opportunities Composite and calculated the Small-Cap Opportunities Composite's performance for the periods from January 1, 2015 through December 31, 2019 in compliance with the GIPS standards; and
- Prepared and presented the Small-Cap Opportunities Composite's accompanying compliant presentation for the periods from January 1, 2015 through December 31, 2019 in compliance with the GIPS standards.

A performance examination of the Firm's Small-Cap Opportunities Composite covering the periods from September 15, 1996 through December 31, 2014 was performed by another verification firm, whose report expressed an unqualified opinion thereon.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm other than the Firm's Small-Cap Opportunities Composite.

Adviser Compliance Associates, LLC

Adviser Compliance Associates, LLC
ACA Performance Services Division
March 17, 2020

Small-Cap Opportunities Composite Performance

Year	Gross Total Return (%)	Net Total Return (%)	Benchmark Return (%)	Number of Accounts	Composite 3-Year Annualized St Dev (%)	Benchmark 3-Year Annualized St Dev (%)	Composite Assets (\$ mm)	Percent of Firm Assets Managed
2019	26.67	25.87	28.48	1	17.27	16.60	11.8	0.4%
2018	-5.71	-6.51	-9.31	1	17.03	16.69	10.0	0.4%
2017	27.26	26.46	22.17	1	14.84	14.80	11.1	0.3%
2016	9.38	8.95	11.32	1	16.50	16.91	9.4	0.3%
2015	6.80	6.36	-1.38	2	15.01	15.16	39.9	1.6%
2014	-3.31	-4.11	5.60	1	14.64	14.02	8.3	0.6%
2013	50.87	50.07	43.30	1	17.88	17.52	9.4	0.9%
2012	10.24	9.44	14.59	1	21.94	21.01	7.3	1.0%
2011	-1.88	-2.68	-2.91	1	24.96	24.65	7.6	1.3%
2010	29.72	28.92	29.09	1			7.9	0.9%

Notes to Performance

- I. Oberweis Asset Management, Inc. (OAM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. OAM has been independently verified for the periods January 1, 1993 through December 31, 2019.

Verification assesses whether (1) the firm has complied with the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Small-Cap Opportunities Composite has been examined for the periods September 15, 1996 through December 31, 2019. The verification and performance examination reports are available upon request.

- II. OAM is an independent investment management firm registered under the Investment Advisor Act of 1940, founded in 1989, that invests in high growth companies around the world. The firm specializes in Small and Mid-Capitalization growth strategies globally for institutional investors and its own proprietary mutual fund family. Registration does not imply a certain level of skill or training. Firm assets presented represent all accounts where OAM has been engaged as investment adviser. A complete list and description of firm composites is available upon request.
- III. The following standards describe performance presented herein:
- The Small-Cap Opportunities Composite was created in September 1996. The reporting currency is U.S. Dollar. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
 - Gross performance is computed before deducting advisory fees. Generally, the advisory fees for separate accounts are 0.90% on the first \$25 million, 0.85% on the next \$50 million, 0.80% on the next \$75 million, 0.75% on all additional assets. Except for an account that was in the composite for the period April 2015 through July 2016 and had a performance based fee arrangement. Actual fees are used in the net return calculation.
 - The composite returns disclosed were derived solely from the performance of a registered open-end investment company for the period 2009-March 2015 and August 2016-2019.
 - The Small-Cap Opportunities Composite includes all fully discretionary accounts in excess of \$2.5 million invested in the Small-Cap Opportunities strategy, which primarily invests in the securities of domestic companies with a market capitalization of less than \$5 billion at the time of investment. Effective January 1, 2013 the equity segment was increased to 90% from 70%.
- IV. The standard deviation of portfolio returns have not been presented as the composite consisted of five or less accounts since inception. For accounts managed all months in the presentation year, the asset-weighted standard deviation of account returns within the composite is presented as a measure of internal dispersion. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The annualized standard deviation is not presented for 2010 because it was not required for periods prior to 2011.
- V. Consultants and investors supplied with these performance results are advised to use this data in accordance with guidelines issued by the United States Securities and Exchange Commission. Past performance is no guarantee of future results. The performance presented is inclusive of commissions and transaction costs and assumes reinvestment of any dividends, capital gains, or other earnings. The client's return will be reduced by the advisory fees and other expenses it may incur in the management of its account. The investment advisory fees are described in Part II of the Form ADV. The advisory fee, compounded over a period of years, will have an adverse effect on the value of the client's portfolio.
- VI. The benchmark for this composite is the Russell 2000 Growth Index. The Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted earnings growth rates. The Russell 2000 Index measures the performance of 2000 companies with small-market capitalizations. This index is unmanaged and is not available for investment. Benchmark returns are not covered by the report of independent verifiers.