



Next Company of the Month Recording:
Friday, June 12, After 4 PM EST
Recording on for entire weekend
Phone: (757) 877-5979

The Bowser Portfolio Tracker

A spreadsheet to help simplify investing even further

Rule #6 of the Bowser Game Plan details the need to accurately track your portfolio. While a brokerage account provides you with portfolio value and trade logs, it does not provide all of the information in one place. Many subscribers have created their own spreadsheets, but many others have asked for a simpler way of tracking their holdings.

In a continued effort to provide value by simplifying investing, we have created *The Bowser Report's* very own online Portfolio Tracker.

Getting Started

To take full advantage of the Portfolio Tracker, including automatically-updated stock prices, you'll need a Google account. If you do not have a Google account but wish to sign up, enter or click the following URL: <https://bit.ly/3dwEEV1>.

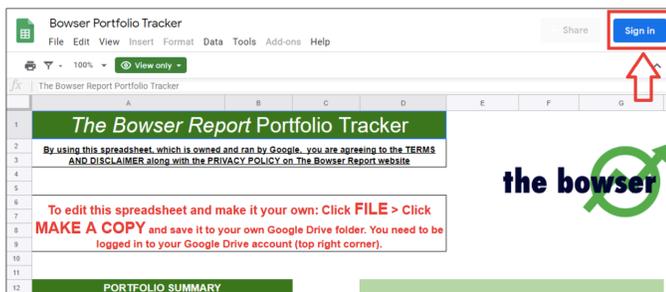
For those who do not have a Google account and do not wish to create one, please email us directly, and we will send you an Excel version of the tracker. However, you will need to manually input stock prices.

Finally, those who wish to track their portfolio using pen and paper can print the tracker at their leisure.

Accessing the Tracker

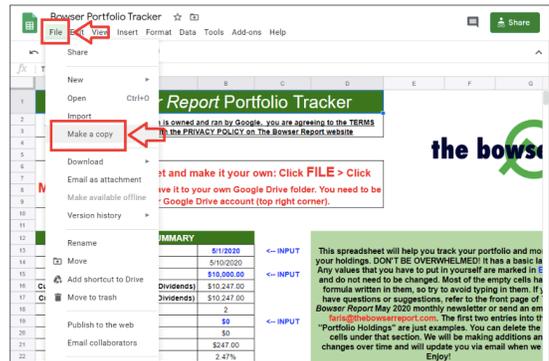
In order to use the Portfolio Tracker with Google (does not apply to Excel versions), follow the steps listed below:

1. Enter or click the following URL to visit the Google Sheet: <https://bit.ly/2Lim1rQ>.
2. Once you have opened the Google Sheet, login to your Google account and create your own copy of it.

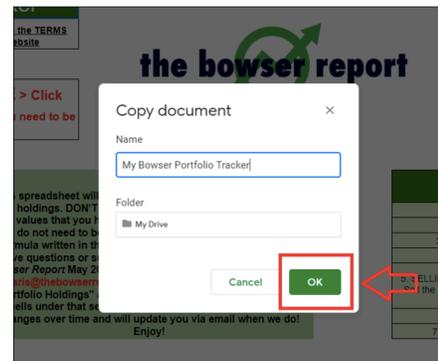


Click the "Sign In" button in the top right corner and sign into your Google account.

3. Once logged in, you may have to click the provided link in Step 1 again to pull up the Portfolio Tracker. When you have pulled up the spreadsheet, click "File" > "Make a copy."



4. A window will then pop up, prompting you to rename the document to whatever you choose.



After clicking "OK" to save your copy, your ready-to-edit tracker will be saved in your Google Drive. To access on an ongoing basis, visit Google Drive at the following URL: <https://drive.google.com>.

Customizing the Tracker

The Portfolio Tracker should be used for both new investments and current holdings to create a complete picture of your portfolio.

To start customizing your tracker, enter the start date and starting portfolio value (the amount of money you started with). Also, enter the commission cost per trade, if applicable. Remember, major brokerages no longer charge commission on most trades. Examples of these required entries are in blue text, and you'll need to replace them.

Next, add in your current holdings under the "Portfolio Holdings" section. This requires you to enter the ticker, purchase (entry) price and number of shares for each holding. Two examples are included in blue text that you will need to replace with your own holdings. The

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examples are pictured below:

PORTFOLIO SUMMARY		
Starting Date	5/1/2020	<- INPUT
Present Date	5/10/2020	
Starting Portfolio Value	\$10,000.00	<- INPUT
Current Portfolio Value (excluding Dividends)	\$10,247.00	
Current Portfolio Value (including Dividends)	\$10,247.00	
Total # of Trades	2	
Trade Commission	\$0	<- INPUT
Total Commission Fees	\$0	
Portfolio Return (\$)	\$247.00	
Portfolio Return (%)	2.47%	

Ticker	Entry Price	# of Shares	Init
WYY	\$0.41	1,000	
FPAY	\$1.68	200	

Lastly, when you exit a position, add the exit price in the designated column.

The cells without blue text have formulas to calculate profits, cost basis, portfolio allocation, and more. If you edit these then it may result in error messages. If that happens just click "Undo," email me at faris@thebowserreport.com or make a separate copy of the spreadsheet and start over.

Tracking Dividends

The Bowser Report features a few stocks that pay dividends. For this reason, there is a dividend tracker included in the Portfolio Tracker. Access it by clicking on Dividends in the bottom left corner:

Dividends Tracker	
Dividends Received Last 5 Years	
Year	Dividends Received
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
Total	\$0
Total Dividends Received Last 12 Months	
Month	Dividends Received
June 2019	\$0
July 2019	\$0
August 2019	\$0
September 2019	\$0
October 2019	\$0

Manually enter the dividends you receive on a monthly and/or annual basis to automatically add them to your "Current Portfolio Value" in the main Portfolio Tracker spreadsheet. Reinvested dividends can create a lot of value in the long run and should never be overlooked.

Tracking the Terrible Ten

The Terrible Ten spreadsheet is available right next to the Dividends spreadsheet:

Portfolio Return (\$)	\$138.91
Portfolio Return (%)	13.89%

Portfolio Tracker	Dividends	The Terrible Ten

Market Overview

BWSR AVG	RUS 2000	NASDAQ	S&P 500	DJIA
↑ 28.5%	↑ 26.4%	↑ 23.7%	↑ 17.7%	↑ 15.6%

Stocks had an outstanding month despite U.S. companies recording their worst corporate quarter since the 2008-2009 financial crisis. With over 33 million jobless claims, the unemployment rate spiked to 14.7%, but major indices still reacted positively. Bowser stocks (up 28.5%) managed to outperform The Russell 2000 Index and soared higher. Four stocks gained over 100%, three of which doubled for the first time since their recommendation. **Retractable Technologies (RVP)** led the way and gained 318% following an SEC filing highlighting a new \$83 million deal.

It shows the updated prices for each of the ten stocks mentioned in last month's issue. If you have an equal weighting in each stock and were able to enter near the original featured price, your Terrible Ten portfolio should already be up around 20%.

To customize with your own holdings, input the amount you invested in each stock and the date you started purchasing shares.

Subscriber Mike K. also featured an outstanding Google Sheet to track these stocks on the Forums section of our website (direct link to Mike's spreadsheet: <https://bit.ly/35MYNnb>). Mike's version even has a visual representation of your profits and losses. Thanks for sharing this very helpful spreadsheet, Mike!

Moving Forward

While our goal of implementing the Portfolio Tracker is to simplify the investment process, it can be overwhelming at first. We left out a few features in this initial launch to keep it as simple as possible, but will gradually roll them out. Additions will include visual representations of your portfolio allocation, withdrawals, deposits, a position size calculator and more.

Please do not hesitate to email me (faris@thebowserreport.com) with any feedback, potential errors in the spreadsheet or suggestions for features and changes. Our goal is to provide you with the tools and analysis you need to successfully navigate the markets. Enjoy the Portfolio Tracker and happy investing!

The Bowser Game Plan

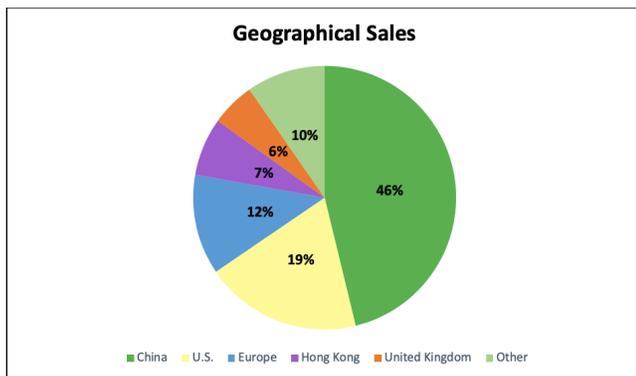
1. DO NOT PAY more than \$3/share for a stock.
2. CREATE A PORTFOLIO of 12 to 18 stocks. **Diversification is important.**
3. DO NOT SELL when a stock goes above \$3/share and is moved to Page 5.
4. DO NOT SELL when a stock moves to a lower category.
5. SELLING PLAN: Sell half of your holdings when the stock doubles from your purchase price. Sell the remainder after the stock drops 25% from its most recent high. If the stock drops 50% without doubling, sell all shares.
6. RECORD proceeds from sales.
7. PORTFOLIO EVALUATION = current value of portfolio + proceeds from sales

COMPANY OF THE MONTH

Deswell Industries (DSWL) manufactures and sells injection-molded plastic parts and components, electronic products and subassemblies, and metallic molds and accessory parts for original equipment manufacturers and contract manufacturers. It produces a range of plastic parts and components used in the manufacture of consumer and industrial products along with printed circuit board assemblies using surface mount and finished products. The company sells its products primarily in the People's Republic of China, the United States, the United Kingdom, Norway, Holland, Hong Kong and Canada.

Income Breakdown

The bulk of the company's sales are in China and the United States. Below is a representation of its sales by geographical area:

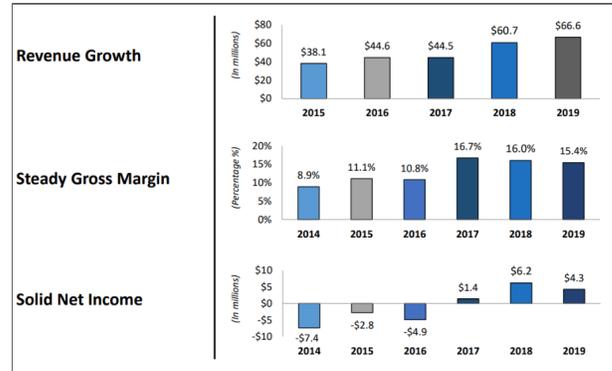


Chinese sales have remained consistent and are expected to continue to do so long-term. In recent corporate presentations, DSWL has expressed interest in expanding its sales in the United States and Europe organically.

The company operates in two segments – plastic products and electronic products. Plastic products revenue increased just \$500,000 in FY19 due to decreasing orders from existing customers for telephone and office equipment.

Most of the FY19 revenue growth can be attributed to \$3.5 million in orders from existing customers for professional audio instruments. Orders for home entertainment equipment increased by \$1.6 million. The \$5.1 million revenue increase for the electronic segment played a big role in the 9.7% revenue increase from \$60.7 million to \$66.6 million.

Sales have trended higher over the years but the growth rate constantly fluctuates. The following is a chart of top and bottom-line growth:



Revenue jumped from FY17 to FY18, but growth slowed slightly over the past year. Gross margin has decreased since FY17 due to higher sales in the electronic segment. While the top-line benefitted from the increase, bottom-line results decreased as a result of lower gross margin for the electronic segment versus the plastic segment (12.9% compared to 18.8%). In order to see any substantial bottom-line improvement, plastic products sales will have to maintain consistent growth.

Financials

Along with its steady sales growth, DSWL has achieved many other financial milestones. Its balance sheet shows a healthy level of cash and minimal liabilities. The company has a current ratio of 2.3, resulting in minimal liquidity risk. It does not have any outstanding long-term debt, which is unusual for a company with a high growth rate.

The company pays a dividend of \$0.15 or 6.5% to its shareholders, which is unusual for a smaller company. DSWL's dividend payout ratio of 72% rewards shareholders with a large portion of its earnings per share and makes the stock a dividend and value investment despite having

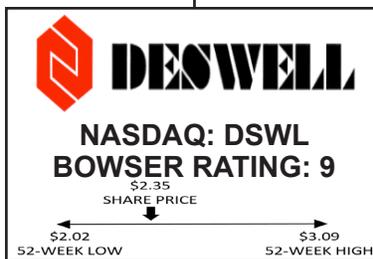
a decent growth rate.

Valuation

DSWL has created tremendous value over the years and has a book value of \$5.22 per share. Its price/

Continued on page 6...

	2017	2018	2019
REVENUES	\$44,522,000	\$60,677,000	\$66,581,000
INCOME (LOSS)	\$1,376,000	\$6,190,000	\$4,273,000
WORKING CAPITAL	\$42,196,000	\$50,560,000	\$54,412,000
BOOK VALUE	\$4.75	\$5.08	\$5.22
TOTAL SHARES	16,035,000	15,985,000	16,059,000
FLOAT	N/A	N/A	5,790,000



MINIPRICED STOCKS IN BUYING RANGE

SYMBOLS: (A) NYSE MKT; (CM) NASDAQ CAPITAL MARKET, WAS THE SMALL CAP MARKET; (GM) NASDAQ GLOBAL MARKET, WAS NATIONAL MARKET; (N) NEW YORK STOCK EXCHANGE; (NR) NOT RATED; (QB) OTC QB MARKET; (QX) OTC QX MARKET; # PREVIOUSLY APPEARED ON LIST, BUT WAS REMOVED BECAUSE IT HAD RISEN ABOVE \$3.00/ SHARE; FIGURES IN PARENTHESIS ARE LOSSES.

Date of Recommend & Market	Issue/Trading Symbol	Principal Business	Price 05/08/20	Long-term Debt (Millions)	Sales Updated Quarterly (Millions)	Income/Loss Updated Quarterly (Millions)	Shares Outstanding (Millions)	Bowser Rating
CATEGORY ONE: BEST COMPANIES (RATED 10+)								
10/18(CM)	AEHR TEST SYSTEMS (AEHR)	SEMICONDUCTOR TEST EQUIPMENT	1.60	\$0.000	\$25.8	\$0.193	22.9	10
02/20(QB)	BUTLER NATIONAL (BUKS)	AEROSPACE AND DEFENSE PRODUCTS	0.48	\$0.000	\$66.5	\$5.914	64.5	10
12/17(QB)	LEATT CORP. (LEAT)	PERSONAL PROTECTIVE EQUIPMENT	1.95	\$0.000	\$28.3	\$1.376	5.4	10
# 08/17(CM)	NATIONAL HOLDINGS (NHLD)	INVESTMENT BANKING	2.22	\$0.000	\$212.9	\$1.841	12.8	11
# 02/15(GM)	NOVA LIFESTYLE INC. (NVFY)	FURNITURE MANUFACTURING/SALES	1.13	\$0.000	\$50.1	\$2.191	28.4	11
01/20(A)	RETRACTABLE TECH. (RVP)	NOW ABOVE \$3 PER SHARE; SEE PAGE 5 (FOLLOW-THROUGH)						
# 07/19(QB)	TABLE TRAC (TBTC)	NOW ABOVE \$3 PER SHARE; SEE PAGE 5 (FOLLOW-THROUGH)						
# 05/18(CM)	TAITRON COMPONENTS (TAIT)	ELECTRONIC COMPONENTS	2.56	\$0.000	\$7.3	\$1.557	5.6	11
CATEGORY TWO: GOOD COMPANIES (RATED 8-9)								
12/19(GS)	ALASKA COMMUNICATIONS (ALSK)	TELECOMMUNICATIONS AND IT SERVICES	2.25	\$171.541	\$232.1	\$4.004	53.0	8
02/18(QB)	ALTIGEN COMMUNICATION (ATGN)	CLOUD-BASED IP SOLUTIONS	1.44	\$0.000	\$10.7	\$1.807	23.0	9
04/19(N)	ARC DOCUMENT SOLUTIONS (ARC)	DOCUMENT SOLUTIONS	0.83	\$104.351	\$373.7	\$3.106	43.7	8
05/20(GM)	DESWELL INDUSTRIES (DSWL)	PLASTIC & ELECTRONIC COMPONENTS	2.35	\$0.000	\$69.5	\$2.765	15.9	9
03/20(CM)	FLEXSHOPPER (FPAY)	VIRTUAL LEASE-TO-OWN MARKET	1.08	\$32.630	\$88.8	\$0.577	17.7	9
12/14(QB)	INT'L BALER CORP. (IBAL)	BALING EQUIPMENT	1.25	\$0.000	\$12.3	\$0.312	5.2	9
# 08/18(QB)	LIBERATED SYNDICATION (LSYN)	PODCAST HOSTING AND MEDIA	2.85	\$4.499	\$24.1	\$4.343	29.3	8
04/17(QB)	MAMAMANCINI'S (MMMB)	FOOD PRODUCTS	1.64	\$3.639	\$34.8	\$1.533	32.0	8
05/19(N)	SAFE BULKERS (SB)	MARINE DRY BULK TRANSPORTATION	0.98	\$538.508	\$198.0	\$15.765	101.5	9
# 09/18(CM)	SCHMITT INDUSTRIES (SMIT)	SCIENTIFIC AND TECH INSTRUMENTS	2.95	\$0.000	\$13.5	\$4.288	3.8	9
08/14(QB)	SONO-TEK CORP. (SOTK)	ULTRASONIC NOZZLES	2.30	\$0.581	\$12.8	\$0.480	15.1	9
# 10/12(QB)	WHERE FD CMS FROM (WFCF)	FOOD VERIFICATION SERVICES	1.75	\$2.742	\$20.8	\$1.277	24.7	9
04/20(N)	WIDEPOINT CORP. (WYY)	MOBILITY MANAGEMENT SOLUTIONS	0.53	\$0.000	\$101.7	\$0.226	83.3	8
CATEGORY THREE: SPECULATIVE COMPANIES (RATED 7 AND BELOW AND/OR NON-PROFITABLE)								
10/19(QB)	BAB, INC. (BABB)	FAST CASUAL RESTAURANT FRANCHISES	0.54	\$0.000	\$3.1	\$0.395	7.3	NR
# 07/18(CM)	BETTER ONLINE SOLUTIONS (BOSC)	RFID AND MOBILE SOLUTIONS	1.75	\$2.041	\$33.8	(\$0.913)	4.1	8
03/16(CM)	BROADWAY FINANCIAL (BYFC)	BANK HOLDING COMPANY	1.37	\$168.000	\$11.5	(\$0.206)	19.1	7
# 05/14(CM)	CPS TECHNOLOGIES (CPSH)	ADVANCED MATERIAL SOLUTIONS	1.41	\$0.000	\$21.5	(\$0.638)	13.2	8
01/19(CM)	FORWARD INDUSTRIES (FORD)	CARRYING CASES AND ACCESSORIES	1.14	\$0.000	\$37.9	(\$1.617)	9.5	9
05/17(QB)	GALAXY GAMING (GLXZ)	GAMING INDUSTRY PRODUCTS	0.80	\$46.681	\$21.0	\$2.582	39.2	7
# 12/18(CM)	GSE SYSTEMS (GVP)	DATA ACCESS AND MANAGEMENT	1.04	\$0.000	\$83.0	(\$4.916)	20.2	7
# 06/19(N)	H2 HOLDINGS (H2HC)	NOW ABOVE \$3 PER SHARE; SEE PAGE 5 (FOLLOW-THROUGH)						
10/17(QB)	INNOVATIVE FOOD (IVFH)	FOOD PRODUCTS AND SERVICES	0.37	\$0.436	\$58.2	\$0.796	34.0	7
03/19(CM)	INSIGNIA SYSTEMS (ISIG)	MARKETING SERVICES	0.68	\$0.000	\$22.0	\$1.055	12.1	NR
10/16(CM)	KOSS CORPORATION (KOSS)	STEREO ACCESSORIES	1.17	\$0.000	\$20.1	(\$0.472)	7.4	8
07/13(CM)	LIGHTPATH TECH (LPTH)	OPTICAL COMPONENTS	2.19	\$4.578	\$33.6	(\$2.305)	25.9	8
# 11/18(GS)	SEACHANGE INT'L (SEAC)	APPLICATION SOFTWARE	2.88	\$0.000	\$67.2	(\$8.921)	36.9	9
Office: 50 Nagog Pk., Acton, MA 01720, Tel: (978) 897-0100, www.seachange.com								
01/18(QX)	SINGING MACHINE CO. (SMDM)	KARAOKE AUDIO EQUIPMENT	0.15	\$0.228	\$41.3	(\$1.845)	38.6	7
# 09/16(CM)	SOCKET MOBILE (SCKT)	DATA CAPTURE PRODUCTS	1.14	\$0.208	\$18.9	\$0.185	6.0	7
09/19(QB)	TECHPRECISION (TPCS)	METAL COMPONENTS AND SYSTEMS	1.61	\$2.482	\$15.8	\$0.148	29.3	NR
02/19(QB)	TSS, INC. (TSSI)	END-USER AND ENTERPRISE SYSTEMS	1.13	\$2.028	\$32.8	\$0.126	17.6	NR
06/18(GS)	U.S. AUTO PARTS (PRTS)	NOW ABOVE \$3 PER SHARE; SEE PAGE 5 (FOLLOW-THROUGH)						

We recommend only purchasing companies rated 8 or higher. If a company's rating drops, do not sell. For when to sell, refer to the Game Plan on page 2.

Category Changes

This month there are a few category changes as a result of the latest earnings reports featured on page 7. Moving up from Category 3 to Category 2 are **Altigen Communications (ATGN)**, Bowser Rating from 7 to 9, **ARC Document Solutions (ARC)**, rating from NR to 8, and **MamaMancini's (MMMB)**, rating from 7 to 8.

BAB, Inc. (BABB), is moving down, from Cat. 2 to Cat. 3, rating from 8 to NR. **Socket Mobile (SCKT)** is dropping from Cat. 1 to Cat. 3, rating from 10 to 7.

RADA announces new orders

RADA Electronic (RADA) received close to \$10 million in new orders during March 2020, compared to \$6 million during March 2019. The aggregate amount of new orders for the first quarter of 2020 reached \$16 million.

The vast majority were orders for software-defined tactical radars for counter UAV, short-range air defense and counter fires. The majority of these orders were follow-ons from existing customers, and all are expected to be delivered during 2020.

FOLLOW-THROUGH AND STOCKS TO SELL

WE ENCOURAGE SUBSCRIBERS TO BUY OUR STOCKS WHEN THEY ARE \$3 OR LESS. HOWEVER, WHEN THEY GO ABOVE \$3, WE FOLLOW THEM IN THE FIRST GROUP BELOW. IN BOTH OF THE FOLLOWING LISTS, COLUMN 1 GIVES THE SHARE PRICE AS OF **05/08/20** PLUS THE CURRENT BOWSER RATING. COLUMN 2 IN THE FIRST LIST BELOW INCLUDES THE MONTH/YEAR WE ORIGINALLY RECOMMENDED THE ISSUE, THE PRICE PER SHARE THEN AND THE BOWSER RATING. (NR=not rated)

ISSUE/EXCHANGE SYMBOL	1	2	ISSUE/EXCHANGE SYMBOL	1	2
CENTRAL FEDERAL CORP. (CM:CFBK)	\$10.31(11)	03/17 \$9.00(11)	RADA ELECTRONIC (CM:RADA)	\$4.14(7)	03/18 \$2.16(10)
*Price adjusted for 1-for-5 reverse split Aug. '18			REPRO MED SYSTEMS (QB:KRMD)	\$11.38(9)	07/10 \$0.16(8)
DLH HOLDINGS (CM:DLHC)	\$5.70(8)	01/14 \$1.53(9)	RETRACTABLE TECHNOLOGIES (A:RVP)	\$5.23(10)	01/20 \$1.48(10)
ELECTROMED (A:ELMD)	\$15.51(9)	09/15 \$1.64(10)	RIVERVIEW BANCORP (GS:RVSB)	\$5.29(7)	06/13 \$2.30(9)
FRANKLIN WIRELESS (QB:FKWL)	\$5.60(NR)	12/16 \$2.70(12)	SEACHANGE INT'L (GS:SEAC)	NOW \$2.88; SEE PAGE 4	
HC2 HOLDINGS (N:HCHC)	\$3.06(9)	06/19 \$2.34(12)	SMITH-MIDLAND (QX:SMID)	\$5.05(10)	02/16 \$2.38(10)
INFUSYSTEM HOLDINGS (A:INFU)	\$12.37(7)	12/15 \$2.88(8)	TABLE TRAC (QB:TBTC)	\$3.00(10)	07/19 \$2.40(10)
MANHATTAN BRIDGE CAPITAL (CM:LOAN)	\$4.29(NR)	02/10 \$1.10(9)	TRXADE GROUP (CM:MEDS)	\$6.42(7)	08/19 \$4.20(9)
ORION ENERGY SYSTEMS (CM:OESX)	\$4.89(9)	11/19 \$2.93(9)	U.S. AUTO PARTS (GS:PRTS)	\$4.67(NR)	06/18 \$1.61(8)

THE FOLLOWING WE SAID SHOULD BE SOLD

(COLUMN 2 SHOWS THE DATE, PRICE AND BOWSER RATING WHEN WE RECOMMENDED THE STOCK BE SOLD)

CHINA NEW BORUN (N:BORN)	\$0.15	06/19 \$0.27	NOBLE ROMAN'S (CM:NROM)	\$0.41	06/19 \$0.64
MIKROS SYSTEMS (QB:MKRS)	\$0.12	12/19 \$0.12	SPAR GROUP (CM:SGRP)	\$0.74	06/19 \$0.69

BRIEFS

Altigen Communications (ATGN) selected Neustar as its strategic partner for caller identity verification. . . . **Better Online Solutions' (BOSC)** Supply Chain Division received orders totaling \$1 million for electronic components. . . . **HC2 Holdings' (HCHC)** CEO, Philip Falcone, voluntarily committed to forgoing any potential bonus payments in respect of 2020 performance or any future year performance until the stock price reaches an average trading price of at least \$7.50 per share over a 30 trading day period. HCHC later reminded stockholders to review HC2's extensive board refreshment, stockholder engagement and voluntary compensation reductions, before making a considered judgment on board composition at the 2020 Annual Meeting of Stockholders. HCHC also announced that R2 Technologies, a privately-

held portfolio company within HC2's Pansend Life Sciences subsidiary, received an additional \$10 million equity investment from Huadong Medicine Company Limited, R2's exclusive distributor in the China/Asia-Pacific market. Finally, HCHC subsidiary, DBM Global (DBMG), will pay a cash dividend of approximately \$15 million, or \$3.89 per share, on May 26, 2020 to DBMG stockholders. . . . **MamaMancini's (MMMB)** secured a \$330,000 loan under the Paycheck Protection Program. . . . **Manhattan Bridge Capital (LOAN)** declared a quarterly dividend of \$0.10 per share to be paid to all shareholders of record as of July 10, 2020. . . . **Repro Med Systems (KRMD)** saw its motion for summary judgement of the non-infringement against EMED Technologies affirmed by The United States Court of Appeals for the Federal Circuit. . . . **Socket Mobile (SCKT)** received loan proceeds of \$1,058,700 under the Paycheck Protection Program. . .

. **Smith-Midland (SMID)** announced that their MASH TL3-tested J-J Hooks temporary precast concrete safety barrier can now be used in 40 states and provinces internationally. Also, SMID subsidiary, Easi-Set, will supply over 23 miles of J-J Hooks precast concrete safety barrier for the Interstate Highway 10 in Austin County. Finally, SMID signed a \$1.1 million contract with Branch Civil Inc. . . . **Taitron Components (TAIT)** declared a quarterly cash dividend of \$0.035 per share of common stock, payable on May 29, 2020 to stockholders of record as of May 15, 2020.

INSIDER TRANSACTIONS

COMPANY	SHARES TRADED	# OF TRADES	PRICE RANGE
Aehr Test Systems	A-34,362	5	\$0.00-\$1.14
	D-6,053	1	\$0.00
ARC Document Solutions	A-342,856	4	\$0.00
Butler National Corp.	A-374,396	4	\$0.40
Foward Industries	S-9,450x	1	\$1.07
Galaxy Gaming	OE-75,000	1	\$0.16
InfuSystem Holdings	OE-60,000	1	\$3.42
	D-16,917	1	\$12.13
Insignia Systems	B-21,900	2	\$0.65
National Holdings	OE-81,143	3	\$0.00
Retractable Technologies	B-9,200	10	\$1.25-\$3.11
SeaChange International	B-43,438	1	\$0.00
Sono-Tek Corp.	S-19,441	11	\$2.30-\$2.98
	D-27,806	3	\$2.64
	OE-117,333	3	\$0.91
Trxade Group	A-212,965	6	\$6.12
U.S. Auto Parts Network	A-13,208	2	\$0.17
	D-175	1	\$1.79

A-Acquisition (Non Open Market), B-Bought, D-Disposition (Non Open Market), OE-Option Exercise, S-Sold, x-indirect holdings. Information obtained from Nasdaq.com.

BUCKAROOS SPEAK

Position Sizing

I intend to buy just 12-15 different stocks. If I am fully funded and have hit my limit of stocks, do I just start doubling the number of shares I'm buying?

-Darlene S. (Forums)

The purpose of diversifying is to avoid putting too much size into one stock. If you reach your ideal number of holdings, gradually increase the number of shares you are purchasing.

The key is to avoid overexposing yourself to one or two stocks. A better approach is to gradually increase your holdings (from 100 shares to 150),

rather than doubling right away.

The Terrible Ten

If I normally buy 500 shares of each Company of the Month, should I be buying more shares of The Terrible Ten?

-John S.

The Terrible Ten stocks are riskier investments than our typical recommendations so we suggest less size. Select a total dollar amount to allocate and divide it evenly amongst the stocks. Revisit last month's article for more information on how many shares you should purchase of each stock.

COMPANY OF THE MONTH... CONTINUED

book ratio of 0.45 shows a clear undervaluation, but it is undervalued by multiple metrics. Its price/sales ratio of 0.53 is much lower than the industry average of 3.8. DSWL has a price/earnings ratio of 13.3, which is just slightly lower than the industry average of 16. Additionally, most of these valuation metrics are lower for the industry average because of the recent market volatility. This skews the comparisons unfavorably for DSWL, which is still undervalued.

Competitive Advantages

The plastic and electronic services industries are increasingly competitive due to a lack of entry barriers. The main entry barriers are the lower profit margins, but DSWL has worked hard to achieve significantly better margins than most of its competitors. Higher margins act as a competitive advantage and directly benefit shareholders because of the company's high payout ratio. By increasing automation, DSWL has optimized its employee base and improved precision.

Deswell has made a huge effort to enhance design capabilities to increase value for customers. Additionally, it has reduced time to market and has a close proximity to its supplier base and customers. These may seem like minor advantages, but when pricing is competitive and margins are low, it makes a huge difference to customers.

Outlook and Risks

The COVID-19 outbreak has hit the global economy hard and caused uncertainty with manufacturing in China. However, DSWL's factories are running without limitations on capacity. The main challenge is that a handful of suppliers have slowed down production, but that does not seem to add a lot of risk at present.

Trade tensions between the United States and China also sparked uncertainty, but the company

has started the process of reallocating a portion of its production to Southeast Asia to avoid any issues.

DSWL has a float of 5.79 million shares, making it much more volatile than the average stock. This can cause unusual price fluctuations when volume is relatively high. The silver lining to the low float is that insiders own 63% of the shares outstanding. One of the two largest insider owners is Richard Pui Hon Lau, who owns 8.3 million shares and is still accumulating shares regularly.

Outlook for both the electronic and plastic manufacturing services industries is bright. Both industries have a compound annual growth rate over 4%, with plastic injection molding growing slightly faster. The main risk factor associated with growth is a slowing recovery of automotive demand due to the pandemic. If you have any questions about demand or production, DSWL investor relations is responsive. The company publishes semi-annual reports so it might be worth while to direct any questions to the company opposed to waiting for an earnings call.

Conclusion

Deswell has been creating value and paying a solid dividend for quite some time. While the pandemic and trade tensions may have hurt its competitors, the company has handled the situation well thus far. If these risks result in a drop in market value, it will just provide a buying opportunity.

DSWL is undervalued, trading well below book value, and has a high payout ratio, which again makes any dip a great long-term entry point. With consistent sales growth and a strong management team, we're confident that DSWL will continue to create value for shareholders.

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Beginner's Portfolio Up 255%

BOUGHT: ALSK (200 Shares) @ \$2.25 = \$450
WYY (200 Shares) @ \$0.53 = \$106

SOLD: EMMS (200 Shares) @ \$1.40 = \$280
PRTS (100 Shares) @ \$3.18 = \$318
SEAC (100 Shares) @ \$3.73 = \$373

Cost			Cost			Cost			Proceeds
	05/08/20		05/08/20		05/08/20		05/08/20		From Sales
AAME	280/Mar '12	179	PRTS†*	318/Jul '18	467	SB†	390/Jul '19	196	
BYFC†	398/Apr '16	274	BOSC†	510/Aug '18	350	HCHC†	460/Jul '19	612	10,643
MMMB†	200/Jun '17	328	SMIT†	578/Oct '18	590	BUKS†	134/Mar '20	96	(450)
NHLD†	546/Sep '17	444	AEHR†	368/Dec '18	320	FPAY†	200/Apr '20	216	(106)
VTSI†	560/Dec '17	476	TSSI†	198/Mar '19	226	ALSK†	450/May '20	450	280
LEAT†	488/Jan '18	390	ISIG†	262/Apr '19	136	WYY†	106/May '20	106	318
							Current Holdings Value:	5,856	373
Original cost for all stocks: \$4,766			*Half of original holdings			Proceeds from Sales:		11,058	11,058
			†Bought 200 Shares			Total Value of Portfolio:		16,914	
Gain: 16,914 minus 4,766 = 12,148									
Percentage of gain: 12,148 divided by 4,766 x 100 = 254.9					Compound Annual Growth Rate: 7.02%				

Comments: This is a simulated portfolio for those who would like to actively participate in the stock market... They want an approach that will serve as a learning situation... An investment of up to \$300 a month is required... With each new Company of the Month, 100 shares were purchased until we had 18... We use an internet broker... We follow the Bowser Game Plan. Portfolio started Sep. '01.

Beginner's Portfolio Explanation

This month there were a number of changes to the Beginner's Portfolio. First, we cut **Emmis Communications (EMMS)** loose after it dropped 50% without doubling. Next we sold half our holdings of **U.S. Auto Parts (PRTS)**, which doubled from our purchase price, and the remainder of **SeaChange International (SEAC)**, which pulled back 25% from its most recent high after doubling. All-in-all, it was an exceptional month for the portfolio, which saw much of its value recaptured.

EARNINGS

	Quarter Ended	Current Sales	Same Period Last Year	Current Earnings	Same Period Last Year	Comments
Altigen Communications (ATGN)	03/31/20	\$2,933,000	\$2,540,000	\$497,000	\$403,000	
ARC Document Solutions (ARC)	03/31/20	\$88,425,000	\$97,122,000	\$462,000	\$447,000	
BAB, Inc. (BABB)	02/29/20	\$695,684	\$712,300	\$43,194	\$96,860	(A)
DLH Holdings (DLHC)	03/31/20	\$54,798,000	\$33,756,000	\$2,076,000	\$1,265,000	
GSE Systems (GVP)	12/31/19	\$17,292,000	\$22,855,000	\$566,000	\$679,000	
Koss Corp. (KOSS)	03/31/20	\$4,789,441	\$4,860,247	(\$97,373)	\$137,880	(B)
LightPath Technologies (LPTH)	03/31/20	\$8,708,981	\$7,905,582	\$816,017	(\$352,018)	
MamaMancini's (MMMB)	01/31/20	\$10,106,000	\$6,896,000	\$410,105	\$79,894	
Manhattan Bridge Capital (LOAN)	03/31/20	\$1,710,986	\$1,788,059	\$1,016,222	\$1,121,357	
Repro Med Systems (REPR)	03/31/20	\$6,330,009	\$4,974,278	\$449,428	(\$85,390)	
Riverview Bancorp (RVSB)	03/31/20	\$15,183,000	\$15,472,000	\$2,894,000	\$4,207,000	
Schmitt Industries (SMIT)	02/29/20	\$1,094,967	\$1,120,545	(\$131,170)	(\$475,189)	
SeaChange International (SEAC)	01/31/20	\$19,313,000	\$16,955,000	(\$43,000)	(\$19,624,000)	(C)
Socket Mobile (SCKT)	03/31/20	\$4,221,000	\$4,629,000	(\$90)	\$11,839	

(A) Due to the impact of the Coronavirus Pandemic, BABB's intent is to suspend future dividends. Future dividends will be considered after reviewing profitability expectations and financing needs.

(B) The COVID-19 pandemic had a significant impact on KOSS's export customers during the quarter and its manufacturing supply chain is still struggling to return to 100% of its capacity.

(C) "Prior to COVID-19, the TV and video industry was in the midst of an unprecedented shift in how content is being consumed at home. This shift has been accelerated as more consumers stay at home in the wake of COVID-19, and we believe SEAC is ideally positioned to capitalize on this long-term trend with our managed, cloud-based video delivery service," commented CEO Yossi Aloni.

NOTES BY THE EDITOR

This was a record-breaking month for small stocks as a whole. Bowser stocks erased all of last month's losses and then some. **HC2 Holdings (HCHC), Retractable Technologies (RVP) and U.S. Auto Parts Network (PRTS)** all doubled from their initial recommendations, and two hit new 52-week highs.

RVP shares soared following an SEC filing highlighting a new \$83 million deal. The stock gained 318% on the month and is up 209% from its original recommendation in January 2020.



While stocks had an incredibly strong month, it is vital not to forget how fragile the markets can be given the macroeconomic factors at play. Make sure to stick to the Game Plan and size out of your holdings accordingly.

This month marks the launch of the new Bowser Portfolio Tracker. The spreadsheet is intended to make it easier for you to track your holdings and manage your portfolio thoroughly. While it might take some time to fill it out and make it your own, it will be worth it in the long run.

The April 2020 Bowser Database published within the past couple of weeks. Contact us via email (customerservice@thebowserreport.com) to inquire about getting a copy. Single issues are \$25, or we have subscriptions available (\$79 for one year, \$135 for two years).

FIVE BOWSER STOCKS UP AND DOWN

Retractable Tech.	UP	318%	BAB, Inc.	DOWN	33%
U.S. Auto Parts	UP	187%	Sono-Tek Corp.	DOWN	16%
LightPath Technology	UP	115%	SeaChange Int'l	DOWN	12%
HC2 Holdings	UP	111%	Insignia Systems	DOWN	7%
WidePoint Corp.	UP	51%	Where Food Comes	DOWN	5%