

GLENNON SMALL COMPANIES LTD

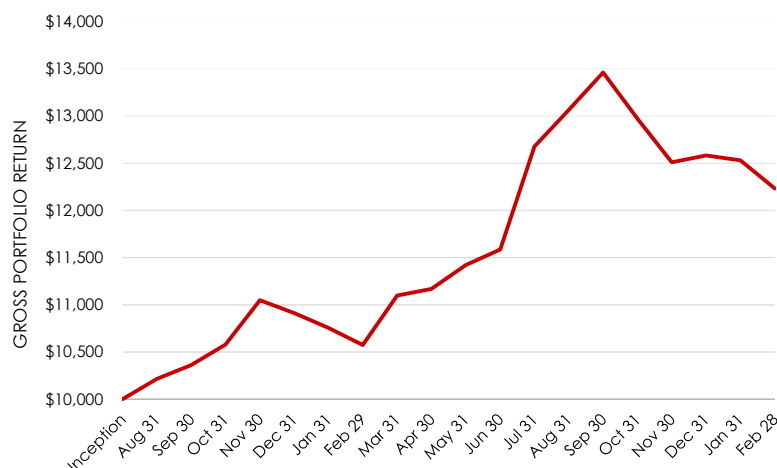
INVESTMENT REPORT | FEBRUARY 2017



Net Tangible Assets (NTA) at 28 February 2017 Cents

NTA before tax	99.01
NTA after tax	97.73

During the month to 28 February 2017 Glennon Small Companies Ltd delivered a gross portfolio return of -2.39%, while the S&P/ASX Small Ordinaries Accumulation Index rose 1.31%. Since inception Glennon Small Companies Ltd has delivered a 22.33% gross portfolio return while the S&P/ASX Small Ordinaries Accumulation Index has risen 24.36%. At the end of the month the portfolio held 25.1% cash.



Performance at 28 Feb 2017	1 Month	3 Months	6 Months	1 Year	Since Inception
Glennon Small Companies Ltd	-2.39%	-2.21%	-6.37%	15.69%	22.33%

Performance is shown on a gross basis, before expenses and taxes. Past performance is not a reliable indicator of future performance. Inception date is 21 August 2015.

Commentary

Reporting season caused substantial volatility amongst small cap stocks this month, though the small cap index did rise 1.3% at month end. The performance was driven by small industrials, which rose 1.7%, as small resources remained largely flat.

Mining contractor MACA performed strongly during the month as the business announced a result slightly above expectation and guided for \$500 million of revenue this financial year. G8 Education announced a result which was in line with previous company guidance, along with a placement at a then 9% premium, and targets that would net an earnings per share growth rate of 17%+ into calendar year 2019.

During the month GC1's cash levels reduced to 25% as funds were deployed into both existing and new businesses to take advantage of the prevailing volatility. The Directors of Glennon Small Companies Ltd were also pleased to announce an interim dividend of 1 cent per share fully franked. This brings the total announced dividends since the company's listing in August 2015 to 4.75 cents, a gross value including franking of 6.79 cents. The ex-date for the dividend is 20 April 2017 and the record date is 21 April 2017. The dividend will be paid on 4 May 2017 and a dividend reinvestment plan will operate at a 3% discount.

Stock Code ASX: GC1

Share Price ^(10/3/17)	\$0.93
Market Capitalisation	\$43.7m

Investment Objectives

To own sustainable businesses with superior management that:

- operate in industries with barriers to entry and growth prospects
- are undervalued

Investment Strategy

- Active portfolio management
- Concentrated portfolio
- Long only
- Ungeared

Company Overview

Glennon Small Companies Ltd is an ASX listed investment company. The Company invests in a concentrated portfolio of high quality small cap and microcap companies outside the S&P/ASX 100.

The Company is managed by Glennon Capital, a specialist small and microcap investment manager.

For more information on our portfolio holdings, insights and research please visit www.glennon.com.au and sign up to our newsletter.

Top Five Holdings

NVL	National Vet	3.7%
GEM	G8 Education	3.6%
SGM	Sims Metal	3.6%
CGC	Costa Group	3.5%
PGC	Paragon Care	3.2%

Portfolio Characteristics

Number of Equity Holdings	36
Median Market Capitalisation	\$212m

Glennon Small Companies Ltd (GC1)

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