

## MONTHLY REPORT JULY 2021

ASX Announcement Date: 13 August 2021

NTA (before tax)*	NTA (after tax)**	Share price (31/07/2021)	Cash Weighting	Number of Holdings
\$1.04	\$0.99	\$0.825	4.47%	34

\* As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains, and includes (\$0.06) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

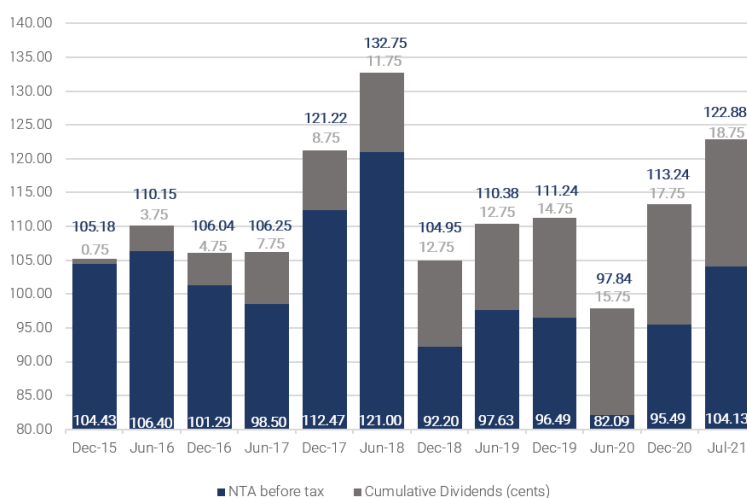
\*\* Includes all tax balances and selling costs

### Portfolio by sector

- Financials
- Consumer Discretionary
- Communication Services
- Industrials
- Health Care
- Information Technology
- Real Estate
- Materials
- Energy
- Cash



### GC1 NTA (Pre-Tax) + Cumulative Dividends



### PORTFOLIO REVIEW

The Small Ordinaries rose +0.68% for the month. Small Industrials were down -0.95%, while the Small Resources had a strong month finishing up +7.39% for the month. GC1 returned +1.22% for the month, outperforming against the market by 0.54%.

### PORTFOLIO COMPANY UPDATES

Our top 3 largest contributors to performance during this month were Sequoia Financial Group (SEQ), Johns Lyng (JLG) and Uniti Group (UWL), while Eagle Mountain and Pacific Smiles Group were the largest detractors from portfolio performance.

#### Sequoia Financial Group

Sequoia was the largest contributor to our portfolio performance, with the share rising 21.82% during the month. We have been invested in Sequoia for several years and think that the business is well placed in terms of market structure and the changes occurring and has the additional benefit of stronger broking volumes through the Morrisons business.

#### Johns Lyng

We wrote about Johns Lyng Group in our newsletter last month where we articulated our investment thesis but also pointed out that the company is priced to perfection and needs to deliver of several fronts to justify the current valuation.

#### Uniti Group

Uniti Group performed well during the month with the company seen as being a covid / lockdown benefiter. This is one of those companies where the valuation should be more derived from the earnings rate in the second half rather than the first as the company is growing. We expect there will be earnings upgrades with the company at the time of the results release.

### **Eagle Mountain**

Eagle Mountain retraced some of the strong gains it has made over the past few months, however we are still comfortable with the company, management, and the asset. August so far has seen a sharp rise in the EM2 price suggesting that possibly some of the register of starting to settle after the recent rally.

### **Pacific Smiles Group**

Pacific Smiles has seen some share price weakness as a result of continued lockdowns. We remain committed to the company and the fact that longer term the company will be a bigger business on a 3-5 year outlook. We will use short term weakness to add to our holdings.

## **PORTFOLIO CHANGES (ALPHABETICAL ORDER)**

Portfolio Additions	Portfolio Reductions
<ul style="list-style-type: none"><li>• City Chic Collective</li><li>• Metgasco</li><li>• Telix Pharmaceuticals</li></ul>	<ul style="list-style-type: none"><li>• Estia Health</li><li>• Viva Leisure</li></ul>

## **PORTFOLIO PERFORMANCE**

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>FY22</b>	1.22%												1.22%
<b>FY21</b>	5.77%	10.10%	-3.16%	2.08%	7.93%	1.18%	1.22%	2.54%	-1.95%	9.62%	-4.15%	2.46%	37.74%
<b>FY20</b>	2.39%	-3.28%	0.62%	-1.22%	2.46%	-0.03%	3.14%	-8.86%	-21.32%	6.39%	6.70%	-3.47%	-18.29%
<b>FY19</b>	1.61%	0.74%	-1.11%	-12.57%	-1.97%	-11.36%	2.07%	4.81%	-0.39%	5.63%	-3.04%	1.25%	-15.00%
<b>FY18</b>	0.72%	1.21%	3.00%	7.70%	0.43%	4.01%	1.45%	2.27%	-2.38%	-2.14%	8.63%	2.55%	30.39%
<b>FY17</b>	9.42%	3.06%	3.03%	-3.65%	-3.55%	0.58%	-0.41%	-2.39%	0.74%	-0.78%	0.62%	1.68%	7.96%
<b>FY16</b>	-	1.80%	1.23%	2.24%	4.38%	-1.57%	-1.58%	-1.31%	5.55%	0.63%	2.28%	1.43%	15.87%

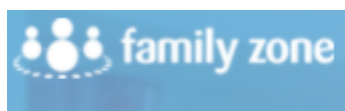
## TOP HOLDINGS DETAILS (ALPHABETICAL ORDER)



### City Chic Collective

ASX: CCX

City Chic Collective is a global retailer specialising in plus-size women's apparel, footwear and accessories. Its customer-led offering, which appeals to fashion-forward women, has a strong following in Australia, USA and New Zealand, with a rapidly-growing presence in Europe and the United Kingdom.



### Family Zone

ASX: FZO

Family Zone is an Australian technology company focused on the rapidly growing global parental control and cyber safety market. Family Zone's unique platform permits world-first collaboration between parents and schools to keep children safe at home and school.



### Healthia

ASX: HLA

Healthia Limited is an integrated group of health-based companies whose mission is to enrich the lives of people through world-class health services. Services include podiatry services, physiotherapy services, hand and upper limb rehabilitation, orthotic manufacturing, and podiatry and foot care products distribution.



### Johns Lyng

ASX: JLG

Johns Lyng Group Limited is an integrated building services group delivering building and restoration services across Australia. JLG's core business is built on its ability to rebuild and restore a variety of properties and contents after damage by insured events including impact, weather, and fire events.



### Lovisa

ASX: LOV

Lovisa Holdings Limited is a fast fashion jewellery retailer in a number of international markets. Lovisa provides fashion with different earrings, hair bands, necklace, wrist and ring and body fashion.



### Pacific Smiles

ASX: PSQ

Pacific Smiles Group Limited operates dental centres at which independent dentists practice and provide clinical treatments and services to patients. Revenues and profits are primarily derived from fees charged to dentists for the provision of these fully serviced dental facilities.



### Resimac

ASX: RMC

Resimac Group Ltd is a leading non-bank residential mortgage lender and multi-channel distribution business. It operates under a fully integrated business model comprising origination, servicing and funding prime and nonconforming residential mortgages in Australia and New Zealand.



### Sequoia Financial Group

ASX: SEQ

Sequoia Financial Group is an integrated financial services company providing products and services to self-directed retail and wholesale clients and those of third-party professional service firms.



### Uniti Group

ASX: UWL

Uniti Group is a diversified provider of telecommunications services, with three distinct operating business units: Wholesale & Infrastructure, Consumer & Business and Communications Platform as a Service.

## HOW TO INVEST

Glennon Small Companies Limited shares are traded on the Australian Securities Exchange (ASX) under the ticker code 'GC1'.

Glennon Small Companies Limited Resettable Redeemable Convertible Preference Shares (RRCPS) are traded on the ASX under the ticker code 'GC1PA'.

## GENERAL ENQUIRIES

**Contact:** Michael Glennon  
(Chairman)  
**Telephone:** (02) 8027 1000  
**Email:** [info@glennon.com.au](mailto:info@glennon.com.au)  
**Website:** [www.glennon.com.au](http://www.glennon.com.au)  
**Address:** Level 17, 25 Bligh Street  
Sydney, NSW, Australia, 2000