

## MONTHLY REPORT March 2023

ASX Announcement Date: 14 April 2023

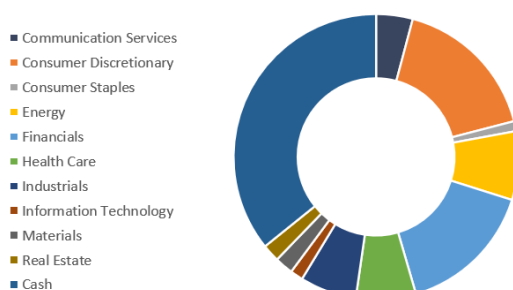
NTA (before tax)*	NTA (after tax)**	Share price (31/03/2023)	Cash Weighting	Number of Holdings
\$0.71	\$0.73	\$0.57	35.8%	29

\* 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 (\$0.0725) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

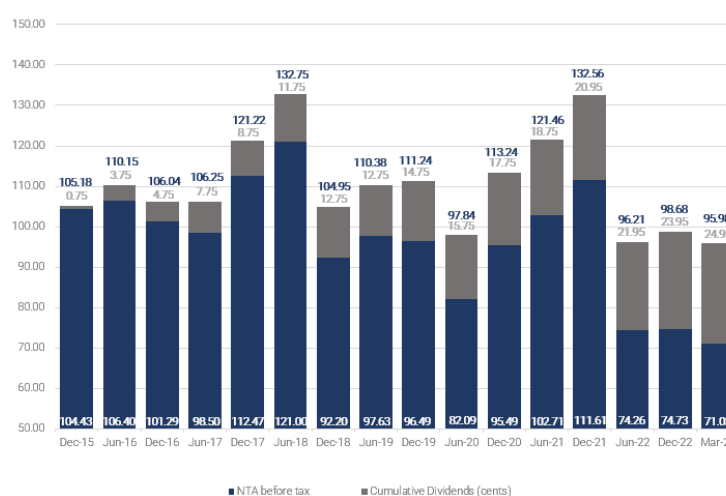
\*\* Includes all tax balances and selling costs

The above NTA numbers include the effect of the dividend paid on 31 March 2023

### Portfolio by sector



GC1 NTA (Pre-Tax) + Cumulative Dividends



### PORTFOLIO REVIEW

The portfolio was up 0.80% last month, outperforming its benchmark (S&P/ASX Small Ordinaries Accumulation Index) which fell 0.7%. At month end, approximately 36% of the portfolio was held in cash.

Our biggest winners during the month were **Neuren Pharmaceuticals (NEU)** and **Sequoia (SEQ)**, which jumped 122% and 24%, respectively.

NEU's North American partner, Acadia Pharmaceuticals, received FDA approval of DAYBUE. DAYBUE is the first and only approved treatment for Rett syndrome. NEU will receive US\$40 million of first commercial sale, royalties, milestone payments and one-third of the market value of the Rare Paediatric Disease Priority Review Voucher. We exited our position in NEU during the month, following the strong appreciation in its share price.

SEQ entered into a binding agreement to divest 80% of Morrison Securities for A\$40.5 million. Assuming the deal completes, more than two-thirds of SEQ's market cap will comprise of cash and its 20% interest in Morrison. The current share price implies its remaining businesses trades on a low single-digit multiple of earnings. We believe this is unwarranted and SEQ remains a core holding in the portfolio.

Our biggest losers were **Metgasco (MEL)** and **Revolver Resources (RRR)**, falling 10% and 16%, respectively. The decline in MEL's price was likely due to it securing a \$5 million debt facility from its two largest shareholders, Keybridge Capital and Glennon Capital, to fund its Odin field commitments. We subscribed for a \$2 million note from MEL at an interest rate of 10% per annum, payable quarterly, and options to acquire shares in MEL at 2.5 cents per share. RRR's price declined for no apparent reason.

During the month, we continued to add to our positions in **Collins Foods** (4.0% of the portfolio), **Baby Bunting** (3.2% of the portfolio) and **Dusk** (3.1% of the portfolio) on share price weakness.

## PORTFOLIO PERFORMANCE

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY23	12.74%	0.78%	-6.34%	1.10%	-2.20%	-0.10%	2.45%	-4.58%	0.80%				3.57%
FY22	1.22%	9.10%	-2.15%	3.38%	-1.85%	5.70%	-11.22%	-7.33%	5.21%	-5.97%	-8.08%	-10.76%	-22.63%
FY21	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%
FY20	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%
FY19	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%
FY18	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%
FY17	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%
FY16	-	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)



### Baby Bunting Group

ASX: BBN

Baby Bunting is Australia's largest specialty retailer of maternity and baby goods. The company has a network of more than 70 stores across Australia and New Zealand.



### Benjamin Hornigold

ASX: BHD

BHD is a listed investment company which provides investors with the opportunity to gain exposure to an investment portfolio that is actively managed.



### Collins Foods

ASX: CKF

Collins Foods operates and manages quick service restaurants in Australia, Europe and Asia. The company operates restaurants under the KFC, Taco Bell and Sizzler brands.



### Dusk Group

ASX: DSK

Dusk is an Australian specialty retailer of home fragrance products, offering a range of dusk branded products from its physical stores and online store. The company has a network of more than 140 stores across Australia and New Zealand.



### IVE Group

ASX: IGL

IVE Group is Australia's largest holistic marketing company. The company services all major industry sectors in Australia including financial services, publishing, retail, communications, property, clubs and associations, not-for-profit, utilities, manufacturing, education and government.



### Lovisa Holdings

ASX: LOV

Lovisa is a fast fashion jewellery retailer. The company operates over 700 stores in more than 30 markets.



### Metgasco

ASX: MEL

Metgasco is an active onshore oil and gas exploration company with exploration licences in the Premier Cooper Eromanga and Perth Basins. Metgasco's last three wells (Vali-1 ST1, Odin-1, Vali-2) have a 100% record of discovering gas.



### Telix Pharmaceuticals

ASX: TLX

Telix Pharmaceuticals is a biopharmaceutical company focused on the development and commercialisation of diagnostic and therapeutic radiopharmaceuticals.



### WT Financial Group

ASX: WTL

WT Financial Group Limited is a diversified financial services group offering financial planning and wealth management, insurance, superannuation, finance, tax and accounting services.

## 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

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