



GLENNON SMALL COMPANIES

MONTHLY REPORT May 2024

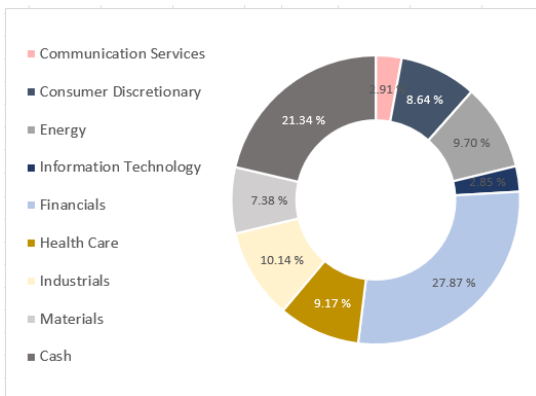
ASX Announcement 14 June 2024

NTA (before tax)*	NTA (after tax)**	Share price (31/05/2024)	Cash Weighting	Number of Holdings
\$0.72	\$0.71	\$0.48	21.34%	22

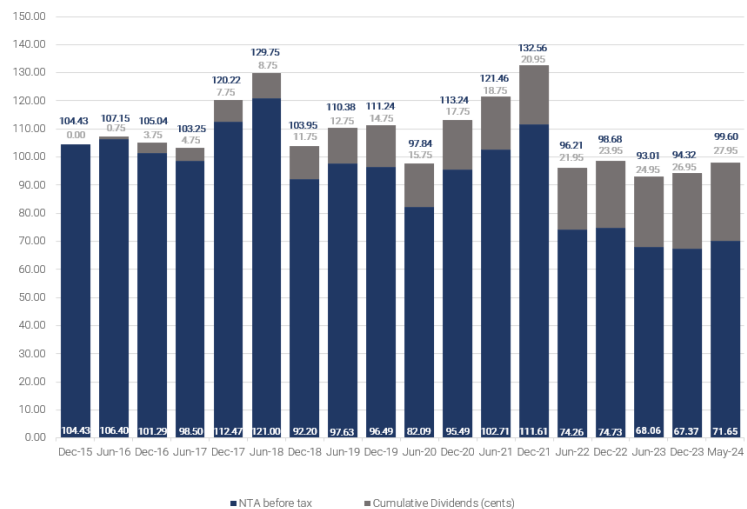
* As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains, and includes (\$0.1074) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

** Includes all tax balances and selling costs

Portfolio by sector



GC1 NTA (Pre-Tax) + Cumulative Dividends



PORTFOLIO REVIEW

The Glennon Small Companies portfolio returned 2.87% in May, ahead of its benchmark (S&P/ASX Small Ordinaries Accumulation Index), which returned (-0.05%). At month end, approximately 21.34% of the portfolio was held in cash or cash equivalents. We are still concerned with the impact of the inflation in the domestic economy and the still strong inflation numbers which are causing pain to small businesses and consumers, and the flow-on effects to individuals in the economy. While we see the pain in the economy as continuing, we believe that it is being hidden by the impacts of immigration and the 30% of households who are not renting or paying off a mortgage. On a daily basis, we are seeing small businesses closing and increasing levels of reported insolvencies, with the ATO being a driver of some of this activity. This is the hangover from loose Covid payments and a depletion of personal balance sheets.

The main contributors to performance were Telix (+20.60%), Kelly Partners (+15.86%), and Lovisa Holdings (+6.84%). Noting our concern about the consumer, we still hold Lovisa which is directly exposed to the consumer; however, we believe that the global roll-out and the low price point of their products will make them somewhat immune to a weak consumer. We were less concerned about the announcement that the incumbent CEO would be leaving, as we are confident that major shareholder Brett Blundy will continue to have influence over the roll-out and future growth of the company. We believe that Brett is one of the best retailers in Australia. Time will tell if he can build this into a dominant global brand.

There was also a strong return from a position in silver company Mithril Resources, which listed during the month, rising 200% on listing, however it was not a significant contributor to overall return for the month.

The main detractors from performance were Zip Co (-9.83%), Perpetual Limited (-8.53%) and Sandfire Resources (-3.14%). Perpetual announced a deal with KKR which was at best vague and long dated. We held the position to capitalise on the announced strategic review, however we were somewhat underwhelmed with the details which were at best vague. We have exited the position while realising a small profit, but less than what we were anticipating. Zip has had a strong run and gave up some of that performance in the month. At the time of writing, Zip had regained some of the pull back.

PORTFOLIO PERFORMANCE

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY24	1.05%	0.52%	-0.14%	-4.27%	1.81%	2.62%	0.89%	2.24%	2.84%	-2.46%	2.87%		7.98%
FY23	12.74%	0.78%	-6.34%	1.10%	-2.20%	-0.10%	2.45%	-4.58%	0.80%	2.43%	-4.13%	-1.83	-0.15%
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)



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.



Lovisa Holdings Ltd

ASX: LOV

Lovisa is a fast fashion jewellery retailer. The company operates over 800 stores in over 30 countries globally.



Metgasco Ltd

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.



Netwealth Group Ltd

ASX: NWL

Netwealth is one of the fastest growing wealth management businesses in Australia. Its products include superannuation products, investor directed portfolio services, SMSF administration, and non-custodial admin & reporting services.



Pro Medicus Limited

ASX: PME

Pro Medicus Limited is a developer and supplier of healthcare imaging software and services to hospitals, diagnostic imaging groups and other related health entities in Australia, North America and Europe.



Sandfire Resources Ltd

ASX: SFR

Sandfire Resources is involved in production and sale of copper concentrate, evaluation and development of mineral tenements and projects in Australia and overseas, including investment in early-stage mineral exploration companies.



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.



Seven Group Holdings Limited

ASX: SVW

Seven Group Holdings Limited (SGH) is a leading Australian diversified operating group, with market leading businesses and across industrial services, energy and media. SGH's purpose is to recognise and serve exceptional businesses, with an objective to maximise return to stakeholders through long-term sustainable value creation.



Telix Pharmaceuticals

ASX: TLX

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

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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