

GLENNON SMALL COMPANIES LTD

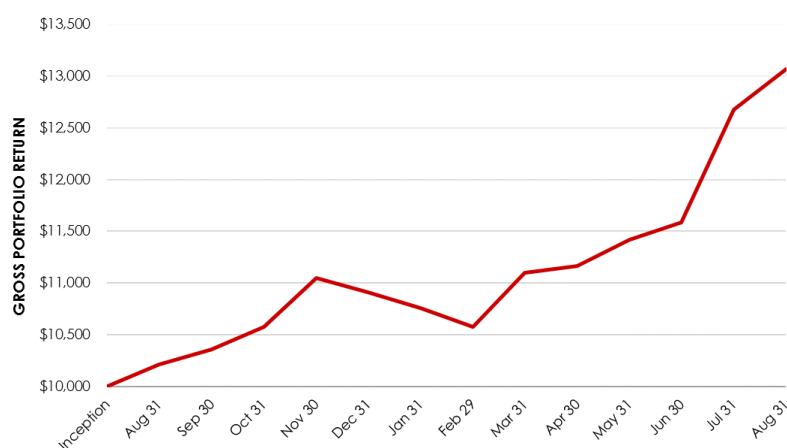
INVESTMENT REPORT | AUGUST 2016



Net Tangible Assets (NTA) at 31 August 2016 Cents

NTA before tax	109.51
NTA after tax	106.13

During the month to 31 August 2016 Glennon Small Companies Ltd delivered a gross portfolio return of 3.06%, while the S&P/ASX Small Ordinaries Accumulation Index fell 1.56%. Since inception Glennon Small Companies Ltd has delivered a 30.66% gross portfolio return while the S&P/ASX Small Ordinaries Accumulation Index has risen 27.06%. At the end of the month the portfolio held 45.33% cash.



Performance at 31 Aug 2016	1 Month	3 Months	6 Months	1 Year	Since Inception
Glennon Small Companies	3.06%	14.39%	23.57%	27.90%	30.66%

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

August saw both the small cap and large cap indices fall slightly after a very strong performance in July. Small caps continue to outperform large caps by 18% over the last year. Despite driving performance over the past quarter, small resource stocks took a leg down, falling 6%.

August also marked the reporting season for Australian companies and the portfolio benefitted from strong results delivered by our holdings. Four of our top five positions: RCR Tomlinson, Retail Food Group, Altium and Ausdrill rose substantially during August as they delivered better than expected results and outlook statements.

The Directors would like to thank all shareholders who exercised their options in the lead-up to the 18 August expiry date as well as shareholders who participated in the option underwriting. With inflows being received late in the month GC1 finished the month with 45% cash. Cash is being prudently deployed into existing and new positions. From 12 September GC1 is trading without the entitlement for the fully franked 3 cents per share final dividend, which will be paid on 4 October 2016.

Stock Code ASX: GC1

Share Price ^(13/9/16)	\$1.00
Market Capitalisation	\$46.7m

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

MYX	Mayne Pharma	4.0%
RCR	RCR Tomlinson	3.9%
RFG	Retail Food Group	3.9%
ALU	Altium	3.5%
ASL	Ausdrill	3.4%

Portfolio Characteristics

Number of Equity Holdings	33
Median Market Capitalisation	\$332m

Glennon Small Companies Ltd (GC1)

Investment Report | August 2016

Investor communication update

Glennon Capital is committed to communicating with our investors. In the videos and articles below, released to newsletter subscribers during August, we share our views on stocks, sectors and other topics of interest.

Videos

Mining services after the resources boom – [view](#)

The coming wave of lithium supply – [view](#)

Searching For Yield – [view](#)

Constructing your investment portfolio – [view](#)

Articles

Reporting season results highlights (ALU, BKL, ASL) – [read](#)

Snippets | Vitaco (ASX:VIT) – [read](#)

Reporting season result highlights (BAP, WEB, IPH) – [read](#)

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WWW.GLENNON.COM.AU



Important Information

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