

MONTHLY REPORT April 2023

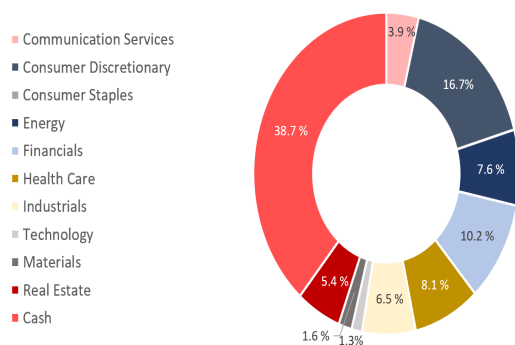
ASX Announcement Date: 12 May 2023

NTA (before tax)*	NTA (after tax)**	Share price (30/04/2023)	Cash Weighting	Number of Holdings
\$0.73	\$0.74	\$0.54	38.7%	26

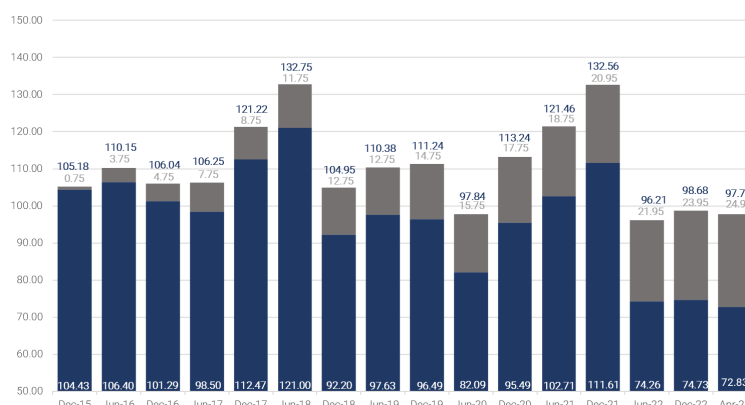
* As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains, and includes (\$0.0742) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

** Includes all tax balances and selling costs

Portfolio by sector



GC1 NTA (Pre-Tax) + Cumulative Dividends



PORTFOLIO REVIEW

The Glennon Small Companies portfolio rose 2.4% last month, trailing behind its benchmark (S&P/ASX Small Ordinaries Accumulation Index), which increased 2.8%. At month end, approximately 39% of the portfolio was held in cash.

Last month's performance was mainly driven by three of our holdings. Prostate cancer biotech, **Telix Pharmaceuticals** (4.8% of the portfolio) and dental clinic operator, **Pacific Smiles** (3.2% of the portfolio), rose 47% and 20%, respectively, after both reported strong trading updates. Shares in fast-fashion retailer, **Lovisa** (6.1% of the portfolio), gained 10% on no news.

Our main detractors from performance last month were **Revolver Resources** (1.6% of the portfolio) and **WT Financial** (2.7% of the portfolio), which fell 21% and 9%, respectively.

During the month, we invested 3.5% of the portfolio in **GDI Property Group**, a stapled REIT and fund manager which primarily owns commercial offices in Perth. GDI's share price currently trades at a 45% discount to its net tangible assets (NTA), implying an expected decline of more than 30% in the value of its real estate. GDI has several properties which are under-leased and under-developed, creating potential value-accretive opportunities within its existing portfolio. Furthermore, no value is attributed to its >\$500m funds management business which we expect likely to earn material performance fees over the medium term, following the wind-up of some of its larger funds. We believe the current set-up offers compelling potential upside and minimal risk of permanent loss of capital.

We sold our position in **Smartgroup** earlier in the month, earning a 50% return (including dividends) during our six-month holding period.

We also continued building our positions in home fragrance retailer, **Dusk** (3.2% of the portfolio), and mining driller, **DDH1** (2.4% of the portfolio), on share price weakness. Both companies are market leaders in their respective fields, are beneficiaries of long-term growth tailwinds, have strong balance sheets, are run by shareholder-friendly management, and both presently trade on a single-digit multiple of free cash flow.

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%	2.43%			6.09%
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.



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.



GDI Property Group

ASX: GDI

GDI is a commercial property investor and fund manager. GDI is structured as a stapled security to enable it to participate in both the ownership of properties either directly or indirectly via the Trust, and to receive earnings from fund management fees, car park operations, and development, via the Company.



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.



Pacific Smiles Group

ASX: PSQ

Pacific Smiles operates dental centres at which independent dentists practice and provide clinical treatments and services to patients.



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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