

MONTHLY REPORT December 2023

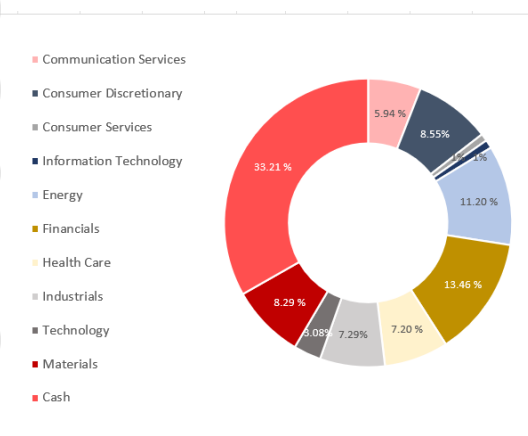
ASX Announcement 12 January 2024

NTA (before tax)*	NTA (after tax)**	Share price (29/12/2023)	Cash Weighting	Number of Holdings
\$0.67	\$0.68	\$0.46	33.21 %	32

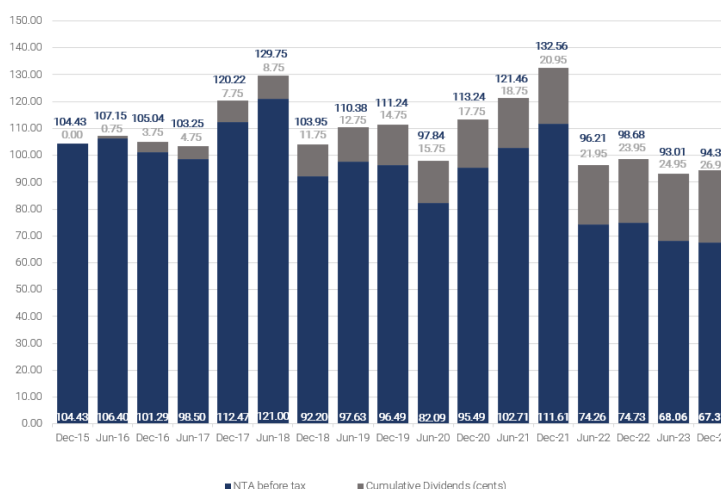
* As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains, and includes (\$0.0933) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

** Includes all tax balances and selling costs

Portfolio by sector



GC1 NTA (Pre-Tax) + Cumulative Dividends



PORTFOLIO REVIEW

The Glennon Small Companies portfolio returned 2.62% in December, falling short of its benchmark (S&P/ASX Small Ordinaries Accumulation Index), which returned 7.23%. At month end, approximately 33.21% of the portfolio was held in cash or cash equivalents. The portfolio suffered from having high cash levels and a weighting in nano-cap companies. At the smaller end of the market, there is still a liquidity strike however we expect this to change as the market gains more confidence in their being less interest rate increases.

November and December were both strong months for smaller companies which is an encouraging sign for the overall market. The main contributors to performance were Lovisa (+27.51%) and Sandfire Resources (19.16%). Lovisa is retracing some of the ground it has lost over the past 6 months however we are still confident in the longer-term growth outlook for Lovisa. The shorter-term weakness was caused by the market being over optimistic about the number of new stores to be opened on a net basis, given that 20 stores were closed while 55 stores have been opened. This is the exact situation that creates opportunities to buy a good company when it is impacted by short-term news. It is still one of the best long-term growth opportunities in the market. The market has ignored the fact that same stores sales growth is very strong, which a positive sign considering the pressure that consumers are under throughout the world with higher interest rates and inflationary pressures.

The main detractors from performance were IDP Education (-11.61) and Metgasco (-11.11%). Metgasco has remediated the Vali 2 well albeit at only marginally commercial flow rates. The share price is suffering from uncertainty over the debt position and the timing of drilling for the Odin 2 well. As a debt provider to the company, we are comfortable that the company can meet its interest obligations. There is sufficient cash in the company for the short-term and the company is getting good cashflows from the Odin 1 well and Vali 1 well, with Odin 1 performing at levels above expectations.

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%							1.44%
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.



Collins Foods Limited

ASX: CKF

Collins Foods Limited engages in the operation, management, and administration of restaurants in Australia, Europe, and Asia. The company operates restaurants under the KFC, Taco Bell, and Sizzler brands.



Coronado Global Resources Inc

ASX: CRN

CRN is an international producer of Met Coal, an essential element in steel production. Coronado coals, transformed in the steelmaking process, support the manufacture of everyday steel-based products, including renewable energy infrastructure.



IVE Group

ASX: IGL

IVE Group is Australia's largest holistic marketing company. The Group 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.



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.



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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