GLENNON SMALL COMPANIES

MONTHLY REPORT May 2026

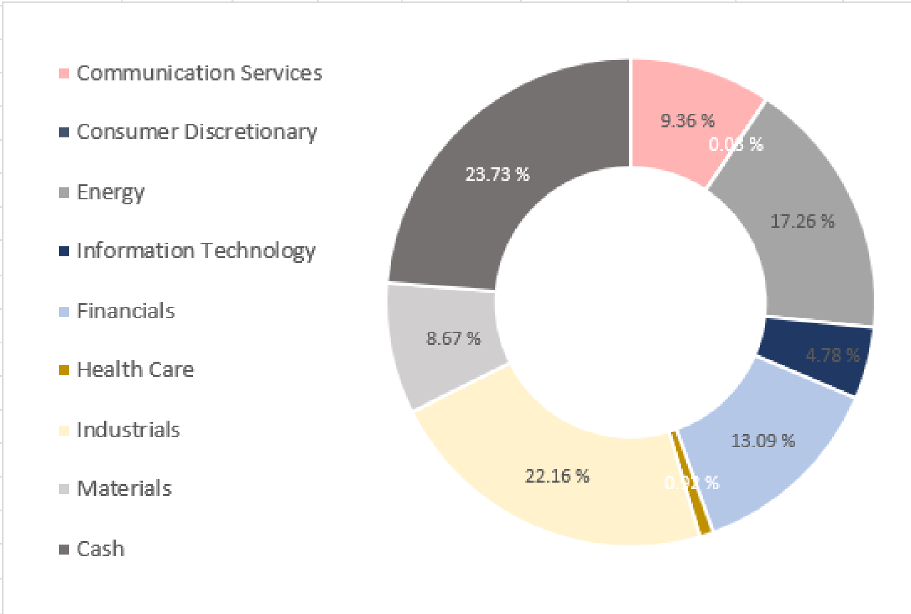
ASX Announcement: 12 June 2026

NTA (before tax)*	NTA (after tax)	Share price (31/05/2026)	Cash Weighting	Number of Holdings
$0.72	$0.71	$0.415	23.73%	28

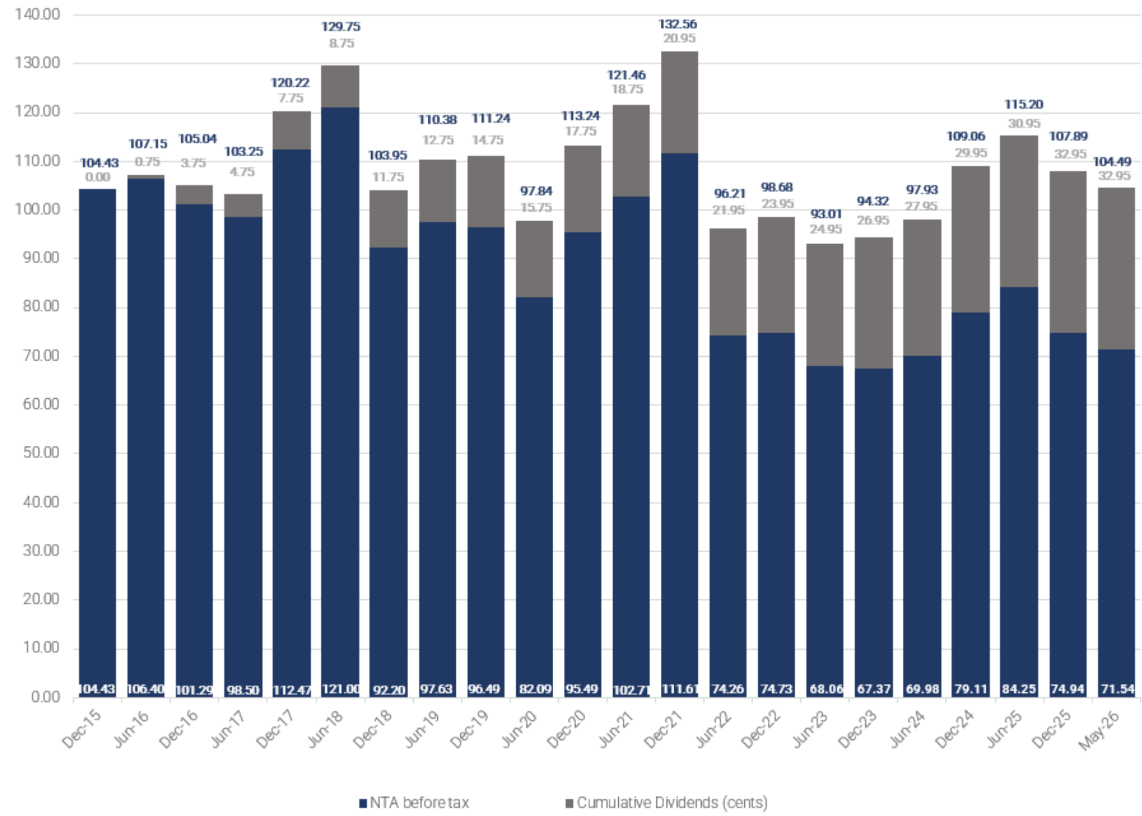
** As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains and includes $0.0806 per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits). Also includes $0.025 per share of accrued interest on convertible loans that are recognised at book value and not fair-valued for purposes of this report.*

Includes all tax balances and selling costs (at the reduced corporate tax rate of 25% available for base rate entities)

Portfolio by sector



GC1 NTA (Pre-Tax) + Cumulative Dividends



PORTFOLIO REVIEW

In May 2026, the Glennon Small Companies Portfolio recorded a return of +2.97%, outperforming its benchmark, the S&P/ASX Small Ordinaries Index (Accumulation), which returned +2.03% over the same period.

The Australian small-cap market continued its recovery in May 2026, supported by improving investor sentiment, resilient economic data and growing confidence that domestic interest rates were approaching a cyclical peak. The S&P/ASX Small Ordinaries Index (Accumulation) advanced +2.03% during the month as investors increasingly favoured companies with strong earnings visibility, robust balance sheets and exposure to long-term structural growth themes.

Market performance was supported by strength across industrials, technology and selected resource companies, with investors responding positively to ongoing investment in infrastructure, data centres, artificial intelligence and energy transition projects. Improved risk appetite also contributed to a recovery in capital market activity, benefiting a range of growth-oriented small companies that had experienced volatility earlier in the year.

The Portfolio outperformed the benchmark during the month, benefiting from stock selection across industrial, technology and infrastructure-related holdings. Several portfolio companies delivered strong operational updates and continued to demonstrate earnings resilience despite a mixed macroeconomic backdrop. The Portfolio remains focused on identifying high-quality businesses with sustainable competitive advantages, strong management teams and attractive long-term growth prospects.

Key Contributors - May 2026

- **Sandfire Resources Ltd (ASX: SFR) +20.36%**

  Sandfire Resources was the strongest contributor to portfolio performance during May 2026, with the share price benefiting from continued strength in copper markets and growing investor confidence in the company's production and earnings outlook. Copper prices remained well supported by ongoing demand associated with electrification, renewable energy infrastructure and global data centre investment, while concerns around future supply constraints continued to underpin positive sentiment toward copper producers. Investors also responded favourably to Sandfire's operational performance across its international asset portfolio, including continued progress at the MATSA operation in Spain and the Motheo Copper Mine in Botswana. The company’s strong balance sheet, increasing production profile and leverage to long-term structural demand for copper contributed to the strong share price appreciation during the month.

- **Ventia Services Group Limited (ASX: VNT) +17.17%**

  Ventia Services Group delivered a strong share price performance in May 2026 as investors continued to recognise the company's defensive earnings profile, recurring revenue base and exposure to long-term infrastructure investment trends across Australia and New Zealand. Sentiment was supported by expectations of ongoing growth in government and essential services spending, particularly across transport, telecommunications, utilities and defence-related infrastructure. The market also responded positively to Ventia's strong contract pipeline and ability to generate consistent cash flow while maintaining disciplined capital management. As investors increasingly favoured businesses with predictable earnings and infrastructure exposure, Ventia's high-quality operating model and favourable medium-term growth outlook drove strong share price performance during the month.

Key Detractors - May 2026

- **Netwealth Group (ASX: NWL) -9.30%**

  Netwealth Group's share price declined during May 2026 despite continuing to benefit from favourable long-term industry trends supporting platform-based wealth management businesses. The weakness largely reflected profit-taking following a period of strong share price performance and elevated valuation multiples relative to the broader market. Investor sentiment towards financial technology and wealth platform providers softened during the month as market participants reassessed earnings expectations and competitive dynamics across the sector. While Netwealth continues to demonstrate strong funds under administration growth and attract adviser inflows, the market became increasingly focused on valuation discipline and the potential impact of industry competition on future margin expansion.

- **Kelly Partners Group Holdings Ltd. (ASX: KPG) -9.49%**

  Kelly Partners Group underperformed during May 2026 as investors remained cautious regarding acquisition integration risks and the company's leveraged growth strategy. Although the business continues to execute on its long-term objective of building a leading accounting and professional services network through acquisitions; market sentiment remained focused on balance sheet considerations and the pace at which acquired businesses can be successfully integrated. The stock was also impacted by relatively weaker investor demand for smaller, less liquid companies during periods of market volatility. Despite these near-term concerns, Kelly Partners continues to benefit from a growing base of recurring revenues and a scalable operating model within the fragmented accounting services industry.

Market Outlook

The outlook for Australian small companies remains constructive on a selective basis, although the macroeconomic backdrop has become more complex following the Reserve Bank of Australia's decision in May to increase the cash rate by 25 basis points to 4.35%. The RBA noted that inflation was likely to remain above target for some time, with higher fuel and commodity prices adding to cost pressures and increasing the risk of second-round inflation effects across the economy. As a result, interest rates and funding costs are likely to remain an important differentiator across the small cap market, with investors continuing to favour businesses with strong balance sheets, resilient margins and the ability to pass through higher costs.

While inflationary pressures remain a headwind, recent data suggests the market is becoming increasingly focused on the quality and durability of earnings rather than simply rewarding cyclical exposure. The April 2026 CPI rose 4.2% over the year, down from 4.6% in March, although trimmed mean inflation increased to 3.4%, highlighting that underlying inflation remains above the RBA's target band. In this environment, companies with recurring revenue, strong cash conversion, disciplined cost control and defensible competitive positions should remain better placed than highly leveraged businesses or companies reliant on a rapid recovery in consumer demand.

The 2026–27 Federal Budget also provides a supportive backdrop for selected areas of the domestic economy. Measures directed toward housing infrastructure, nationally significant road and rail projects, defence investment, fuel security, healthcare and aged care are likely to support activity across a range of industrial, infrastructure, engineering services and essential services businesses. These areas remain particularly relevant for the Portfolio, given its exposure to companies benefiting from long-term investment in infrastructure, energy security, defence capability, telecommunications and essential services.

Globally, markets continue to assess the implications of geopolitical uncertainty, energy price volatility and uneven growth across major economies. Commodity markets remain important for Australia, particularly where supply constraints intersect with structural demand from electrification, renewable energy, data centres and energy security investment. We continue to see attractive opportunities in companies exposed to these long-duration capital expenditure themes, particularly where earnings are supported by contracted revenue, disciplined management teams and strong balance sheets.

Against this backdrop, we remain focused on identifying companies that can compound earnings through the cycle rather than relying on broad market momentum. We believe the most attractive opportunities remain in businesses with clear earnings visibility, pricing power, recurring or contracted revenues, and exposure to structural growth themes such as infrastructure renewal, digital connectivity, electrification, defence, healthcare and essential services. Conversely, we remain cautious toward highly leveraged companies, businesses with limited pricing power and consumer-facing companies exposed to pressure from elevated interest rates and cost-of-living constraints.

PORTFOLIO PERFORMANCE

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY26	3.61%	-1.34%	2.77%	-1.69%	-5.71%	-2.49%	-2.67%	-0.32%	-5.25%	2.11%	2.97%		-8.22%
FY25	0.82%	2.10%	6.84%	2.02%	7.27%	-3.93%	4.66%	-1.43%	-7.33%	4.58%	5.12%	2.83%	24.96%
FY24	1.05%	0.52%	-0.14%	-4.27%	1.81%	2.62%	0.89%	2.24%	2.84%	-2.46%	2.87%	-0.26%	7.70%
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)

COG Financial Services Limited
ASX: COG

COG is Australia's leading finance broker aggregator and equipment leasing business for small to medium-sized enterprises (SMEs).

HUB24 Limited
ASX: HUB

Hub24 is a provider of integrated platform, technology and data solutions. Their solutions include Australia's best platform HUB24, leading SMSF software Class, and myprosperity's innovative client portal technology.

Metgasco Limited
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.

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.

Seven Group Holdings Limited
ASX: SGH

Seven Group Holdings Limited 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.

Southern Cross Electrical Engineering
ASX: SXE

SCEE Group is a leading and trusted national provider of specialised electrical, instrumentation, communications, security, fire and maintenance services and products and is diversified across three broad sectors of resources, commercial and infrastructure.

Superloop Ltd
ASX: SLC

Superloop is Australia's modern challenger telco and internet service provider. Its purpose is to unleash the unlimited possibilities of the internet and deliver exceptional experience for its customers. It operates in three segments of the market, Consumer, Business and Wholesale connectivity.

Technology One Limited
ASX: TNE

TNE has been delivering leading enterprise software solutions for more than 37 years, adapting and evolving to new and emerging technologies. It is Australia's largest enterprise Software as a Service (SaaS) company and has offices across six countries.

Ventia Services Group Limited
ASX: VNT

Ventia is a leading essential infrastructure services provider that makes infrastructure work for communities across Australia and New Zealand.

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

Contact: Michael Glennon (Chairman)
Telephone: (02) 8027 1000
Email: info@glennon.com.au
Website: www.glennon.com.au
Address: Level 26, 44 Market Street Sydney NSW 2000