

Ryder Capital announces 2.63% increase in pre-tax undiluted NTA, total comprehensive income after tax of \$3.6m and a 3.0 cent fully franked interim dividend.

Ryder Capital Limited's (Ryder or Company) [ASX:RYD] undiluted pre-tax NTA return for 1H FY22 was 2.63% and for the twelve months to 31 December 2021 was 10.09%.

Investment performance generated a total comprehensive income after-tax gain of \$3.6m and the Company's pre-tax net assets increased 19.9% to \$156.9m (from \$130.9m at 30 June 2021).

The Company's distributable profits reserve increased from \$30.9m to \$33.1m as at 31 December 2021 or \$0.388 per share.

Directors are pleased to announce an interim dividend of 3 cents per share fully franked (in line with the 3 cent 1H FY21 interim dividend) with an ex-date of 18 February 2022 and a payable date of 7 March 2022.

The Company celebrated its sixth anniversary during the period allowing for a medium term assessment of its investment performance. Ryder's pre-tax undiluted performance over 3 year, 5 year and ITD time frames exceeds that of the ASX Small Ords Accumulation Index - the most comparable to the Company's investment strategy.

Since inception the Investment Manager has outperformed all comparable ASX equity indices in both positive and negative markets providing superior risk adjusted returns to the Company and shareholders.

Ryder Performance	1 Year (%)	3 Years (%p.a.)	5 Years (%p.a.)	Since Inception ⁽³⁾ (%p.a.)
Ryder Capital - Gross Portfolio Performance	12.51	24.77	22.99	21.24
Ryder Capital - Pre-tax Undiluted NTA Return⁽¹⁾	10.09	20.02	17.94	16.53
S&P / ASX All Ordinaries Accumulation Index	17.74	14.82	10.43	11.03
S&P / ASX Small Ordinaries Accumulation Index	16.90	15.71	11.17	12.97
Ryder Capital Hurdle Rate - RBA Cash Rate + 4.25% p.a.	4.35	4.78	5.17	5.34
Excess Return				
Pre-tax Undiluted NTA Return ⁽¹⁾ - RBA Cash Rate + 4.25% p.a.	5.74	15.24	12.77	11.19

Source: Bloomberg + Mainstream

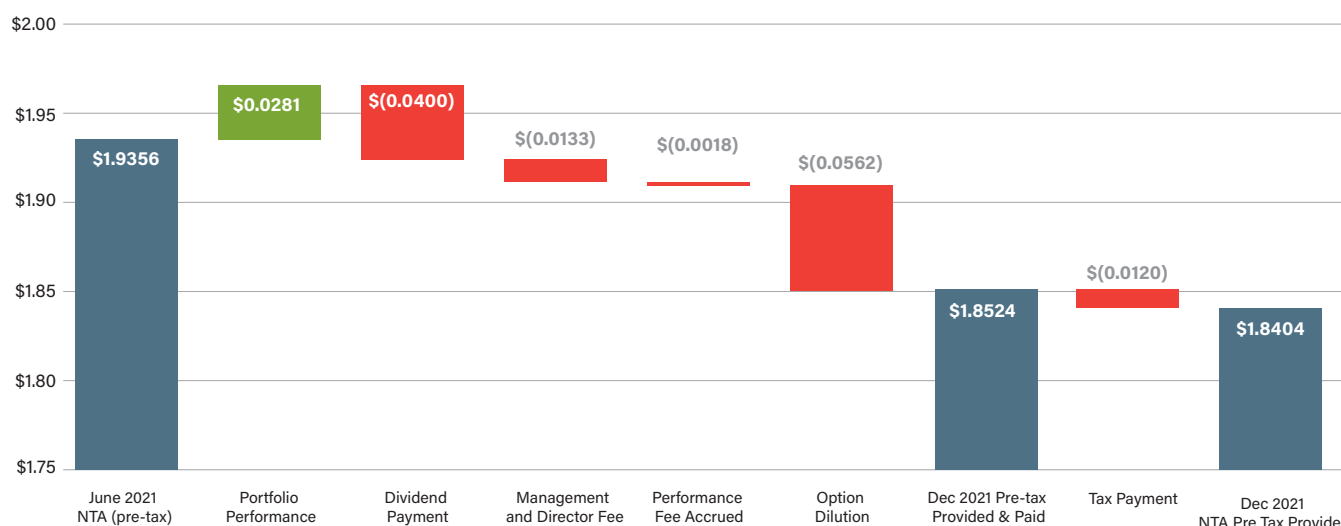
1. Adjusted for the dilution of the exercised 26.7m RYDO options and 26.5m RYDOA options. Calculation of pre-tax NTA is prior to the provision and payment of tax

2. Fully diluted for all options exercised since inception

3. Inception date is 22 September 2015

The movement in pre-tax NTA for the period is illustrated below.

Ryder (pre-tax) Performance



Outlook

With the US Federal Reserve leading the unwind of the emergency monetary settings in place since the onset of the COVID pandemic in March 2020, all asset classes are adjusting to a future of tighter monetary conditions. The new and added variable of inflation running higher than anticipated and its unknown permanency means forecasting monetary settings for now will remain extremely challenging. This variability in expectations and ultimate outcomes will likely continue to result in volatility across all asset classes, including equities.

We do not know how transitory or entrenched inflation will ultimately prove to be, or how far interest rates will need to be increased to manage this risk. What we do know with a high degree of certainty is that the most recent period of strong equity market gains primed by central banks monetary settings universally cheered on by governments alongside their own record fiscal support is now at an end.

The emergence of new COVID strains remains a variable as does the pathway out to living with the virus. We view this risk as low, though it should not be ignored.

With this backdrop in mind the Portfolio is well positioned with a value-skewed barbell strategy where we hold increasing levels of cash and core value stocks balanced against active opportunistic value trades and out of favour growth-oriented stocks. We are excited by the prospect of a more challenging investing environment that should favour bottom-up stock picking that very much suits Ryder's fundamental investment approach.

Peter Constable

Chief Investment Officer / Portfolio Manager

David Bottomley

Director & Portfolio Manager

About Ryder Capital Limited

Ryder Capital Limited (Company) was listed in September 2015 and is managed by Ryder Investment Management Pty Limited (Investment Manager) a Sydney based boutique fund manager pursuing a high conviction value driven investment strategy specialising in small-cap Australasian equities. The Investment Manager's approach is differentiated by investing for the medium to longer term; being aligned as significant shareholders in the Company and being focused on generating strong absolute returns first and foremost. A key foundation of the Investment Manager's success to date has been to minimise mistakes, ignore the crowd and back their judgement.