Ryder Capital

Net Tangible Asset & Monthly Investment Report

As at 31 March 2020

Investment Performance

	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (% p.a.)	Since Inception[4] (%)	Since Inception[4] (% p.a.)
Gross Portfolio Performance	-15.89	-16.73	0.99	13.60	84.20	14.45
Pre-tax Undiluted NTA Return[1]	-15.07	-15.82	-0.78	9.56	57.13	10.50
Pre-tax NTA Return[2]	-14.95	-15.70	-0.38	6.81	45.55	8.65
Hurdle (RBA Cash Rate + 4.25%)	1.20	2.45	5.22	5.57	28.56	5.71
Excess Return Pre-tax Undiluted NTA Return[1] - (RBA Cash Rate + 4.25%) [3]	-16.27	-18.27	-6.00	3.99	28.58	4.79

1. *Pre-tax NTA return adjusted for the dilution of the exercised 26.7m RYDO options.*
2. *Unaudited investment performance less all costs of operating Ryder Capital Ltd including investment management and performance fees and ignoring the dilutionary impact of unexercised outstanding RYDOA options.*
3. *Excess Return will be calculated with reference to undiluted NTA return as of February 2019 to better reflect underlying fund performance consistent with the Manager's performance measurement.*
4. *Inception Date is 22 September 2015.*

Investment Commentary

This month we are providing greater disclosure, discussion and forward-looking thoughts to assist Ryder shareholders navigate what has been and what will continue to be very difficult times for investors. As such, the March monthly NTA will comprise a two-page report.

Pre-tax NTA during March fell by 25.02 cents to $1.3578 after adjusting for the 2 cent fully franked dividend or -15.37%. As at 8th April the unaudited pre-tax NTA was $1.4329.

Ryder's return whilst negative, materially outperformed relative to ASX equity indices in both February and March, benefiting from holding ~24% cash and a large exposure to the strongly performing NextDC Limited which helped to offset some material mark to market declines across the broader Portfolio.

See over for continuing monthly commentary.

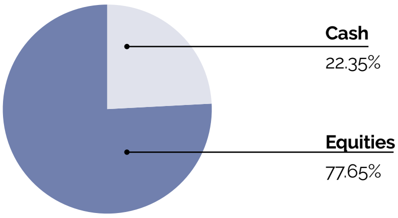
Investment Strategy & Objectives

- Absolute return, value driven fundamental approach
- Exceed RBA Cash rate + 4.25% p.a. over the medium to longer term
- Concentrated portfolio < 20 stocks
- ASX listed small/micro cap focus
- Medium to long term capital growth

Key Information

ASX Code	RYD
Date of Listing	22 Sep, 2015
Gross Assets	$79.87m
Market Cap	$66.98m
Share Price	$1.14
NTA Pre-Tax	$1.3578
NTA Post-Tax	$1.2925
Shares on Issue	58,756,723
Secondary Options	26,732,673
ASX Option Code	RYDOA
RYDOA Strike Price	$1.50
RYDOA Expiry	10 Dec, 2021

Portfolio Asset Allocation



About Ryder Capital Limited

Ryder Capital Limited (Company) was listed in September 2015 and is managed by Ryder Investment Management Pty Limited (Manager) a Sydney based boutique fund manager pursuing a high conviction value driven investment strategy specialising in small to mid-cap Australasian equities. The 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 to the Manager's success to date has been to minimise mistakes, ignore the crowd and back their judgement.

Investment Team

Peter Constable
Chairman and Chief Investment Officer

David Bottomley
Portfolio Manager / Director

Lauren De Zilva
Analyst

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Investment Commentary (continued)

There is now no doubt in anyone's minds that the spread of COVID-19 is having both a material health and economic impact globally. These dual impacts and Government and Central Bank responses vary county to country however, in common these responses have been unprecedented in speed and quantum. The medium to longer-term consequences for economies, corporate profits and asset prices are increasingly uncertain, against the backdrop of the more obvious short-term daily reporting of the curtailing and peaking of the virus infection rates and spread. This pulling of short-term emotional data against the pushing of longer-term fundamental consequences is likely to endure for some time, continuing to drive market volatility and direction.

Some sectors of the economy are operating business as usual (BAU), with some tailoring of the way they operate in order to comply with government health protocols, while others are shut with no business and then there is everyone in between. Our current thinking is those businesses that have been shuttered will progressively return over the coming months (subject to continuation of the current COVID-19 trajectory) in a controlled and staged way. Others that have remained open will slowly make their way back, most likely in an altered state having used the shutdown and government support to restructure. While those that have been unaffected potentially emerge strong or in a stronger position.

Against this backdrop we have incorporated a number of inputs to group companies into three broad buckets of BAU or beneficiaries, survivors and those that will be challenged and risk failure. Using this broad filter we have exited or reduced Portfolio exposures to companies we anticipate have a challenged or uncertain future, representing a relatively small ~3% weighting in the Portfolio. Positions we view as survivors representing a more meaningful ~21% weighting in the Portfolio are being closely monitored as they navigate current challenges and opportunities for their businesses. Key holdings of NextDC Limited, MacMahon Holdings Limited and Aurelia Metals Limited together with a number of new and existing smaller holdings representing ~42% of the Portfolio we view as either BAU or beneficiaries of the current and future/post COVID-19 business environment. Included in this BAU/beneficiaries bucket is an increased exposure to gold through three new positions in Australian based gold producers, taking our total indirect exposure to gold to ~ 8% at market.

Updater Inc. (Updater) remains a material unlisted US dollar investment in the Portfolio, and while solid progress was reported on March 9th, both New York and the wider US economy have reported significant impacts due to COVID-19. Updater now expects to see a decline in forecast revenues as many Americans defer or cancel moving due to government restrictions resulting in removal of their FY2020 guidance. We expect that America will get back to work quickly and back to moving with postponed moves largely being a deferral rather than a cancellation and as such we expect to see Updater well positioned to benefit in the coming months/ quarters.

Ryder holds USD common shares in Updater with the carrying value now adjusted monthly reflecting the AUD/USD rate. This will provide for a more transparent pricing into the monthly NTA and facilitate management of the underlying currency exposure.

Cash holdings decreased nominally from $23.7m to $17.9m as we actively deployed cash into investment opportunities, whilst falling on a relative basis from 24.3% to 22.4%.

In summary, our key priorities in the current market environment are to maintain a liquid well balanced Portfolio of quality investments and a strong cash position that will enable us to further benefit from opportunities as and when they arise.

Peter Constable
Chairman and Chief Investment Officer

David Bottomley
Portfolio Manager / Director

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