

Ryder Capital Limited
Appendix 4E Preliminary Final Report
For the year ended 30 June 2022

Details of Reporting Period

Current: Year ended 30 June 2022

Previous corresponding: Year ended 30 June 2021

Results for announcement to the market			
	\$	Movement	Movement
Revenue from ordinary activities	5,243,854	▲	189.72%
Profit from ordinary activities before capital profits and tax attributable to members	3,088,050	▲	143.16%
Profit from ordinary activities after tax attributable to members	3,475,914	▲	176.68%
Total comprehensive (loss)/income for the period attributable to members	(21,323,502)	▼	(191.85)%

Details of dividends			
	Cents per share	Franked amount per share	Tax rate for franking
2022 Interim dividend (cents per share) - paid on 7 March 2022	3.0	3.0	30%
2022 Final dividend (cents per share)	4.0	4.0	30%

Final dividend dates	
Declaration date	16 August 2022
Ex-dividend date	19 August 2022
Record date	22 August 2022
Payment date	5 September 2022

Dividend reinvestment plan (DRP)

N/A

Net tangible assets (NTA)		
	30 June 2022	30 June 2021
Net tangible assets (per share) backing before tax*	1.36	1.94
Net tangible assets (per share) backing after tax*	1.40	1.77

* Post exercise of 17,643,593 options in FY22 at \$1.50 and 8,867,947 options in FY21 at \$1.50; and buyback of 217,634 shares in FY22 and nil in FY21

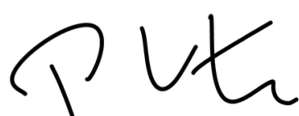
Audit

This report is based on the financial report which has been audited. All the documents comprise the information required by Listing Rule 4.3A.

Annual General Meeting (AGM)

The AGM is to be held on 19 October 2022.

Signed on behalf of Ryder Capital Limited



Peter Constable
Chairman
Ryder Capital Limited

Sydney, 16 August 2022

RYDER CAPITAL

ABN 74 606 695 854

Annual report

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Chairman's Letter to Shareholders

Dear fellow Shareholders,

In prior years I have taken the opportunity to remind Shareholders what we are setting out to achieve at Ryder, which with the current market backdrop, volatility and fall in value of the Company's Portfolio, has greater significance this year. Our aim is to provide Shareholders with a concentrated Portfolio of securities undervalued and underappreciated by the market. We have little interest in building a Portfolio that tracks commonly used benchmarks, but instead focus on investing for the longer term in what we consider to be outstanding and, in some cases, unique opportunities.

Our investment strategy of running a concentrated Portfolio of small caps, adhering to a value bias, has been painful for shareholders in FY22. Despite much of the underperformance being paper losses generated on a mark to market basis, we must acknowledge errors were made in stock selection, position sizing and underestimating downside risk. Despite these errors and resultant recent underperformance, I expect the bulk of our Portfolio companies will regain all if not more than what has been lost over time and can assure Shareholders we have been ruthless in ensuring that this representation is well founded.

Ryder completed its sixth full financial year since listing in September 2015. Total comprehensive income after tax decreased to (\$21,323,502) from \$23,215,635 in FY21. Gross Portfolio performance of (20.44%) underperformed the Company's performance benchmark resulting in a negative carry forward performance fee of \$7,909,839. Until such time as the Investment Manager makes up this amount, by outperforming the Company's performance benchmark to cumulatively offset this accrual and that of the future annual hurdle rate, no performance fees are payable.

The Investment Manager sold several long-term Portfolio investments on valuation grounds realising net gains of \$1,150,405 before the payment of dividends of \$3,048,268 which is reflected in the Company's capital profits reserve decreasing 6% or \$1,897,863 to \$28,870,734. The Company's profit reserve rose from \$105,462 to \$1,145,284 which when added to the Company's capital reserve takes total distributable profits to \$30,016,018 equivalent to \$0.353 per share on the Company's expanded capital base. This increase in total distributable profits is net of \$5,606,316 in dividends paid during the period and excludes (\$4,979,780) of net unrealised losses in the Portfolio as at 30 June 2022. Dividends paid during the year totalled \$0.07 per share fully franked, steady on FY21 despite a 25.8% increase in the Company's issued capital to 85.05m shares. With \$0.353 cents per share of available distributable profits as at 30 June 2022 the Company remains in a strong position to continue to pay steady to increasing fully franked dividends over time.

As at 30 June 2022 approximately 87.07% of the Company's capital was deployed in equities and 12.93% held in cash.

When reviewing the Company's investment performance for FY22 we focus on measuring the Company's pre-tax undiluted NTA period to period, which once adjusted for tax payments and dividends resulted in a loss of (21.47%). This return and that of the Company's diluted pre-tax NTA together with a detailed Portfolio disclosure, discussion, performance and risk analysis is presented in the Investment Manager's Report which I encourage you to read.

The Company's share price decreased from \$1.770 to \$1.295 during the year. When taking into account \$0.07 in fully franked dividends

paid during the year, the share price return was (22.88%) for FY22 compared to the undiluted pre-tax NTA return of (21.47%) reflecting a slight widening of the discount to fully diluted NTA from approximately 4.04% to 4.77% - noting this analysis excludes the tax benefits of franking credits received.

Despite solid operational and strategic progress together with a commitment to a public listing when equity markets stabilise, the value of the unlisted investment in Updater Inc. (Updater) has been maintained at the same US Dollar valuation as last year. Your Investment Manager together with Directors have formed a view that the value of Updater remains fairly reflected in the Company's accounts.

Ryder enters FY23 having made a strong start in July with an increase in NTA of +3.99%. The Portfolio is well positioned to perform in what is likely to be a challenging and volatile investment environment. As at 31 July 2022, the Portfolio cash weighting was 9.54%

Reflecting a strong start to FY23, the prospect of more stable markets and a large profits reserve, the Board has declared a \$0.04 fully franked final dividend bringing the full year FY22 dividend to \$0.07 per share fully franked, equal to FY21.

The Annual General Meeting (AGM) will be held on 19 October 2022 where the formal business of the Company will be conducted. At the AGM there will be an opportunity for Shareholders to ask questions regarding the investment Portfolio, investment markets and the outlook for the Company.

Finally, I would like to thank all Shareholders for their continued support, and I look forward to seeing you at our AGM.

Yours faithfully,



Peter Constable
Chairman

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Investment Manager's Report

Gross portfolio performance for the year to 30 June 2022 (FY22) was (20.44%), underperforming the Portfolio's absolute return performance hurdle of RBA Cash + 4.25%. While our FY22 performance was broadly in line with the most comparable Australian equity index being the ASX Small Ordinaries over the period, our inability to meaningfully outperform on a relative basis was disappointing. The Portfolio held an average cash exposure through the year of approximately 14.86%, providing some insulation however, there were several large unanticipated falls within our core high conviction holdings. It must be acknowledged that there were errors in stock selection, position sizing and an underestimation of downside risk in what was an internally considered, forecasted and discussed scenario of a material derating for equities in 2h FY22, in particular the impact on smaller capitalised stocks. With these factors in mind, the Investment Manager actively considered its risk tolerance within the framework of market timing, crystallising material taxable gains and the Company's strategy of holding core positions for the long term. It should be noted that gross Portfolio performance returns exclude the various costs associated with running and administering the Company, such as management and performance fees, ASX listing fees and other third-party expenses as set out in this Annual Report.

While this report is focussed on Portfolio performance, it is important to reinforce that Shareholders should review performance during the reporting period at both the Portfolio (gross Portfolio performance) and Company (pre-tax undiluted NTA return) level adjusted for any dividends or other distributions made by the Company.

Set out in the table below is the Company's gross Portfolio performance and pre-tax undiluted net tangible asset (NTA) performance⁽¹⁾ to 30 June 2022 which take into account the historical pre-tax NTA dilution caused by the exercise of 26.7m RYDO options and 26.5m RYDOA options, net of capital reductions as a result of the Company's share buyback.

	3 months (%)	6 months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception ⁽³⁾ (%)	Since Inception ⁽³⁾ (% p.a.)
Gross Portfolio Performance	-18.11	-22.97	-20.44	9.81	14.76	158.13	15.02
NTA Return (Pre-tax Undiluted)⁽¹⁾	-18.44	-23.49	-21.47	5.66	10.29	99.95	10.77
NTA Return (Pre-tax)⁽²⁾	-18.41	-24.78	-26.98	0.15	5.05	56.63	6.85
Hurdle							
RBA Cash Rate + 4.25% Return	1.14	2.20	4.42	4.58	5.04	41.69	5.28
Excess Return							
NTA Return (Pre-tax Undiluted) ⁽¹⁾ (RBA Cash Rate + 4.25%)	-19.58	-25.69	-25.89	1.08	5.25	58.25	5.49

1. Adjusted for the dilution of 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.

We encourage Shareholders to focus on the net movement in Ryder's pre-tax undiluted NTA from period to period and compare those returns to that of cash and other relevant equity market indices as per the table below.

	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception ⁽³⁾ (% p.a.)
Ryder Performance				
Ryder Capital Portfolio Performance	-20.44	9.81	14.76	15.02
Ryder Capital Pre-tax Undiluted NTA⁽¹⁾	-21.47	5.66	10.29	10.77
Ryder Capital Pre-tax NTA Return⁽²⁾	-26.98	0.15	5.05	6.85
S&P / ASX All Ordinaries Accumulation	-7.44	3.81	7.15	8.21
S&P / ASX Small Ordinaries Accumulation	-19.52	0.38	5.07	7.56
RBA Cash Rate	0.18	0.33	0.79	1.01
Ryder Capital Hurdle Rate - RBA Cash Rate + 4.25%	4.42	4.58	5.04	5.28

Source: Bloomberg + Apex

1. Adjusted for the dilution of 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.

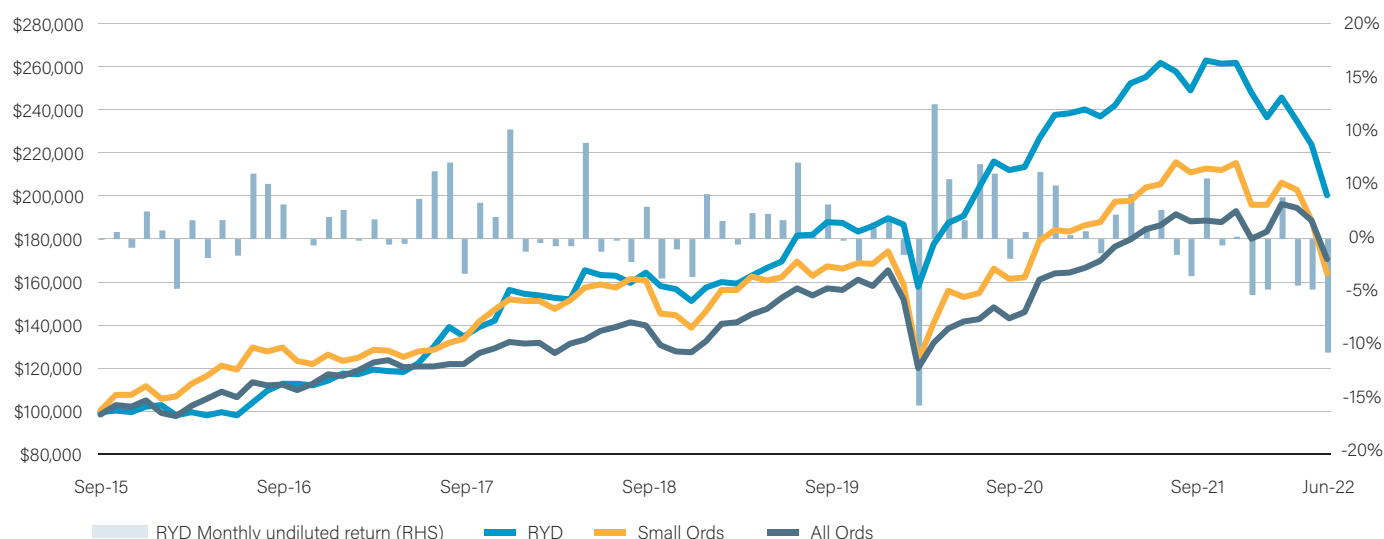
3. Inception date is 22 September 2015.

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Investment Manager's Report (Continued)

The chart below illustrates the performance of a \$100,000 investment in Ryder post all fees and expenses, and the compounding effect of this outperformance over time in comparison to the ASX All Ordinaries and ASX Small Ordinaries indices.

Investment Performance of \$100,000



PORTFOLIO - 30 June 2022

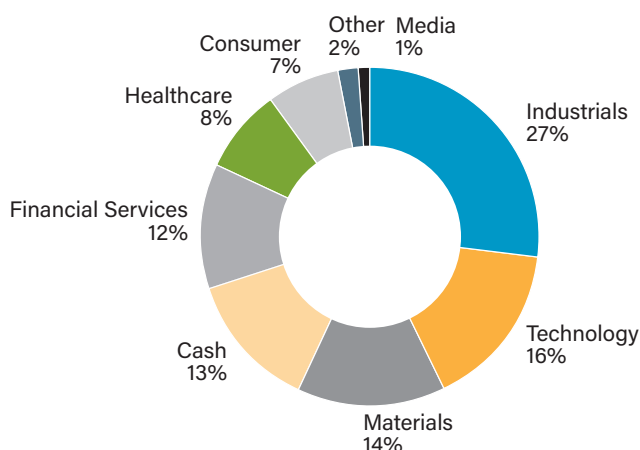
Name	Ticker	Total Value	Total %
SRG Global Ltd	SRG	\$13,982,925	12.08%
Updater Inc	N/A	\$9,871,412	8.53%
BCI Minerals Ltd	BCI	\$8,150,427	7.04%
Cash Converters International Ltd	CCV	\$7,624,500	6.59%
Janison Education Group Ltd	JAN	\$6,510,904	5.62%
CountPlus Ltd	CUP	\$6,006,382	5.19%
MacMahon Holdings Ltd	MAH	\$5,521,292	4.77%
3P Learning Ltd	3PL	\$5,141,762	4.44%
Capitol Health Ltd	CAJ	\$4,898,842	4.23%
Service Stream Ltd	SSM	\$4,147,899	3.58%
Austin Engineering Ltd	ANG	\$3,043,668	2.63%
Imdex Ltd	IMD	\$2,814,112	2.43%
Aurelia Metals Ltd	AMI	\$2,805,000	2.42%
4DMedical Ltd	4DX	\$2,715,153	2.35%
Wide Open Agriculture Ltd	WOA	\$2,188,802	1.89%
Jupiter Mines Ltd	JMS	\$1,952,123	1.69%
ETFS Ultra Short NASDAQ 100 Hedge Fund	SNAS	\$1,907,500	1.65%
Duratec Ltd	DUR	\$1,744,693	1.51%
Urbanise.com Ltd	UBN	\$1,545,926	1.34%
Lumos Diagnostics Holdings Ltd	LDX	\$1,435,228	1.24%
Other Equities		\$6,801,006	5.87%
Total Equities		\$100,809,555	87.07%
Cash, Cash Equivalents and Term Deposits		\$14,970,128	12.93%
Total Gross Portfolio Value		\$115,779,683	100.00%

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Investment Manager's Report (Continued)

The Portfolio at 30 June 2022 held meaningful exposures to the industrials, technology and materials sectors. This larger exposure to industrials and materials is reflective of the Investment Manager's value bias with many companies in the industrials sector trading at a deep discount to their intrinsic value in recent times. While technology is not traditionally seen as a value biased sector, the Portfolio's technology exposure is primarily made up of our high conviction positions in Updater Inc. and Janison Education Ltd where the Investment Manager remains confident in their growth prospects and long term value. The Investment Manager continues to remain sector agnostic whilst adjusting Portfolio composition as a function of our assessment of an individual Portfolio holding's intrinsic value.

RYD Portfolio Composition 30 June 2022



Portfolio Performance

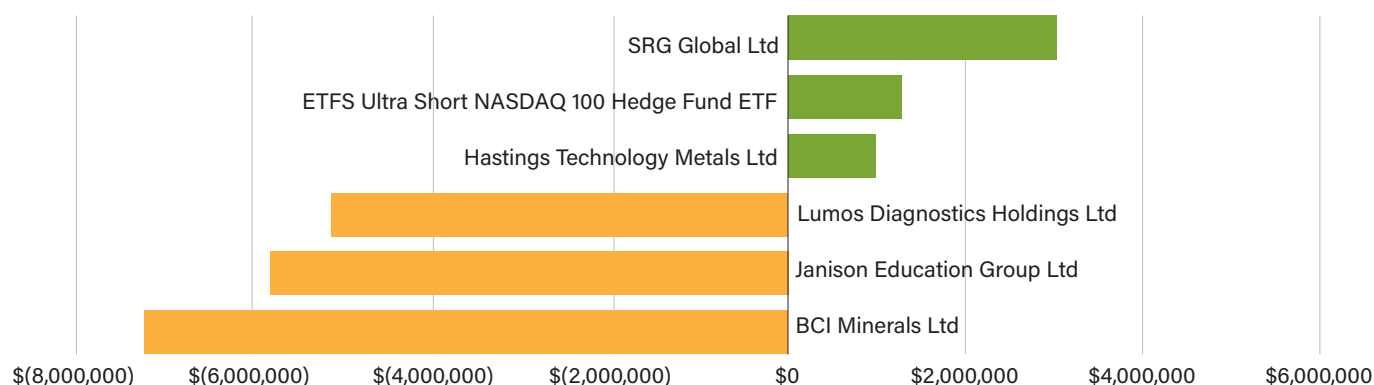
Gross Portfolio performance for the period of (20.44%) materially underperformed the Company's absolute return performance hurdle. The Portfolio's performance was directly impacted by an aggressive sell off in equities and other asset classes during the second half of the financial year which whilst somewhat expected, we failed to adequately prepare for by derisking larger exposures that were trading close to fair value.

The Portfolio's two largest high conviction positions and one smaller non-core position experienced significant declines during the period. BCI Minerals Ltd's (BCI) decrease from \$0.545 to \$0.265 (51.4%) accounted for 24.1% of the Portfolio's gross asset decline, Janison Education Ltd's (JAN) decrease from \$0.89 to \$0.435 (51.1%) accounted for 19.4% of the Portfolio's gross asset decline and Lumos Diagnostics Ltd (LDX), decreased from an average book cost of \$0.645 to \$0.14 (78.3%) accounted for 17.1% of the Portfolio's gross asset decline - collectively these three holdings accounted for 60.5% of the Portfolio's gross asset decline during the period. We view both JAN and BCI as mark to market declines with both stocks now trading at or slightly above our average book cost. In the case of LDX, we view the stock as unlikely to trade at or above our book cost in the near term as the Company must conserve capital while appealing the decision of the US Food and Drug Administration to not approve the Company's key diagnostic FebriDX - a rapid, point-of-care diagnostic test that differentiates bacterial from viral acute respiratory infections which in turn reduces unnecessary prescription of antibiotics.

Despite a negative skew to mark to market losses during the period there were some notable gains, led by our core long term high conviction holding in SRG Global Ltd and a realised gain in Hastings Technology Metals Ltd, along with our position in ETFs Ultra Short NASDAQ 100 Hedge Fund ETF - providing some alpha. Unfortunately these gains were too few and far between and relatively small and more than offset by the large mark to market losses noted above.

Despite continued strong operational performance and a planned NASDAQ listing being put on hold in March 2022 due to weak equity market conditions, there was no change to the underlying USD carrying value per share for our investment in Updater Inc.

FY22 Top 3 Contributors and Detractors



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Investment Manager's Report (Continued)

Outside of the above top three contributors the Portfolio benefited from positive performances from Cash Converters Int Ltd, Updater Inc. (unrealised currency gain), Paragon Care Ltd (realised) and Ardent Leisure Group Ltd (realised).

Mark to market losses outside the Top 3, noted above include three technology related exposures: Airtasker Ltd where we remain positive having added to our initial holding by supporting the strategic acquisition of the Oneflare business at the most recent \$0.43 placement price, Adore Beauty Group Ltd where we have added to our holding at prices around \$1.00 per share and Urbanise Limited. A core industrial holding Macmahon Holdings Ltd (MAH) fell materially during the period driven by a de-rating across the mining services sector. We remain confident MAH will continue to grow earnings and begin to generate strong free cash flow which we expect will be rewarded by the market.

For FY22 the Portfolio generated \$4,040,011 (down 92%) compared to FY21) of capital gains (realised and unrealised) which were offset by capital losses (realised and unrealised) of (\$39,059,260) (+315% compared to FY21) resulting in a net capital loss before interest and dividend income of (\$35,019,249) for the year.

FY22 dividend income received was up strongly from \$1,762,646 to \$4,766,514. FY22 income includes a \$2,500,538 special franked distribution from Vita Group Ltd as the Investment Manager deployed additional capital into the existing position as part of a sum-of-the-parts arbitrage strategy in advance of the sale of their Retail ICT and Sprout business to Telstra. On an underlying basis, the Portfolio generated \$2,265,976 of franked dividend income, up 28.56% on FY21, in turn supporting the payment of Ryder's interim and final fully franked dividend. Interest income received on term deposits and cash for the period was up from \$36,105 to \$41,475.

As at 30 June 2022, approximately 87% of the Company's capital was deployed in equities with approximately 13% held in cash, term deposits and net receivables.

Portfolio Activity

During the year we became a substantial shareholder in CountPlus Ltd increasing our holding on the back of a material fall in the share price as a direct result of the CEO unexpectedly resigning. We continued to accumulate a larger exposure to Capitol Health Ltd on price weakness due to what we consider to be a temporary weaker operational performance as a result of COVID-19 related labour and visitation challenges. In the materials sector our long held position in Aurelia Metals Ltd continued to underperform due to poor operational performance and now sits materially below our assessment of intrinsic value. We added to two long term core holdings being SRG Global Ltd and Service Stream Ltd due to increased conviction and share price volatility. New positions were initiated in Austin Engineering Ltd, Wide Open Agriculture Ltd and 4DMedical Ltd.

We exited our position in Bill Identity Ltd after the abject failure of management to execute against their stated business plan, realising a meaningful loss of ~\$1.7m. Our investment in Tubi Ltd (Tubi) (~1.0% of exposure) has been progressively realising assets and remains suspended from the ASX. Pending a shareholder vote later this calendar year we expect Tubi to be either liquidated and return capital to shareholders or relist on the ASX by merging or acquiring a new business. We also exited Hastings Technology Metals Ltd and Johns Lyng Group Ltd on valuation grounds, along with shorter duration positions in Paragon Care Ltd realising profits on all three investments. Other positions exited included gold exposures - Silver Lake Resources Ltd, Gold Road Resources Ltd and Ramelius Resources Ltd.

Portfolio Strike Rate

Shareholders will recall our interest in presenting our strike rate analysis. Consistent with the analysis presented in prior years, and given the Portfolio has now completed its sixth full financial year, the analysis set out below is based solely on realised profits since inception.

Strike Rate Analysis - Inception to Date (30 June 2022)

	Strike Rate Analysis	RYD Portfolio
Gross Realised Portfolio Profits		\$72,665,572
Gross Realised Portfolio Losses		(\$17,420,423)
Net Realised Portfolio Profit		\$55,245,149
Win/Loss		76.03%
Strike Rate		\$4.13

Note: ignores dividends, interest, taxes and expenses and relies on unaudited management analysis

Referring to the analysis above, the Portfolio segment identifies the Portfolio's gross realised profits since inception to 30 June 2022 of \$72,665,572 compared to the Portfolio's gross realised losses since inception of (\$17,420,423). The net of these results is a net realised Portfolio profit since inception of \$55,245,149.

Observing the above, we note that:

1. the net realised Portfolio profit of \$55,245,149 is 76.03% of the gross realised Portfolio profit of \$72,665,572, that is we retained ~76.03% of gains, or thinking of it as a decision ratio, our poor decisions eroded our successful decisions by approximately 23.97%; and
2. total profits divided by total losses for the period (since inception to 30 June 2022) is 4.17x, indicating that for every \$4.17 profit made, \$1.00 was lost.

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Investment Manager's Report (Continued)

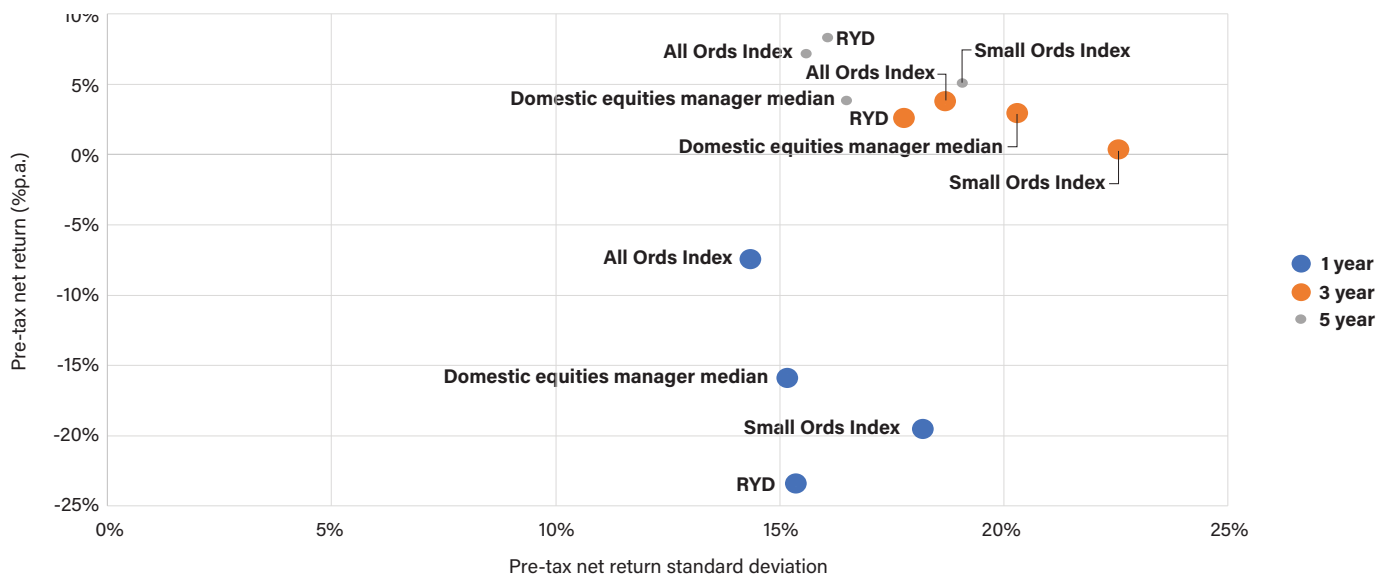
Our FY22 strike rate fell from \$6.23 as we exited positions at losses due to weak or deteriorating investment thesis. Whilst this is disappointing, the importance of exiting low conviction positions for the long term health of the Portfolio has become more pertinent due to current market volatility and a weakening economic outlook. We do however note the strike rate has increased over a longer timeframe from \$4.11 in FY20, indicative of an incrementally increasing capability to hold onto a greater share of profit. It is also important to note that any unrealised gains in the Portfolio from our long term high conviction positions are not recognised in this analysis but would further improve this measure as they are realised.

Risk Adjusted Returns & Relative NTA Performance

At the risk of stating the obvious, not all investment returns are equal – some returns are achieved by taking significantly greater or less risk than other returns. Our goal at Ryder is to achieve medium to long term returns above the Company's hurdle of RBA Cash rate + 4.25% while minimising risk.

Investment risk is commonly measured using the standard deviation of returns over time from the mean return of an asset, or in our case, Ryder's pre-tax undiluted NTA return. The higher the standard deviation (think volatility) the riskier the underlying investment and/or strategy. Typically, the two travel together, that is risk and return correlate over time since additional risk should be compensated for with additional returns.

The following chart plots returns against risk and helps to illustrate the quality of returns achieved. It is important to note the return measures used for Ryder and other domestic investment managers are not directly comparable to the indices as while they are presented before provided for tax they are post the payment of realised tax which creates an unfair drag on Ryder and other domestic investment managers when compared to the ASX market indices. However, this chart is still useful to assess the quality of the relative performance. The ideal position is towards the top left corner with the highest returns and lowest level of risk. During the last 12 months Ryder has underperformed both the comparator indices and investment manager median largely due to concentrated positions delivering outsized negative returns and heightened portfolio volatility as flagged earlier in this report. Over the long term Ryder has outperformed comparable ASX equity indices and other domestic investment managers generating higher returns for a similar level of a risk.



1. Returns are calculated using monthly pre-tax NTA values including dividends (excluding franking) and adjusted for the dilutionary impact of options exercised resulting in an increase in issued capital by 5% or greater during the period
2. A sample of 40 domestic equity managers are included in this analysis taken from the Bell Potter and Morningstar research universe. Funds included in this analysis are only a selection of Listed Investment Companies (LIC) on the ASX and are intended to form a representative sample of LICs based on strategy, size and past performance

Risk and return can be analysed using two well known ratios, the first being the Sharpe Ratio which is calculated as excess return over a benchmark divided by volatility (standard deviation). The Sharpe ratio measures excess return per unit of risk, including both downside and upside volatility. The second ratio is a variant on the Sharpe Ratio, called the Sortino Ratio which only looks at downside standard deviation, i.e. downside volatility with respect to a specified benchmark, the most commonly used being the cash rate. This would be the most appropriate measure to consider since upside volatility is what investors seek to target, i.e. positive returns and therefore upside volatility should not be taken into account the same way as downside volatility. A greater amount of consistent positive monthly performance compared to negative performance over time will result in a higher Sortino ratio value.

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Investment Manager's Report (Continued)

The below table sets out Ryder's Sharpe and Sortino ratios and those of two ASX market indices for comparator purposes:

		Ryder	Small Ords Accumulation Index	All Ords Accumulation Index
Sharpe ratio	1 year	-1.38	-1.04	-0.51
	3 years	0.30	0.0023	0.18
	5 years	0.59	0.22	0.40
	ITD	0.68	0.37	0.50
Sortino ratio	1 year	-1.47	-1.12	-0.63
	3 years	0.43	0.0030	0.23
	5 years	0.93	0.30	0.52
	ITD	1.08	0.51	0.66

Over the past 12 months, Ryder has underperformed on a risk-adjusted basis which is disappointing given our bias to value and focus on risk. A few key positions underperformed materially compared to the Investment Manager's assessment of downside risk producing an outsized negative contribution to Portfolio returns. Throughout the longer term, Ryder's Sharpe and Sortino ratios demonstrate superior risk adjusted investment returns than the comparator ASX market indices. Of particular note is our strong Sortino ratio which is logical given we have a value bias (stocks perform better in a negative market) and we consistently hold relatively large amounts of cash, dampening downside risk/volatility. In summary, the positive Sortino ratio above comparator indices since inception demonstrates Ryder's ability to deliver outperformance with less risk.

Another way to compare the level of risk between the returns of Ryder and that of the ASX market indices is to look at the distribution of monthly returns. Whilst we do not usually focus on short term returns, it is important to note that long term returns are made up of a series of short term returns over time and therefore should still be examined. The tables below analyse the distribution of Ryder's monthly returns since inception with two comparator ASX indices. On average, Ryder significantly outperforms both indices during negative periods consistent with the Sharpe and Sortino ratio analysis above. This is a reflection of the importance Ryder places on assessing risk in our investment framework.

	Ryder	Small Ords Accumulation Index
Average monthly return	0.947%	0.741%
Average monthly return in Small Ords positive month	2.569%	3.512%
Average monthly return in Small Ords negative month	-1.537%	-3.503%
Positive months	58%	60%
Negative months	42%	40%

	Ryder	All Ords Accumulation Index
Avg monthly return	0.947%	0.770%
Average monthly return in All Ords positive month	2.345%	2.761%
Average monthly return in All Ords negative month	-2.012%	-3.442%
Positive months	58%	68%
Negative months	42%	32%

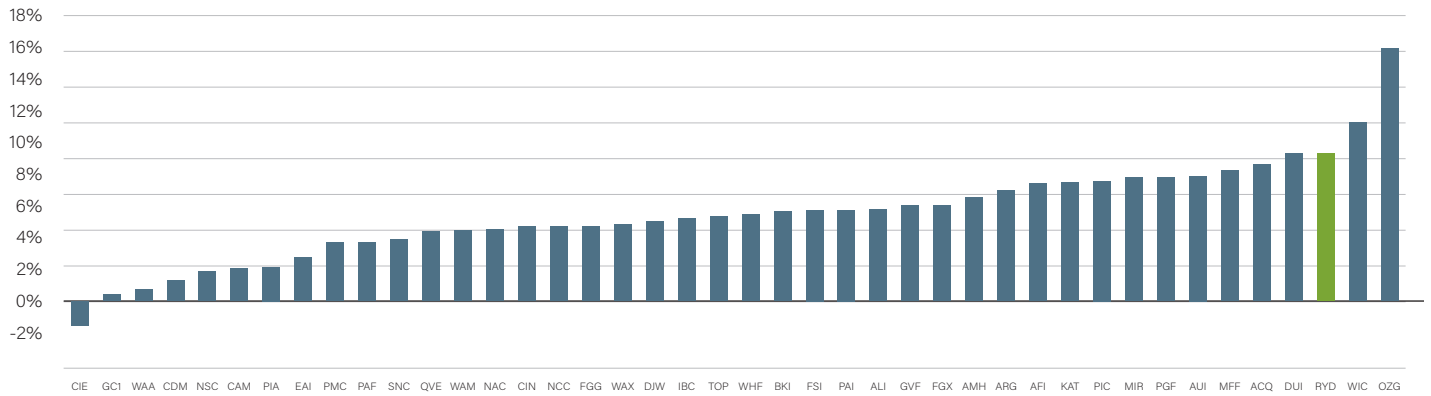
Further to the above, we have also taken the opportunity to illustrate how Ryder has performed on a pre-tax undiluted basis versus its peers (40 other ASX Listed Investment Companies (LIC) from the Bell Potter Research and Morningstar universe). Note some funds have been excluded as the data does not allow for meaningful comparison due to factors such as period of operation (fund commenced after September 2015), fund strategy, fund size and data integrity. This analysis is somewhat imperfect as each fund pursues slightly different strategies however, the one common goal for each fund and investment manager is to generate the highest available return per unit of risk over time. As such, analysing each LIC's relative returns, Sharpe and Sortino ratios are instructive when reviewing absolute and comparative performance over time.

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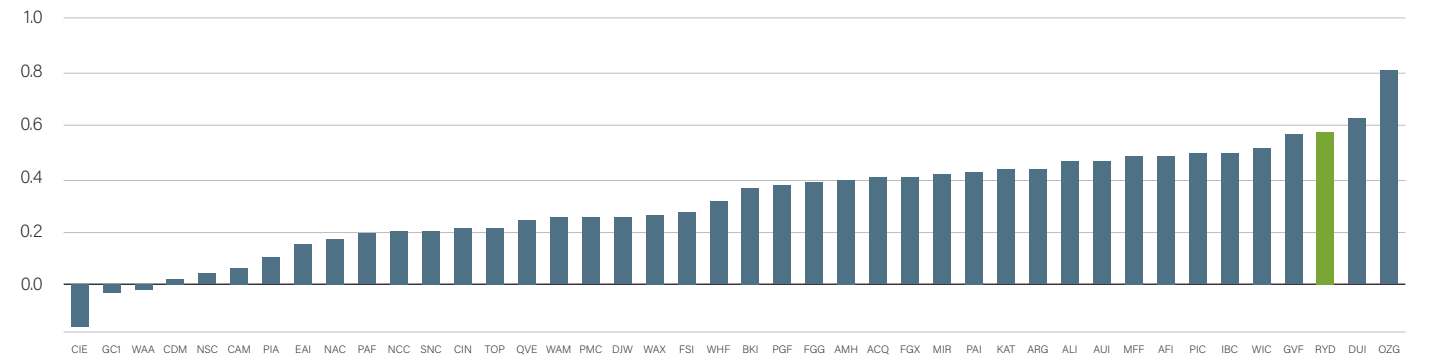
Investment Manager's Report (Continued)

Set out below are Ryder's Since Inception to Date (ITD) returns, Sharpe and Sortino ratios in comparison to 42 other ASX LICs (using an inception date of September 2015).

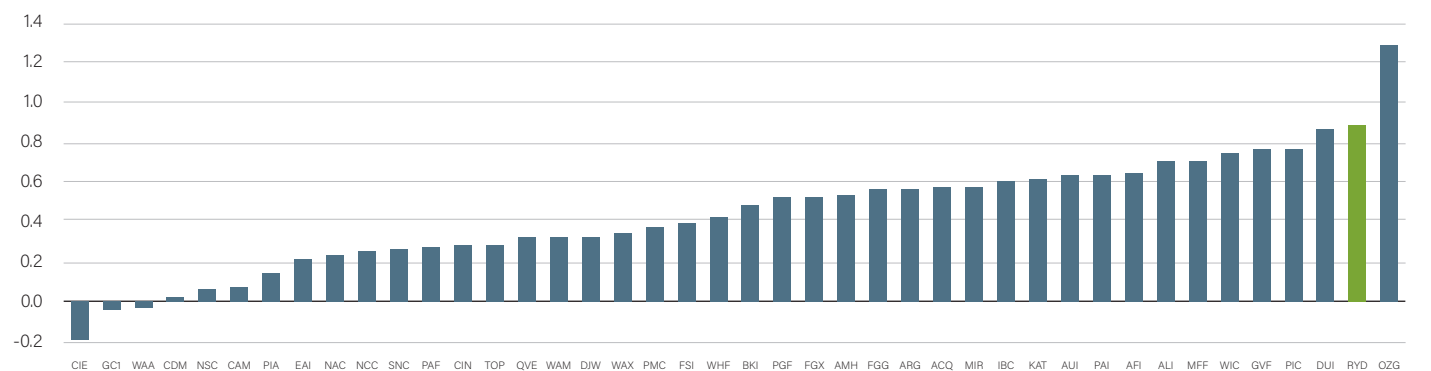
Annualised returns (September 2015 to June 2022)



Sharpe ratio (September 2015 to June 2022)



Sortino ratio (September 2015 to June 2022)



1. Annualised returns are calculated during the period of 30 Sep 2015 to 30 June 2022 using monthly pre-tax NTA values including dividends (excluding franking) and adjusted for the dilutionary impact of options exercised resulting in an increase in issued capital by 5% or greater during the period
2. Funds included in this analysis are only a selection of Listed Investment Companies (LIC) on the ASX and are intended to form a representative sample of LICs based on strategy, size and past performance
3. Sharpe ratio is calculated as excess annualised return above the risk free rate (RBA Cash rate) divided by standard deviation of monthly returns (annualised) for the period of 30 Sep 2015 to 30 June 2021
4. Sortino ratio is calculated as excess annualised return above the risk free rate (RBA Cash rate) divided by downside deviation of monthly returns (annualised), using a benchmark of the risk free rate (RBA Cash rate) for the period of 30 Sep 2015 to 30 June 2021

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Investment Manager's Report (Continued)

Outlook

With a synchronised fall in asset prices across equities, bonds and real estate, there have been very few, if any, places for long-only investors to hide other than cash during the last six months. With central banks now firmly fighting inflation through aggressive monetary tightening together with what we anticipate to be increased fiscal responsibility by governments over time, it is easy to be overly pessimistic about the immediate outlook for growth, earnings and equity valuations. There also remains a wide dispersion of views on where interest rates will ultimately need to rise in order to subdue inflationary pressures. We expect this dispersion of outcomes to continue to result in heightened volatility, something that has been absent in recent years, save for March/April 2020. It is not unreasonable with this backdrop to see markets continue to swing around churning out impatient capital to the benefit of patient, thoughtful capital – a backdrop that favours Ryder.

Many companies within our universe continue to be impacted by a variety of exogenous factors including tight labour markets, high input costs and stressed supply chains. Whilst on the demand side the impacts of increased cost of living/mortgage pressures, coupled with the unwinding of Covid-19 related consumption pull forward presents a number of challenges. In parallel with increasing our risk thresholds to new investments, we continue to scrutinise Portfolio positions to ensure they have robust/defensive business plans and resilience to the variable demand and supply side factors.

Overall, our outlook remains cautious, though opportunities are beginning to emerge in some sectors we like. We don't profess to be able to pick the market bottom, top or even its near term direction. With a permanent capital base, good liquidity as a result of our cash holdings and a consistent bottom up approach to investing we are confident in our ability to deliver strong absolute returns for shareholders.



Peter Constable

Chief Investment Officer / Portfolio Manager



David Bottomley

Portfolio Manager

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report

Your directors present their report on Ryder Capital Limited ("Company") for the year ended 30 June 2022.

Information on directors

The following persons were directors of the Company from registration date and up to the date of this report (unless otherwise indicated):

Peter Constable - BEc Chairman

Experience and expertise

Peter has over 25 years' experience in both Australian and international equity capital markets. He holds a Bachelor of Economics from Macquarie University and has broad investment experience covering identification, evaluation, strategic analysis and management of capital.

Peter began his career in 1993 as a graduate funds manager with the United Bank of Kuwait, London. Peter established AM Constable Limited in 1999 which later merged with MMC Asset Management Ltd (MMC) in 2003. Peter was the Chief Investment Officer and Executive Director of MMC until June 2008.

Peter co-founded Ryder Investment Management in July 2008 where he is the Chief Investment Officer. He has acted as Executive Chairman of Ryder Capital Limited since the Company's inception in September 2015.

Other current directorships

Peter is not currently serving a directorship for any other listed companies.

Former directorships in the last 3 years

Nil.

Special responsibilities

Chairman of the Board and member of the Audit and Risk Committee.

Interests in shares and options

Details of Peter Constable's interests in shares of the Company are included later in this report. There has been no change in the shareholdings since year end to the date of this report.

Interest in contracts

Peter has no interests in contracts of the Company.

David Bottomley - BA LLB (Hons) F Fin Director and Company Secretary

Experience and expertise

David has over 20 years' experience in corporate finance, M&A and equity capital markets advisory. He holds a Bachelor of Arts (Economic History) from the University of Sydney, Bachelor of Laws (Hons) from Bond University and is a Fellow of the Financial Services Institute of Australasia.

David previously held executive positions at Kleinwort Benson (UK Corporate Finance division), Merrill Lynch & Co (London) investment banking division and was Managing Director, Australia of US-based investment bank GMCG, LLC from 2004 until June 2008.

David co-founded Ryder Investment Management in July 2008 where he is a Portfolio Manager. He has acted as an Executive Director of Ryder Capital Limited since inception and currently serves on the board of Tetratherix Pty Ltd.

Other current directorships

David is not currently serving a directorship for any other listed companies.

Former directorships in the last 3 years

Nil.

Special responsibilities

Member of the Audit and Risk Committee.

Interests in shares and options

Details of David Bottomley's interests in shares of the Company are included later in this report. There has been no change in the shareholdings since year end to the date of this report.

Interest in contracts

David has no interests in contracts of the Company.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Ray Kellerman - BEc , LLB, MBA, F Fin Non-Executive Director

Experience and expertise

Ray was appointed as a Director of Ryder Capital Limited in June 2015.

Ray has over 30 years' of experience in the funds management and corporate and structured finance industries. Ray was with Perpetual Trustees Australia for 10 years before establishing his own compliance consulting and advisory business in 2001.

He currently acts as a director and audit, risk and compliance committee member for a number of major fund managers and financial services companies including as Chairman of CountPlus Limited.

Ray is an owner and Executive Director of Quentin Ayers, an implemented asset consultant specialising in alternative private market investments.

Previous appointments include Independent Chairman of ClearView Wealth, an ASX listed life insurance and financial services company; and Independent Chairman of Credit Suisse Asset Management Australia.

Other current directorships

Other than acting as Chairman of CountPlus Limited, Ray does not act as a director for any other listed companies.

Former directorships in the last 3 years

Nil.

Special responsibilities

Chair of the Audit and Risk Committee.

Interests in shares and options

Details of Ray Kellerman's interests in shares of the Company are included later in this report. There has been no change in the shareholdings since year end to the date of this report.

Interest in contracts

Ray has no interests in contracts of the Company.

Attendance at Meetings

Board of Directors Meetings

Director	Meetings held and entitled to attend	Meetings attended
Peter Constable	4	4
David Bottomley	4	4
Ray Kellerman	4	4

Audit and Risk Committee Meetings

Director	Meetings held and entitled to attend	Meetings attended
Peter Constable	2	2
David Bottomley	2	2
Ray Kellerman	2	2

Principal activity

The principal activity of the Company during the year was investing in a concentrated portfolio of ASX and small to mid capitalisation securities, bonds and cash consistent with the Company's permitted investments and stated investment objective of achieving long term growth in capital in excess of its benchmark (RBA cash rate plus 4.25% p.a.).

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Review of Operations

Portfolio performance was weak resulting in total comprehensive income after tax decreasing by (\$21,323,502) from \$23,215,635 in FY21. Gross Portfolio performance of (20.44%), underperformed the Company's performance benchmark resulting in a nil performance fee payable to the Investment Manager for the year. As a result of the Investment Manager's underperformance of the Company's performance benchmark during the period, there is a notional carry forward performance fee make up at balance date of \$7,909,839. Until such time as the Investment Manager has outperformed the Company's performance benchmark to cumulatively offset this accrual and compounding performance hurdle, no performance fees are payable.

The Company's opening Net Asset Value (NAV) on 30 June 2021 was \$130,891,114 and the closing NAV on 30 June 2022 was \$115,655,938 reflecting a decrease in net assets of (\$15,235,176).

During the year, the Company bought back 217,634 shares for an outlay of \$269,492 or average cost share value of \$1.2383. The Company will continue to buy back shares where it is accretive, balanced against the benefits of holding cash for generating further performance and growth in the Company's Net Tangible Assets (NTA). Before tax NTA per share decreased from 193.56 cents per share to 135.98 cents per share during the reporting period. Noting this decrease was after the payment of 7.0 cents per share in fully franked dividends and the payment of realised tax equivalent to a further 4.1 cents per share set out in the waterfall chart below.

Ryder (pre-tax) Performance



In the period, the Investment Manager sold several long-term Portfolio investments on valuation grounds realising net gains of \$1,150,405 before the payment of dividends of \$3,048,268 which is reflected in the Company's capital profits reserve decreasing 6% or \$1,897,863 to \$28,870,734. The Company's profit reserve rose from \$105,462 to \$1,145,284 which when added to the Company's capital reserve takes total distributable profits to \$30,016,018, a decrease of 3% or \$858,041 and equivalent to \$0.353 per share. This decrease is net of \$5,606,316 in dividends paid during the period and excludes (\$4,979,780) of net unrealised losses in the Portfolio as at 30 June 2022.

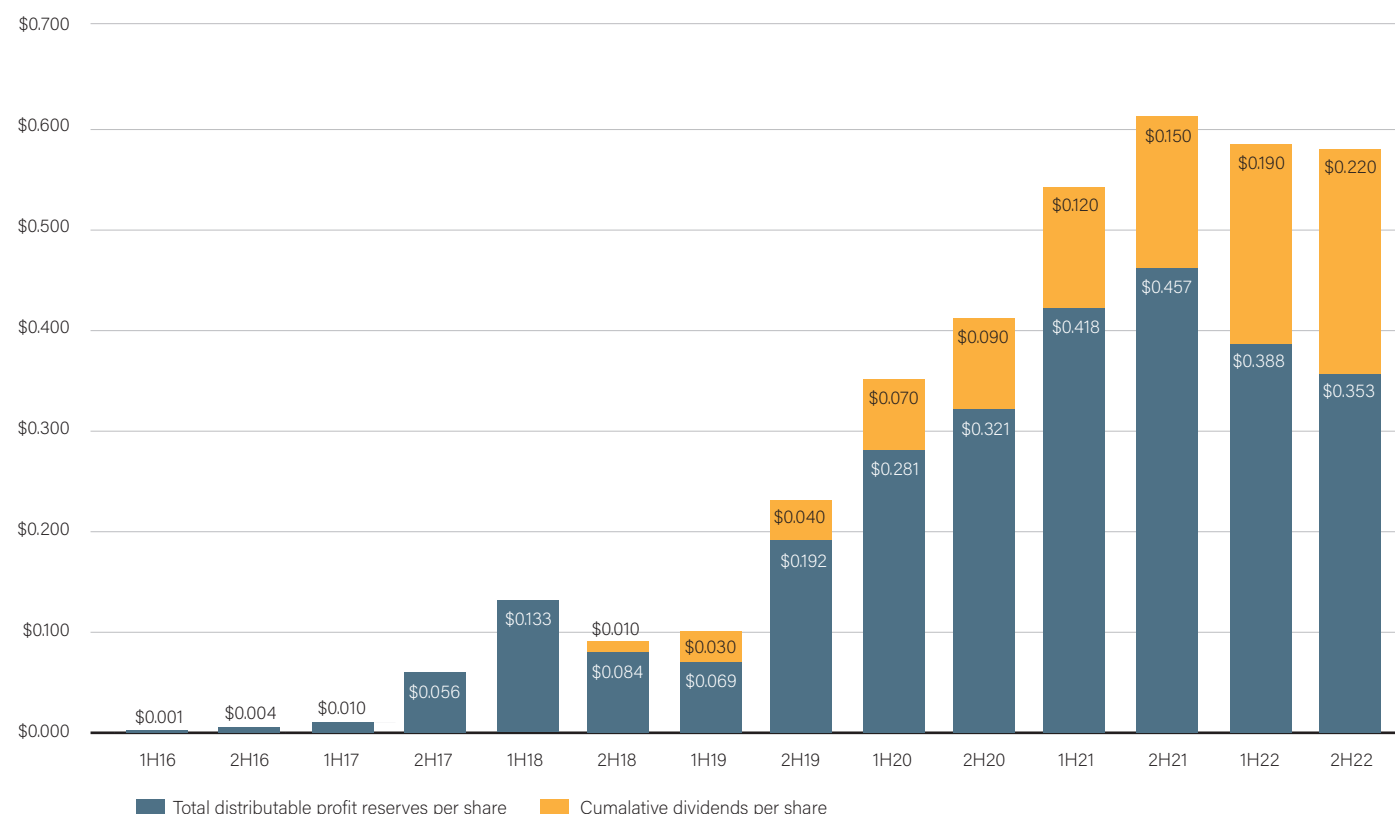
Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Review of Operations (continued)

The growth in the Company's profits reserve and dividends paid over time is demonstrated in the chart below.

RYD Distributable Profits and Dividends Paid since Inception



At 30 June 2022 approximately 87.07% of the Company's capital was deployed in equities with approximately 12.93% held in cash, term deposits and net receivables.

The Investment Manager conducted a detailed review of the valuation of Updater Inc. (Updater) as of 30 June 2022. Directors are satisfied that Updater's business plan remains sound, operational progress is positive and notes the Company's stated strategic initiative to list on the NASDAQ when markets stabilise. Updater continues to be held as a US Dollar equity asset with no changes to its carrying value and is marked to market in line with currency fluctuations. To date the Investment Manager has not hedged any of the US dollar Updater exposure.

The Portfolio continues to be actively managed to reduce risk while taking advantage of opportunities as they arise. Ryder has taken steps to ensure that the Investment Manager is able to continue operations without interruption with all employees having the facilities to work from home if required.

The Company is mindful of the ongoing low interest rates on deposits of the Company's cash and near-cash asset reserves coupled with Portfolio companies prudently managing their own capital requirements balanced against dividend payments. Ryder is well positioned to withstand dividend payment fluctuations as the Portfolio's primary objective is to generate long term capital growth with income generation as a secondary objective. The Company's dividend payments for the year remained at 7.0 cents per share fully franked in FY22 despite a 25.8% increase in shares on issue from 67,624,670 to 85,050,629. Notwithstanding recent market volatility and the mark to market decline in the value of the Portfolio, the Board remains confident in the Company's ability to continue the payment of steady to increasing dividends over time.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Dividends

On 13 August 2021, the Directors declared a fully franked dividend of 4.00 cents per share paid on 8 October 2021 on ordinary shares held as at record date 23 September 2021 (ex-dividend date of 22 September 2021).

On 11 February 2022, the Directors declared a fully franked dividend of 3.00 cents per share paid on 7 March 2022 on ordinary shares held as at record date 21 February 2022 (ex-dividend date 18 February 2022).

On 16 August 2022, the Directors declared a fully franked dividend of 4.00 cents per share to be paid on 5 September 2022 on ordinary shares held as at record date 22 August 2022 (ex-dividend date of 19 August 2022).

Unissued Shares

Upon the exercise of an Initial Option, the Company issued holders a Secondary Option over one Share, with each Secondary Option exercisable at \$1.50 on or before 10 December 2021. As at the date of this report all Initial Options have been exercised or lapsed. During the year, 17,643,593 Secondary Options were exercised (30 June 2021: 8,867,947) and 221,133 Secondary Options lapsed (30 June 2021: nil).

As at date of this report:

Initial Option over unissued ordinary shares - nil

Secondary Option over unissued ordinary shares - nil

Net Assets

As at 30 June 2022 the net assets of the Company were \$118,881,008 (30 June 2021: \$119,612,127). Please refer to the Statement of Financial Position for further details.

State of Affairs

During the financial year there was no significant change in the state of affairs of the Company.

Events Subsequent to Balance Date

Except in relation to the dividend declared subsequent to balance date and referred to in the Note 16, no matter or circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Company, the result of those operations or the state of affairs of the Company in subsequent financial years.

Likely Developments

The Company will be managed in accordance with the Constitution and investment objectives as detailed in the Prospectus dated 12 August 2015. Please refer to the Chairman's and Investment Manager's reports for further guidance.

Insurance of Officers

During the financial year, the Company paid a premium for an insurance policy insuring all directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium.

Environmental Regulations

The Company's operations are not subject to any significant environmental regulations.

Rounding of Amounts to Nearest Dollar

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar (unless otherwise indicated).

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Remuneration Report

This remuneration report sets out information about the remuneration of the Company's directors for the year ended 30 June 2022, under the requirements of Section 300A(1) of the *Corporations Act 2001* (Cth).

Key Management Personnel

The directors and other key management personnel of the Company during the whole of the financial year, and up to the date of this report are (unless otherwise indicated):

Peter Constable - Chairman

David Bottomley - Director and Company Secretary

Ray Kellerman - Non-Executive Director

Directors' Remuneration

Directors' base fees are set out in the Constitution at an amount that must not be more in aggregate than the maximum amount approved by the Company in a general meeting. The Company paid no remuneration directly to Peter Constable or David Bottomley. However, they are indirectly remunerated through related party, Ryder Investment Management Pty Ltd. Refer to 'Director Related Entity Remuneration' below.

Directors' remuneration received or receivable was as follows:

Year ended 30 June 2022		Short-term employee benefits Cash salary	Post-employment benefits Superannuation	Total
Director	Position	\$	\$	\$
Peter Constable	Chairman	-	-	-
David Bottomley	Director	-	-	-
Ray Kellerman ¹	Non-Executive Director	36,364	3,636	40,000
		36,364	3,636	40,000

Year ended 30 June 2021		Short-term employee benefits Cash salary	Post-employment benefits Superannuation	Total
Director	Position	\$	\$	\$
Peter Constable	Chairman	-	-	-
David Bottomley	Director	-	-	-
Ray Kellerman ¹	Non-Executive Director	36,530	3,470	40,000
		36,530	3,470	40,000

1. Director fees (for the sole Non-Executive Director) total \$40,000 per annum including superannuation

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Remuneration Report (Continued)

Director Related Entity Remuneration

The Company has outsourced its investment management function to Ryder Investment Management Pty Ltd (the "Investment Manager") a company controlled by Peter Constable and David Bottomley. The Investment Manager is privately owned and was incorporated in July 2008.

(a) Management fee

The Investment Manager is entitled to be paid a management fee equal to 1.25% p.a. (plus GST) of the Portfolio Net Asset Value. The management fee is paid monthly in arrears.

(b) Performance fee

The Investment Manager is entitled to receive a performance fee of 20% (plus GST) of the outperformance of the Portfolio above the Benchmark. The Benchmark is the RBA Cash Rate plus 4.25%. The performance fee is accrued monthly but is not paid until the end of each 12 month period ending on 30 June (Performance Calculation Period).

Management and performance fees during the year and payable to the Investment Manager at year end were as follows:

	Year ended 30 June 2022	Year ended 30 June 2021
	\$	\$
Management fees during the year	1,922,468	1,665,056
Performance fees during the year	-	7,040,139
Management fees payable at year end	121,924	145,407
Performance fees payable at year end	-	7,040,139

Equity Instrument Disclosures Relating to Directors

The relevant interests of the Directors and their related entities in the securities of the Company were:

Shares as at 30 June 2022	Opening balance	Acquisitions / Options exercised	Shares acquired / (disposed)	Closing balance as at 30 June 2022
Director				
Peter Constable ¹	10,819,501	1,303,000	325,484	12,447,985
David Bottomley ¹	3,535,001	550,000	790,484	4,875,485
Ray Kellerman	1,530,000	-	35,000	1,565,000
	15,884,502	1,853,000	1,150,968	18,888,470

Options (RYDOA) as at 30 June 2022	Opening balance	Issued / acquired	Lapsed / exercised	Closing balance as at 30 June 2022
Director				
Peter Constable	1,303,000	-	(1,303,000)	-
David Bottomley	550,000	-	(550,000)	-
Ray Kellerman	-	-	-	-
	1,853,000	-	(1,853,000)	-

1. Director and shareholder (>20%) of Ryder Investment Management Pty Ltd which has power to control the voting rights as a discretionary investment manager. As at 30 June 2022, 675,485 shares (30 June 2021: one share) in the Company were held by Ryder Investment Management Pty Ltd, a company controlled by Peter Constable and David Bottomley.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022
Directors' Report (Continued)

Remuneration Report (Continued)

Shares as at 30 June 2021	Opening balance	Acquisitions / Options exercised	Shares acquired / (disposed)	Closing balance as at 30 June 2021
Director				
Peter Constable ¹	8,675,001	2,154,500	(10,000)	10,819,501
David Bottomley ¹	3,048,001	475,000	12,000	3,535,001
Ray Kellerman	1,020,000	510,000	-	1,530,000
	12,743,000	3,139,500	2,000	15,884,500

Options (RYDOA) as at 30 June 2021	Opening balance	Issued / acquired	Lapsed / exercised	Closing balance as at 30 June 2021
Director				
Peter Constable	3,462,500	-	(2,159,500)	1,303,000
David Bottomley	1,025,000	-	(475,000)	550,000
Ray Kellerman	510,000	-	(510,000)	-
	4,997,500	-	(3,144,500)	1,853,000

1. Director and shareholder (>20%) of Ryder Investment Management Pty Ltd which has power to control the voting rights as a discretionary investment manager. As at 30 June 2022, 675,485 shares (30 June 2021: one share) in the Company were held by Ryder Investment Management Pty Ltd, a company controlled by Peter Constable and David Bottomley.

End of Remuneration Report.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report (Continued)

Proceedings on behalf of the Company

There are no proceedings that the Directors have brought, or intervened in, on behalf of the Company.

Non-audit services

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Directors are satisfied that the services disclosed in Note 12 did not compromise the external auditor's independence for the following reasons:

- (a) all non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor;
- (b) none of the services contravene the independence requirements of the *Corporations Act 2001* (Cth) or any applicable code of professional conduct in relation to the audit.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 20.
Signed in accordance with a resolution of the Directors.



Peter Constable
Chairman

Ryder Capital Limited
Sydney, 16 August 2022

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Auditor's Independence Declaration



Grant Thornton Audit Pty Ltd
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Queen Victoria Building NSW
1230
T +61 2 8297 2400

Auditor's Independence Declaration

To the Directors of Ryder Capital Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Ryder Capital Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.


Grant Thornton Audit Pty Ltd
Chartered Accountants


G S Layland
Director – Audit & Assurance

Sydney, 16 August 2022

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Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Statement of Profit or Loss and Other Comprehensive Income			
	Note	Year ended 30 June 2022	Year ended 30 June 2021
Investment income		\$	\$
Interest income		41,475	36,105
Dividend income net of franking credits		4,766,514	1,762,646
Net gain on financial instruments at fair value through profit or loss		420,798	3,515
Other income		15,067	7,684
Total investment income		5,243,854	1,809,950
Expenses			
Management fees	14	(1,791,391)	(1,551,529)
Directors' fees	14	(40,000)	(40,000)
Performance fees	14	-	(7,040,139)
Other operating expenses		(324,413)	(333,011)
Total expenses		(2,155,804)	(8,964,679)
Profit / (loss) for the year before income tax expense		3,088,050	(7,154,729)
Income tax benefit	4(a)	387,864	2,621,712
Profit / (loss) for the year		3,475,914	(4,533,017)
Other comprehensive (loss) / income			
<i>Items that will not be reclassified to profit or loss:</i>			
Movement in fair value of long term equity investments, net of tax	11(d)	(24,799,416)	27,748,652
Total comprehensive (loss) / income for the year		(21,323,502)	23,215,635
Basic earnings / (losses) per share	5	4.36 cents	(7.24) cents
Diluted earnings / (losses) per share	5	4.36 cents	(7.24) cents

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements which follow.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Statement of Financial Position			
	Note	As at 30 June 2022	As at 30 June 2021
Assets		\$	\$
Current assets			
Cash and cash equivalents	13(a)	14,904,218	20,841,669
Receivables	6	50,698	35,472
Prepayments		16,118	-
Current tax asset	4(c)	1,095,627	-
Derivative assets	7, 8, 3	-	3,515
Total current assets		16,066,661	20,880,656
Non-current assets			
Long-term equity investments	7, 3	100,806,039	119,197,825
Deferred tax asset	4(d)	2,132,053	-
Total non-current assets		102,938,092	119,197,825
Total assets		119,004,753	140,078,481
Liabilities			
Current liabilities			
Payables	9	123,745	9,187,367
Current tax liability	4(c)	-	2,290,015
Total current liabilities		123,745	11,477,382
Non-current liabilities			
Deferred tax liability	4(d)	-	8,986,172
Total non-current liabilities		-	8,986,172
Total liabilities		123,745	20,463,554
Net assets		118,881,008	119,614,927
Equity			
Issued capital	10(a)	103,720,754	77,524,855
Accumulated losses	11(a)	(9,875,984)	(9,754,028)
Profit reserve	11(b)	1,145,284	105,462
Capital profits reserve	11(c)	28,870,734	30,768,597
Asset revaluation reserve	11(d)	(4,979,780)	20,970,041
Total equity		118,881,008	119,614,927

The above Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements which follow.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Statement of Changes in Equity							
	Note	Issued capital	Accumulated losses	Profits reserve	Capital profits reserve	Asset revaluation reserve	Total equity
		\$	\$	\$	\$	\$	\$
Balance at 30 June 2020		64,222,935	(5,221,011)	1,916,989	16,944,472	9,065,404	86,928,789
Loss for the year		-	(4,533,017)	-	-	-	(4,533,017)
Net revaluation of investments		-	-	-	-	27,748,652	27,748,652
Total comprehensive income for the year		-	(4,533,017)	-	-	27,748,652	23,215,635
Other		-	-	-	-	-	-
Transfer of realised gains on sale of investments, net of tax	11(c)	-	-	-	15,844,015	(15,844,015)	-
		-	-	-	15,844,015	(15,844,015)	-
Transactions with owners in their capacity as owners							
Shares acquired under buy-back during the year	10(a)	13,301,920	-	-	-	-	13,301,920
Dividends paid	11(b),(c)	-	-	(1,811,527)	(2,019,890)	-	(3,831,417)
		13,301,920	-	(1,811,527)	(2,019,890)	-	9,470,503
Balance at 30 June 2021		77,524,855	(9,754,028)	105,462	30,768,597	20,970,041	119,614,927
Profit for the year		-	3,475,914	-	-	-	3,475,914
Net revaluation of investments		-	-	-	-	(24,799,416)	(24,799,416)
Total comprehensive income for the year		-	3,475,914	-	-	(24,799,416)	(21,323,502)
Other		-	-	-	-	-	-
Transfer of realised gains on sale of investments, net of tax	11(c)	-	-	-	1,150,405	(1,150,405)	-
Transfer to profit reserve	11(a)	-	(3,597,870)	3,597,870	-	-	-
		-	(3,597,870)	3,597,870	1,150,405	(1,150,405)	-
Transactions with owners in their capacity as owners							
Shares issued under the exercise of secondary options	10(a)	26,465,391	-	-	-	-	26,465,391
Shares acquired under buy-back during the year	10(a)	(269,492)	-	-	-	-	(269,492)
Dividends paid	11(b),(c)	-	-	(2,558,048)	(3,048,268)	-	(5,606,316)
		26,195,899	-	(2,558,048)	(3,048,268)	-	20,589,583
Balance at 30 June 2022		103,720,754	(9,875,984)	1,145,284	28,870,734	(4,979,780)	118,881,008

The above Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements which follow.

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Statement of Cash Flows			
	Note	Year ended 30 June 2022	Year ended 20 June 2021
		\$	\$
Cash flows from operating activities			
Interest received		29,918	36,105
Dividends received		4,766,514	1,960,156
Other income received		15,067	7,684
Management fees paid		(1,814,874)	(1,508,801)
Performance fees paid		(7,040,139)	(1,416,708)
Directors' fees paid		(40,000)	(40,000)
Other operating expenses paid		(344,200)	(346,712)
Income tax paid		(3,487,682)	(7,311,381)
Net cash used in operating activities	13(b)	(7,915,396)	(8,619,657)
Cash flows from investing activities			
Proceeds from sale of investments		37,990,415	49,725,805
Payments for purchase of investments		(56,602,053)	(47,168,801)
Net cash (used in) / provided by investing activities		(18,611,638)	2,557,004
Cash flows from financing activities			
Dividends paid		(5,606,316)	(3,831,417)
Proceeds from shares issued		26,465,391	13,301,920
Payments for share buy-back		(269,492)	-
Net cash provided by financing activities		20,589,583	9,470,503
Net (decrease) / increase in cash held		(5,937,451)	3,407,850
Cash and cash equivalents at beginning of the financial year		20,841,669	17,433,819
Cash and cash equivalents at end of the financial year	13(a)	14,904,218	20,841,669

The above Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements which follow.

Ryder Capital Limited
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Notes to the Financial Statements

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ryder Capital Limited ("the Company") is a publicly listed company, incorporated and domiciled in Australia. The Company was incorporated with the Australian Securities and Investments Commission ("ASIC") on 26 June 2015. The registered office and principal place of business of the Company is Level 28, 88 Phillip Street, Sydney NSW 2000. The Company's principal activity is investing in a concentrated portfolio of ASX and small capitalisation securities, bonds and cash consistent with the Company's permitted investments and stated investment objective of achieving long term growth in capital and income.

Updater Inc. delisted from the ASX in October 2018 and became a privately held Delaware incorporated company. In September 2018, the Board of Directors resolved to amend the Company's investment strategy to allow for continued ownership of Updater Inc. notwithstanding it being an unlisted Delaware incorporated company.

These general purpose financial statements are for the year ended 30 June 2022, and were authorised for issue by the Directors on 16 August 2022.

The material accounting policies adopted by the Company in the preparation of the financial statements is set out below:

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards, issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* (Cth). For the purposes of preparing financial statements, the Company is a for-profit entity.

The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement of fair value of selected assets and liabilities.

(b) Statement of compliance

The financial statements and notes thereto comply with Australian Accounting Standards as issued by the AASB and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(c) Investments

i) Recognition / derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or the Company has transferred substantially all risks and rewards of ownership.

ii) Classification and measurement

The Company's investments are categorised as follows:

Financial instruments held at fair value through profit or loss (short-term equity investments)

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Derivative financial instruments such as options are included under this classification. The Company designates any derivatives as cash flow hedges in a hedging relationship.

Financial instruments designated at fair value through other comprehensive income (long-term equity investments)

Long-term equity investments are recognised initially at cost and the Company has irrevocably elected to present subsequent changes in the fair value of the investments in the Statement of Other Comprehensive Income.

Long term equity investments comprise holdings in marketable equity securities which are intended to be held for the long term.

iii) Fair value

The Company determines the fair value of listed investments at the last quoted price. The fair value of investments that are not traded in an active market are determined using valuation techniques. These include the use of arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

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For the year ended 30 June 2022

Notes to the Financial Statements

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Investments (Continued)

iv) Impairment of financial assets

The Company assesses whether the credit risk on a financial asset has increased significantly based on the change in the risk of default since initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information to determine the expected credit losses. Such information includes:

- contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that indicates otherwise;

The Company considers the following to represent default events for the purpose of measuring expected credit losses:

- contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that indicates a more lagging default criterion is more appropriate;

The foregoing indicators of default have been selected based on the Company's historical experience.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Company competes for funds and is regulated. The Australian dollar is also the Company's presentation currency.

(ii) Transactions and balances

Transactions during the period denominated in foreign currency have been translated at the exchange rate prevailing at the transaction date. Overseas investments and currency, together with any accrued income, are translated at the exchange rate prevailing at the balance date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at balance date exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in other comprehensive income. Net exchange gains and losses arising on the revaluation of long-term equity investments are included in gains presented in the Statement of Profit or Loss and Other Comprehensive Income.

(e) Income tax

The charge for current income tax expense is based on the taxable income for the period. It is calculated using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Current and deferred taxes are recognised in profit or loss except where they relate to items that may be recognised directly in equity, such as unrealised gains and losses on long-term equity, in which case they are adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as being part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Statement of Financial Position.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Ryder Capital Limited
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Notes to the Financial Statements

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Income

Dividend income is recognised in profit or loss on the day on which the relevant investment is first quoted on an “ex-dividend” basis. Interest revenue is recognised as it accrues using the effective interest method, taking into account the effective yield on the financial asset.

Realised and unrealised gains and losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are included in profit or loss in the period in which they arise. This may also include foreign exchange gains and losses when applicable.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(i) Receivables

Receivables may include amounts for dividends, interest and securities sold. Dividends are receivable when they have been declared and are legally payable. Interest is accrued at the balance date from the time of last payment. Amounts receivable for securities sold are recorded when a sale has occurred.

Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment.

Receivables are reviewed at the end of each reporting period to determine the need to raise a loss allowance for expected credit losses. The entity has applied the simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, a review is undertaken of the nature of the receivables, the counterparty, the days overdue and the economic environment.

(j) Payables

These amounts represent liabilities for amounts owing by the Company at balance date which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Amounts payable for securities purchased are recorded when the purchase has occurred.

(k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(l) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Potential ordinary shares are anti-dilutive when their conversion to ordinary shares would increase earnings per share or decrease the loss per share from continuing operations. The calculation of diluted earnings per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti-dilutive effect on earnings per share.

(m) Dividends

Provisions for dividends payable are recognised in the reporting period in which they are declared, for the entire undistributed amount, regardless of the extent to which they will be paid in cash.

Ryder Capital Limited
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Notes to the Financial Statements

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Board of the Company is required to make judgements, estimates and assumptions about the carrying amounts of some assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are considered to be relevant, and reasonable under the circumstance. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The methods used in the valuation of investments are set out in Note 1(c) of these financial statements.

(o) New and amended standards adopted by the Company

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the Company.

(p) New accounting standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2022, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

(q) Rounding of amounts to nearest dollar

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the financial report have been rounded to the nearest dollar (unless otherwise indicated).

(r) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2. FINANCIAL RISK MANAGEMENT

(a) Objectives, strategies, policies and processes

The objective of the Company is to achieve long term growth in capital and income through investments in a concentrated portfolio of ASX and small to mid capitalisation securities, bonds and cash consistent with the Company's permitted investments. The Company is managed from an Australian investor's perspective with tax and currency exposures forming important considerations in the daily management of the Company whilst complying with the Company's Prospectus dated 12 August 2015. Financial risk management is carried out by the Investment Manager under the guidance of its Chief Investment Officer.

The Company's activities are exposed to different types of financial risks. These risks include market risk (including foreign currency risk and other price risk), being the primary risk, and credit risk. The Company may employ derivative financial instruments to hedge these risk exposures in order to minimise the effects of these risks.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market prices generally incorporate credit risk assessments into valuations and risk of loss is implicitly provided for in the carrying value of assets and liabilities as they are marked to market at balance date.

The total credit risk for assets is therefore limited to the amount carried in the Statement of Financial Position.

The Investment Manager is responsible for ensuring there is appropriate diversification across counterparties and that they are of a sufficient quality rating. The Investment Manager minimises the Company's concentration of credit risk by undertaking most transactions in ASX listed securities with a large number of approved brokers. Payment is made to the broker as the stock is received simultaneously on a delivery versus payment basis.

Cash

The majority of the Company's short term deposits are invested with financial institutions that have a Standard and Poor's credit rating of AA-. The majority of maturities are within three months. The weighted average interest rate of the Company's cash and cash equivalents at 30 June 2022 is 0.15% (2021: 0.27%).

Receivables

The majority of the Company's receivables arise from interest and dividends yet to be received.

None of these assets exposed to credit risk are overdue or considered to be impaired.

Ryder Capital Limited
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Notes to the Financial Statements

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. This risk is controlled through the Company's investment in financial instruments, which under market conditions are readily convertible to cash. In addition, the Company maintains sufficient cash and cash equivalents to meet normal operating requirements.

Maturity analysis for financial liabilities

The table in the succeeding page analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month	1-6 months	6-12 months	Over 12 months	Total
As at 30 June 2022	\$	\$	\$	\$	\$
Trade and other payables	123,745	-	-	-	123,745
Total financial liabilities	123,745	-	-	-	123,745
As at 30 June 2021					
Trade and other payables	7,187,367	-	-	-	7,187,367
Due to brokers - payable for securities purchased	2,000,000	-	-	-	2,000,000
Total financial liabilities	9,187,367	-	-	-	9,187,367

(d) Market risk

Market risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

By its nature, as a listed investment company that invests in tradeable securities, the Company will always be subject to market risk as it invests its capital in securities which are not risk free. The market prices of these securities can and do fluctuate in accordance with multiple factors.

The Company seeks to reduce market risk by investing in equity securities where there is a significant 'margin of safety' between the underlying companies' value and share price. The Company has set parameters as to a minimum margin of safety in addition to having set parameters regarding a maximum amount of the Portfolio that can be invested in a single company or sector as prescribed in the Prospectus.

(i) Interest rate risk

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows, the risk is measured using sensitivity analysis on page 31.

Interest rate risk is actively managed by the Investment Manager. The majority of the Company's interest bearing assets are held with reputable banks to ensure the Company obtains competitive rates of return while providing sufficient liquidity to meet cash flow requirements.

Ryder Capital Limited
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Notes to the Financial Statements

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (Continued)

The table below summarises the Company's exposure to interest rate risk. It includes the Company's assets and liabilities at fair values, categorised by the earlier of contractual repricing or maturity date.

	Weighted average effective interest rate	Floating interest rate	Non interest bearing	Fixed interest rate	Total
As at 30 June 2022	%	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	0.15	14,331,330	572,888	-	14,904,218
Trade and other receivables		-	50,698	-	50,698
Prepayments		-	16,118	-	16,118
<i>Long-term equity investments:</i>					
Listed equities		-	90,400,621	-	90,400,621
Unlisted equities		-	9,871,412	-	9,871,412
Convertible notes		-	534,006	-	534,006
Total financial assets		14,331,330	101,445,743	-	115,777,073
Financial liabilities					
Trade and other payables	-	123,745		-	123,745
Total financial liabilities	-	123,745		-	123,745
As at 30 June 2021					
Financial assets					
Cash and cash equivalents	0.27	19,263,113	1,578,556	-	20,841,669
Trade and other receivables		-	35,472	-	35,472
<i>Derivative assets</i>					
Options		-	3,515	-	3,515
<i>Long-term equity investments:</i>					
Listed equities		-	109,656,098	-	109,656,098
Unlisted equities		-	9,041,727	-	9,041,727
Convertible notes		-	500,000	-	500,000
Total financial assets		19,263,113	120,815,368	-	140,078,481
Financial liabilities					
Trade and other payables		-	9,187,367	-	9,187,367
Total financial liabilities		-	9,187,367	-	9,187,367

(ii) Other price risk

Other price risk is the risk that fair value of equities decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or factors affecting the broader market. Other price risk exposure arises from the Company's investment Portfolio.

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Notes to the Financial Statements

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (Continued)

(iii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates.

The Company holds assets denominated in currencies other than the Australian dollar (being the functional currency) and is therefore exposed to foreign currency risk when the value of assets denominated in other currencies fluctuates due to movements in exchange rates.

The Company may enter into foreign exchange forward contracts both to hedge the foreign currency risk implicit in the value of Portfolio securities denominated in foreign currency and to secure a particular exchange rate for a planned purchase or sale of securities.

(iv) Sensitivity analysis

The following tables show the sensitivity of the Company's operating profit/other comprehensive income and equity to price risk, interest rate risk and foreign currency risk. The reasonably possible movements in the risk variables have been determined based on the Investment Manager's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, historical correlation of the Company's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the securities in which the Company invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

	Price risk impact on other comprehensive income		Interest rate risk impact on other comprehensive income		Foreign currency risk impact on other comprehensive income	
30 June 2022	-10% (10,080,604)	+10% 10,080,604	-100 bps -	+100 bps -	-10% (987,141)	+10% 987,141
30 June 2021	-10% (11,919,782)	+10% 11,919,782	-100 bps -	+100 bps -	-10% (904,173)	+10% 904,173
	Price risk impact on impact on operating profit / (loss)		Interest rate risk impact on operating profit / (loss)		Foreign currency risk impact on operating profit / (loss)	
30 June 2022	-10% -	+10% -	-100 bps (143)	+100 bps 143	-10% -	+10% -
30 June 2021	-10% (352)	+10% 352	-100 bps (185)	+100 bps 185	-10% -	+10% -

3. FAIR VALUE MEASUREMENT

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Long-term equity investments
- Derivative financial instruments

Fair value hierarchy

AASB 13: Fair value measurement requires disclosure of fair value measurements by level of the fair value hierarchy:

Level 1 - measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - measurements based on inputs other than quoted prices included in level 1 that are observable for the asset or liability; and

Level 3 - measurements based on unobservable inputs from the asset or liability.

Ryder Capital Limited
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Notes to the Financial Statements

3. FAIR VALUE MEASUREMENT (CONTINUED)

(a) Recognised fair value measurements

The following table presents the Company's assets measured and recognised at fair value as at 30 June 2022 and 30 June 2021.

	Level 1	Level 2	Level 3	Total
As at 30 June 2022	\$	\$	\$	\$
Financial assets				
<i>Long-term equity investments</i>				
Listed equities	89,245,299	-	1,155,322	90,400,621
Unlisted equities	-	-	9,871,412	9,871,412
Convertible notes	-	-	534,006	534,006
Total financial assets	89,245,299	-	11,560,740	100,806,039
As at 30 June 2021				
Financial Assets				
<i>Derivative assets</i>				
Options	3,515	-	-	3,515
<i>Long-term equity investments</i>				
Listed equities	109,656,098	-	-	109,656,098
Unlisted equities	-	-	9,041,727	9,041,727
Convertible notes	-	-	500,000	500,000
Total financial assets	109,659,613	-	9,541,727	119,201,340

(b) Transfer between levels

The Investment Manager's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The following table presents the transfers between levels for the year ended 30 June 2022 (30 June 2021: nil).

	Level 1	Level 2	Level 3
As at 30 June 2022	\$	\$	\$
Transfers from level 1 to level 3			
<i>Long-term equity investments</i>			
Listed investments	(1,155,322)	-	1,155,322

At the end of the current reporting period, management has transferred the Fund's investments in the amount of \$1,155,322 from level 1 to level 3 on the fair value hierarchy on the basis that Tubi Ltd (ASX code: 2BE) was suspended from official quotation on 8 April 2021.

There were no other transfers between levels at the end of reporting period.

Ryder Capital Limited
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Notes to the Financial Statements

3. FAIR VALUE MEASUREMENT (CONTINUED)

(c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the year ended 30 June 2022 by class of financial instrument.

	Options	Listed investments	Convertible notes	Unlisted equities	Total
	\$	\$	\$	\$	\$
Opening balance - 1 July 2020	-	-	-	9,859,225	9,859,225
Transfer into / (out) from level 3	-	-	-	-	-
Purchases	-	-	500,000	-	500,000
Sales	-	-	-	-	-
Unrealised gains recognised in the Statement of Profit or Loss and Other Comprehensive Income	-	-	-	(817,498)	(817,498)
Closing balance - 30 June 2021	-	-	500,000	9,041,727	9,541,727
Transfer into / (out) from level 3	3,515	1,155,322	-	-	1,158,837
Expired	(3,515)	-	-	-	(3,515)
Purchases	-	-	-	-	-
Sales	-	-	-	-	-
Unrealised gains recognised in the Statement of Profit or Loss and Other Comprehensive Income	-	-	34,006	829,685	863,691
Closing balance - 30 June 2022	-	1,155,322	534,006	9,871,412	11,560,740

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in the level 3 fair value measurements.

Description	Fair value \$	Valuation technique	Range of inputs (probability weighted inputs)	Relationship of unobservable inputs to fair value
As at 30 June 2022				
Updater Inc.	9,871,412	Income approach	N/A	N/A
Tubi Ltd	1,155,322	Income approach	N/A	N/A
As at 30 June 2021				
Updater Inc.	9,041,727	Income approach	N/A	N/A

Updater Inc. (Updater) an unlisted Delaware incorporated company, continues to be held as a US Dollar equity asset marked to market in line with currency fluctuations at a value of USD17.55 (AUD24.875) per Common Stock. To date the Investment Manager has not hedged any of the US Dollar Updater exposure.

The Investment Manager conducted a detailed review of the valuation of Updater as of 30 June 2022 making no changes to its carrying value. Directors are satisfied that Updater's business plan remains sound, operational progress is positive and notes the Company's stated strategic initiative to list on the NASDAQ when markets stabilise. The valuation of Updater has been determined using a Discounted Cash Flow.

Ryder Capital Limited
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Notes to the Financial Statements

3. FAIR VALUE MEASUREMENT (CONTINUED)

(ii) Valuation processes

Portfolio reviews are undertaken regularly by the Investment Manager to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

(d) Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 30 June 2022 are shown below:

Description	Unobservable inputs	Value	Sensitivity
Ordinary shares at fair value through other comprehensive income	5-Year Compounding Annual Revenue Growth rate	31.60%	5.00% increase would increase fair value by \$3,386,091 and a 5.00% decrease would decrease fair value by \$2,171,148
	Discount rate	12.96%	1.00% increase would decrease fair value by \$1,417,434 and a 1.00% decrease would increase fair value by \$2,407,387
	Terminal rate	2.00%	1.00% increase would increase fair value by \$1,243,067 and a 1.00% decrease would decrease fair value by \$489,352

(e) Fair value of financial instruments not carried at fair value

The carrying value of trade receivables and trade payables approximate their fair value because of the short-term nature of the instruments and low credit risk.

Ryder Capital Limited
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Notes to the Financial Statements

4. TAXATION

	30 June 2022	30 June 2021
	\$	\$
(a) Numerical reconciliation of income tax benefit		
Prima facie tax (benefit) on profit/(loss) before income tax at 30% (2021: 30%)	926,415	(2,146,419)
Adjusted for tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Imputation gross up on dividends received	563,263	203,054
Franking credits on dividends received	(1,877,542)	(676,846)
ATO cash boost (non-assessable)	-	(1,501)
Income tax benefit	(387,864)	(2,621,712)
Applicable weighted average effective tax rate	13%	(37%)
The income tax benefit results in a:		
Current tax asset	(390,991)	(2,564,228)
Current tax liability	(3,467)	58,199
Deferred tax liability	-	-
Deferred tax asset	6,594	(115,683)
Income tax benefit	(387,864)	(2,621,712)
(b) Amounts recognised directly in equity		
Aggregate deferred tax arising in the reporting period and not recognised in profit or loss or other comprehensive income but debited or credited directly to equity.		
Transition costs on equity issue	(716)	(717)
Unrealised gains on long term equity investments	2,134,191	(8,987,161)
Realised gains on long term equity investments	(493,031)	(6,790,292)
Net deferred tax - debited directly to equity	1,640,444	(15,778,170)
(c) Movement in current tax (asset)/liability		
Opening balance	2,290,015	5,375,334
Income tax payment made	(3,487,682)	(7,311,383)
(Credited) / charged to profit or loss		
to profit or loss	(390,991)	(2,564,228)
directly to equity	493,031	6,790,292
Closing balance	(1,095,627)	2,290,015

Ryder Capital Limited
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For the year ended 30 June 2022

Notes to the Financial Statements

4. TAXATION (CONTINUED)

	As at 30 June 2022	As at 30 June 2021
	\$	\$
(d) Deferred Tax		
Deferred tax liabilities		
Deferred income tax comprises the estimated tax payable at the current income tax rate of 30% (2021: 30%) on the following items:		
Tax on unrealised gains on investment Portfolio	-	8,988,215
Interest receivable	3,467	-
Deferred tax liabilities	3,467	8,988,215
Movements:		
Opening balance	8,988,215	3,944,426
Charged / (credited):		
to profit or loss	3,467	(58,199)
directly to equity	(8,988,215)	5,101,988
Closing balance	3,467	8,988,215
Deferred tax assets		
Deferred tax assets comprises the estimated tax deductible at the current income tax rate of 30% (2021: 30%) on the following items:		
Transition costs on equity issue	113,949	113,949
Reduction in transition costs on equity issue	(112,621)	(111,906)
Tax on unrealised losses on investment portfolio	2,134,192	-
Deferred tax assets	2,135,520	2,043
Movements:		
Opening balance	2,043	2,760
Charged / (credited):		
directly to equity	2,133,477	(717)
Closing balance	2,135,520	2,043
Net deferred tax assets/(liabilities)	2,132,053	(8,986,172)

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Notes to the Financial Statements

5. EARNINGS PER SHARE

	30 June 2022	30 June 2021
	\$	\$
Basic earnings / (losses) per share	4.36 cents	(7.24) cents
Diluted earnings / (losses) per share	4.36 cents	(7.24) cents
Earnings / (losses) earnings used in calculating basic earnings per share	3,475,914	(4,533,017)
Earnings / (losses) used in calculating diluted earnings per share	3,475,914	(4,533,017)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	79,649,255	62,610,475
Weighted average number of shares used in the calculation of diluted earnings per share	79,649,255	62,610,475

The weighted average number of shares used as a denominator in calculating basic and diluted earnings per share is based on the weighted average number of shares 1 July 2021 to 30 June 2022.

6. RECEIVABLES

	As at 30 June 2022	As at 30 June 2021
	\$	\$
Interest receivable	11,557	-
GST receivable	39,141	35,472
	50,698	35,472

Terms and conditions

GST receivable can be recovered from the Australian Tax Office. No interest is applicable to any of these amounts. The maximum credit risk exposure in relation to receivables is the carrying amount.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Notes to the Financial Statements

7. INVESTMENTS

	30 June 2022	June 2021
	\$	\$
Financial assets designated at fair value through profit or loss		
Options	-	3,515
Total financial assets designated at fair value through profit or loss	-	3,515
Financial assets designated at fair value through other comprehensive income		
Listed equities	90,400,621	109,656,098
Unlisted equities	9,871,412	9,041,727
Convertible notes	534,006	500,000
Total financial assets designated at fair value through other comprehensive income	100,806,039	119,197,825
Total financial assets	100,806,039	119,201,340

The total dividends received on investments sold which are included in the Statement of Profit or Loss and Other Comprehensive Income were:

	30 June 2022	30 June 2021
	\$	\$
Dividend income comprises:		
Listed equity securities held at year-end*	2,756,749	2,354,845
Listed equity securities sold during the year*	3,887,307	-

*Dividend income amounts are disclosed gross of franking credits.

During the year, the total fair value of investments sold in the normal course of the business and to preserve capital were:

	30 June 2022	30 June 2021
	\$	\$
Fair value at disposal date		
Listed equity securities	37,562,822	49,725,805
Gain on disposal after tax		
Listed equity securities	1,150,405	15,844,016

Ryder Capital Limited
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For the year ended 30 June 2022

Notes to the Financial Statements

8. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business the Company enters into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include a wide assortment of instruments, such as forwards, futures and options. Derivatives are considered to be part of the investment process. The use of derivatives is an essential part of the Company's Portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Company against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

The Company holds the following derivative instrument:

Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk. Options held by the Company are exchange-traded. The Portfolio is exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

The Company's derivative financial instruments at 30 June 2022 are detailed below.

As at June 2022			
	Contract / notional	Fair Values	
	Values	Assets	(Liabilities)
	\$	\$	\$
Options	-	-	-
	-	-	-

The Company's derivative financial instruments at 30 June 2021 are detailed below.

As at June 2021			
	Contract / notional	Fair Values	
	Values	Assets	(Liabilities)
	\$	\$	\$
Options	263,652	3,515	-
	263,652	3,515	-

9. PAYABLES

	As at 30 June 2022	As at 30 June 2021
	\$	\$
Management fees payable	121,924	145,407
Performance fees payable	-	7,040,139
Directors fees payable	1,821	1,821
Due to brokers - payable for securities purchased	-	2,000,000
	123,745	9,187,367

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Notes to the Financial Statements

10. ISSUED CAPITAL

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor and market confidence. The overall strategy remains unchanged. To achieve this, the Board of Directors monitors the monthly NTA results, investment performance and share price movements. The Board is focused on maximising returns to shareholders with capital management a key objective of the Company. The Company is not subject to any externally imposed capital requirements.

Options

No options were issued during the year (2021: nil). At balance date the Company has nil (2021: 17,864,726) Secondary Options on issue exercisable on or before 10 December 2021 for an exercise price of \$1.50.

	30 June 2022		30 June 2021	
	Units	\$	Units	\$
(a) Movements in ordinary share capital				
Opening balance	67,624,670	77,524,855	58,756,723	64,222,935
Share buy-back	(217,634)	(269,492)	-	-
Shares issued upon the exercise of options	17,643,593	26,465,391	8,867,947	13,301,920
Closing balance	85,050,629	103,720,754	67,624,670	77,524,855
(b) Options issued				
Opening balance	17,864,726	-	26,732,673	-
Options exercised during the year	(17,643,593)	-	(8,867,947)	-
Options lapsed during the year	(221,133)	-	-	-
Closing balance	-	-	17,864,726	-

Ryder Capital Limited
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Notes to the Financial Statements

11. RESERVES AND RETAINED PROFITS

	30 June 2022	30 June 2021
	\$	\$
(a) Accumulated losses		
Balance at the beginning of the year	(9,754,028)	(5,221,011)
Net profit / (loss) attributable to members of the Company	3,475,914	(4,533,017)
Transfer to profit reserve	(3,597,870)	-
Balance at 30 June	(9,875,984)	(9,754,028)
(b) Profits reserve		
The reserve is made of amounts transferred from current and retained earnings that are preserved for future dividend payments.		
Balance at the beginning of the year	105,462	1,916,989
Dividends paid	(2,558,048)	(1,811,527)
Transfer from retained earnings	3,597,870	-
Balance at 30 June	1,145,284	105,462
(c) Capital profits reserve		
The reserve records gains or losses arising from disposal of long-term equity investments.		
Balance at the beginning of the year	30,768,597	16,944,472
Realised profit on sale of investments, net of tax	1,150,405	15,844,015
Dividends paid	(3,048,268)	(2,019,890)
Balance at 30 June	28,870,734	30,768,597
(d) Asset revaluation reserve		
The reserve records revaluations of long-term equity investments.		
Balance at the beginning of the year	20,970,041	9,065,404
Movement in fair value of long-term equity investments, net of tax	(24,799,416)	27,748,652
Realised profit on sale of investments, net of tax transferred to capital profits reserve	(1,150,405)	(15,844,015)
Balance at 30 June	(4,979,780)	20,970,041

Ryder Capital Limited
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For the year ended 30 June 2022

Notes to the Financial Statements

12. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	30 June 2022	30 June 2021
	\$	\$
Grant Thornton		
Audit and other assurance services		
Audit and review of financial statements	55,850	50,000
Total remuneration for audit and other assurance services	55,850	50,000
Taxation services		
Taxation services	8,000	5,000
Total remuneration of Grant Thornton	63,850	55,000

The Company's Audit and Risk Committee oversees the relationship with the Company's external auditors. The Audit and Risk Committee reviews the scope of the audit and the proposed fee. It also reviews the cost and scope of other audit-related tax compliance services provided by the audit firm, to ensure that they do not compromise independence.

13. CASH FLOW INFORMATION

	As at 30 June 2022	As at 30 June 2021
	\$	\$
(a) Reconciliation of cash		
For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise:		
Cash at bank	14,904,218	20,841,669
Total cash and cash equivalents	14,904,218	20,841,669

	As at 30 June 2022	As at 30 June 2021
	\$	\$
(b) Reconciliation of net profit / (loss) attributable to members of the Company to net cash (outflow) from operating activities		
Profit / (loss) attributable to members of the Company	3,088,050	(7,154,729)
Net gain on financial instruments at fair value through profit or loss	(420,798)	(3,515)
Movement in margin accounts	-	-
Income tax benefit	(3,487,682)	(7,311,381)
Net change in receivables and prepayments	(31,344)	187,809
Net change in payables	(7,063,622)	5,662,159
Net cash used in operating activities	(7,915,396)	(8,619,657)

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Notes to the Financial Statements

14. RELATED PARTY TRANSACTIONS

All transactions with related entities were made on normal commercial terms and conditions no more favourable than transactions with other parties unless otherwise stated.

(a) Management and performance fees

The Company has outsourced its investment management function to Ryder Investment Management Pty Ltd (the "Investment Manager"), a company controlled by Peter Constable and David Bottomley. The Investment Manager is privately owned and was incorporated in July 2008.

- (i) **Management fee**
The Investment Manager is entitled to be paid a management fee equal to 1.25% p.a. (plus GST) of the Portfolio Net Asset Value. The management fee is paid monthly in arrears.
- (ii) **Performance fee**
The Investment Manager is entitled to receive a performance fee of 20% (plus GST) of the outperformance of the Portfolio above the Benchmark. The Benchmark is the RBA Cash Rate plus 4.25%. The performance fee is accrued monthly but is not paid until the end of each 12 month period ending on 30 June (Performance Calculation Period).
- Management and performance fees during the year and payable to the Investment Manager at year end were as follows:

	30 June 2022	30 June 2021
	\$	\$
Management fees during the year	1,922,468	1,665,056
Performance fees during the year	-	7,040,139
Management fees payable at year end	121,924	145,407
Performance fees payable at year end	-	7,040,139

(b) Remuneration of directors and other key management personnel

In accordance with Section 300A of the *Corporations Act 2001 (Cth)*, all detailed information regarding the remuneration of directors and other key management personnel has been included in the Remuneration Report in the Director's Report of this Annual Report.

A summary of the remuneration of directors and other key management personnel for the year is set out below:

	30 June 2022	30 June 2021
	\$	\$
Cash salary, fees and commissions	36,364	36,530
Short-term employee benefits	36,364	36,530
Superannuation	3,636	3,470
Post-employment benefits	3,636	3,470
Total employment benefits	40,000	40,000

Ryder Capital Limited
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Notes to the Financial Statements

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Shareholdings

2022	Opening balance	Acquisitions / options exercised	Shares acquired / (disposed)	Balance at 30 June 2022
Ordinary Shares				
Peter Constable ¹	10,819,501	1,303,000	325,484	12,447,985
David Bottomley ¹	3,535,001	550,000	790,484	4,875,485
Ray Kellerman	1,530,000	-	35,000	1,565,000
	15,884,502	1,853,000	1,150,968	18,888,470

2021	Opening balance	Acquisitions / options exercised	Shares acquired / (disposed)	Balance at 30 June 2021
Ordinary shares				
Peter Constable ¹	8,675,001	2,154,500	(10,000)	10,819,501
David Bottomley ¹	3,048,001	475,000	12,000	3,535,001
Ray Kellerman	1,020,000	510,000	-	1,530,000
	12,743,002	3,139,500	2,000	15,884,502

1. Director and shareholder (>20%) of Ryder Investment Management Pty Ltd which has power to control the voting rights as a discretionary investment manager. As at 30 June 2022, 675,485 shares (30 June 2021: one share) in the Company were held by Ryder Investment Management Pty Ltd, a company controlled by Peter Constable and David Bottomley.

(d) Options to acquire shares

2022	Opening balance	Options exercised	Balance at 30 June 2022
Options (RYDOA)			
Peter Constable	1,303,000	(1,303,000)	-
David Bottomley	550,000	(550,000)	-
Ray Kellerman	-	-	-
	1,853,000	(1,853,000)	-

2021	Opening balance	Options exercised	Balance at 30 June 2021
Options (RYDOA)			
Peter Constable	3,462,500	(2,159,500)	1,303,000
David Bottomley	1,025,000	(475,000)	550,000
Ray Kellerman	510,000	(510,000)	-
	4,997,500	(3,144,500)	1,853,000

All shares and options acquired on the same basis as all shareholders.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Declaration

15. CONTINGENT LIABILITIES AND COMMITMENTS

As at 30 June 2022 and 30 June 2021, the Company had no contingent liabilities or commitments.

16. DIVIDENDS

On 13 August 2021, the Directors declared a fully franked dividend of 4.00 cents per share paid on 8 October 2021 on ordinary shares held as at record date 23 September 2021 (ex-dividend date of 22 September 2021).

On 11 February 2022, the Directors declared a fully franked dividend of 3.00 cents per share paid on 7 March 2022 on ordinary shares held as at record date 21 February 2022 (ex-dividend date 18 February 2022).

Subsequent to balance date, on 16 August 2022, the Directors declared a fully franked dividend of 4.00 cents per share to be paid on 5 September 2022 on ordinary shares held as at record date 22 August 2022 (ex-dividend date of 19 August 2022).

	30 June 2022	30 June 2021
	\$	\$
Dividend franking account		
Opening balance of franking account	6,419,329	73,136
Franking credits on dividends received	1,877,542	676,846
Franking credits on dividends paid	(2,402,707)	(1,642,036)
Tax payment made	3,487,682	7,311,383
Closing balance of franking account	9,381,846	6,419,329
Franking credits on tax payable in respect of the current period's profits	-	2,290,015
Adjusted franking account balance	9,381,846	8,709,344

The impact on the dividend franking account of the dividends proposed after balance sheet date but not recognised as a liability is to decrease it by \$1,485,010 (2021: \$1,159,280).

The Company's ability to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax.

17. SEGMENT INFORMATION

The Company has only one reportable segment and one industry. It operates predominantly in Australia and in the securities industry. It earns revenue from dividend income, interest income and other returns from the investment Portfolio. The Company invests in different types of securities, as detailed in Note 7 Investments and Note 3 Fair Value Measurement.

18. EVENTS SUBSEQUENT TO REPORTING DATE

Except in relation to the dividend declared subsequent to balance date and referred to in the dividends note above, no matters or circumstances have arisen since the end of the period which significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Directors' Report

The Directors declare that:

- (a) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* (Cth), including compliance with Accounting Standards, and giving a true and fair view of the financial position as at 30 June 2022 and performance of the Company, for the year ended 30 June 2022;
 - (b) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
 - (c) In the Directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1(b) of the financial statements;
 - (d) The Directors have been given the declarations required by S.295A of the *Corporations Act 2001* (Cth); and
 - (e) The remuneration disclosures contained in the Remuneration Report comply with S300A of the *Corporations Act 2001* (Cth).
- Signed in accordance with a resolution of the Directors made pursuant to S.295(5) of the *Corporations Act 2001* (Cth).

On behalf of the Directors



Peter Constable
Chairman
Ryder Capital Limited
Sydney, 16 August 2022

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Independent Auditor's Report to the Members



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Independent Auditor's Report

To the Members of Ryder Capital Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Ryder Capital Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

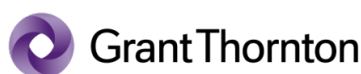
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Ryder Capital Limited
Annual Report
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Independent Auditor's Report to the Members



Key audit matter

How our audit addressed the key audit matter

Existence and valuation of financial instruments
– refer to Note 3 and Note 7

The Company carries financial assets designated at fair value through other comprehensive income of \$100,806,039 as at 30 June 2022. 89% of the financial assets are non-complex in nature, with their fair value obtained from quoted prices in active markets. These investments are classified as 'Level 1' financial assets under AASB 13 *Fair Value Measurement*.

However, the Company also carries an investment position of \$9,871,412 in Updater Inc. and \$1,155,322 in Tubi Ltd, both unlisted companies classified as 'Level 3' financial assets under AASB 13 *Fair Value Measurement*. Level 3 financial assets have significant unobservable inputs, which make their valuation complex.

This area is a key audit matter due to the quantum of the financial assets designated at fair value through other comprehensive income and the significant estimation involved in the valuation of Level 3 financial assets.

Our procedures included, amongst others:

- Obtaining and understanding the investment management process and controls;
- Reviewing and evaluating the independent audit report on internal controls (*ISAE 3402 Assurance Reports on Controls at a Service Organisation*) for the period 1 July 2021 to 30 June 2022 for the Custodian;
- Assessing the Company's valuation of individual investment holdings for Level 3 investments where there was no observable market data, including critical evaluation of the assumptions and inputs applied in management's determination;
- Evaluating the accounting treatment of revaluations of financial assets for appropriate current and deferred tax accounting effects; and
- Assessing the adequacy of financial statement disclosures.

Accuracy & completeness of management fees -
refer to Note 9 and Note 14

The company recorded management fees of \$1,922,468 during the year ended 30 June 2022. These fees are the most significant operating expense for the company and are charged by the related party – Ryder Investment Management Pty Ltd.

Related party transactions may be entered into under terms or conditions other than ordinary business considerations available to independent third parties. AASB 24 *Related Party Disclosures* contain specific requirements for transactions with related parties.

The management fees are calculated per the Investment Management Agreement and use metrics such as investment portfolio value and other key inputs.

This area is a key audit matter due to the quantum of the management fees and the inherent risk associated with related party transactions.

Our procedures included, amongst others:

- Understanding and evaluating the processes and controls for calculating the management fees and the completeness and accuracy of underlying records;
- Making enquiries of the Investment Manager with respect to any significant events during the period and associated adjustments made to the fee calculation, in addition to reviewing ASX announcements;
- Verifying the accuracy of key inputs to the calculation, including company dividends, tax payments, capital raisings and other relevant expenses used in the calculation of management fees;
- Recalculating the management fees in accordance with our understanding of the terms and conditions in the Investment Management Agreement; and
- Assessing the adequacy of financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Independent Auditor's Report to the Members



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards and the Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 16 to 18 of the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Ryder Capital Limited, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A stylized, handwritten-style signature of "Grant Thornton" in a dark grey color.

Grant Thornton Audit Pty Ltd
Chartered Accountants

A stylized, handwritten-style signature of "G S Layland" in a dark grey color.

G S Layland
Director – Audit & Assurance

Sydney, 16 August 2022

Ryder Capital Limited
Annual Report
For the year ended 30 June 2022

Top 20 Shareholders

The Shareholder information set out below was applicable at 28 July 2022.

Listed below is additional information required by the ASX Listing Rules and not disclosed elsewhere in this report.

A. Distribution of equity securities

Holding Ranges	Investors	Shares	%
1 to 1000	47	16,334	0.02
1001 to 5000	79	249,163	0.29
5001 to 10000	77	607,344	0.72
10001 to 100000	255	9,678,463	11.4
100001 and Over	121	74,310,872	87.57
Total	579	84,862,176	100.00

B. Equity security holders

Twenty largest equity security holders

Name	Shares	%
CONSVEST PTY LTD	5,200,000	6.13
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,314,148	5.08
PETER CHARLES CONSTABLE	3,000,000	3.54
MR ROBERT JULIAN CONSTABLE & MRS JANET MARIE CONSTABLE	2,500,000	2.95
BNP PARIBAS NOMS PTY LTD	2,400,000	2.83
MR TIMOTHY LINDSAY MCCAUGHEY	2,298,000	2.71
DAHO PTY LTD	1,975,000	2.33
DOOHAN SUPERANNUATION PTY LTD	1,500,000	1.77
S LE M SUPERANNUATION PTY LTD	1,500,000	1.77
MAYUMI AND ZENTA INVESTMENTS PTY LTD	1,500,000	1.77
HALE UNION PTY LTD	1,500,000	1.77
BS CARTER SUPERANNUATION FUND PTY LTD	1,500,000	1.77
RK SYDNEY PTY LTD	1,500,000	1.77
CEDAYU PTY LTD	1,500,000	1.77
GERICHTER SUPER INVESTMENTS PTY LTD	1,400,000	1.65
DHAULAGURI PTY LTD	1,317,200	1.55
ALEYA INVESTMENT PTY LTD	1,270,000	1.50
FIR NOMINEES PTY LIMITED	1,256,125	1.48
FARIWEST PTY LTD	1,120,000	1.32
CEDAR PARTY PTY LIMITED	1,095,235	1.29

C. Substantial shareholders

	Shares	%
Peter Charles Constable	12,447,985	14.67
David Harold Bottomley	4,875,485	5.75

D. Voting rights

The voting rights attaching to each class of equity security are set out below:

Each share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

E. Stock exchange listing

Quotation has been granted for all of the ordinary shares of the Company on all member exchanges of the ASX.

F. Unquoted securities

There are no unquoted securities.

G. Securities subject to voluntary escrow

There are no securities subject to voluntary escrow.

H. Investment transactions

There were 412 investment transactions during the period, total brokerage paid on these transactions was \$146,042.49.

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Directors' Report

Directors	Peter Constable (Chairman) David Bottomley Ray Kellerman
Company Secretary	David Bottomley Claudia Rososinski
Registered Office	Level 28 88 Phillip Street Sydney NSW 2000
Contact Details	P: (02) 9000 9020 W: www.rydercapital.com.au
Share Registry	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 P: 1300 554 474 W: www.linkmarketservices.com.au
Auditor	Grant Thornton Audit Pty Ltd Level 17, 383 Kent Street Sydney NSW 2000 P: (02) 8297 2400
Stock Exchange Listings	Ryder Capital Limited securities are listed on the Australian Stock Exchange under the following exchange codes: Shares RYD

RYDER CAPITAL

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