



RYDER CAPITAL

A value focused high conviction equities manager

ASX:RYD – 2023 Annual General Meeting

7 November 2023

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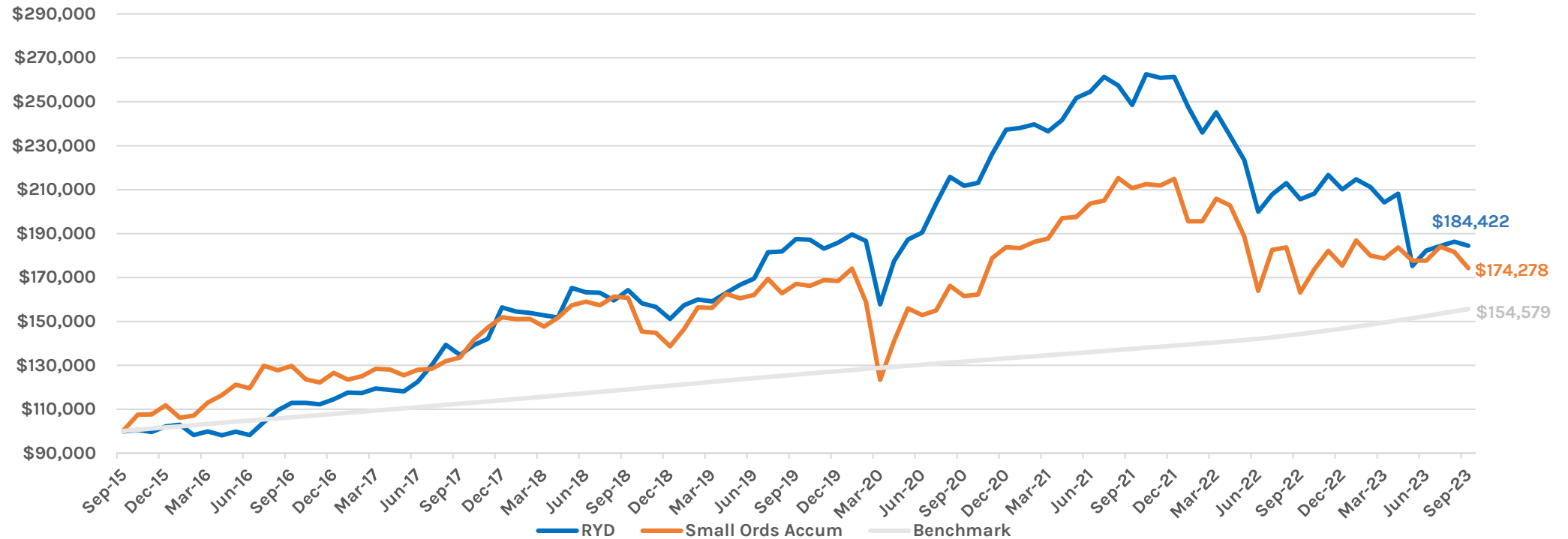
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RYD Performance

Investment Performance of \$100,000 Since Inception to 30 September 2023



Calculation of Investment Performance is based off pre-tax NTA prior to the provision and payment of tax, adjusted for the dilution of the exercised 26.7m RYDO options and 26.5m RYDOA options. Inception Date is 22 September 2015.

Benchmark is RBA cash rate + 4.25% and Small Ords Accum represents S&P/ASX Small Ordinaries with dividends reinvested.

Key Details as at 30 September 2023

Share Price

\$1.00

Gross Assets

\$96.9m

**Discount to
Pre-Tax NTA**

14%

**Distributable
Profits**

\$0.37 w/ \$0.25 per
share fully frankable

Dividend Yield

7.25%

Portfolio Yield*

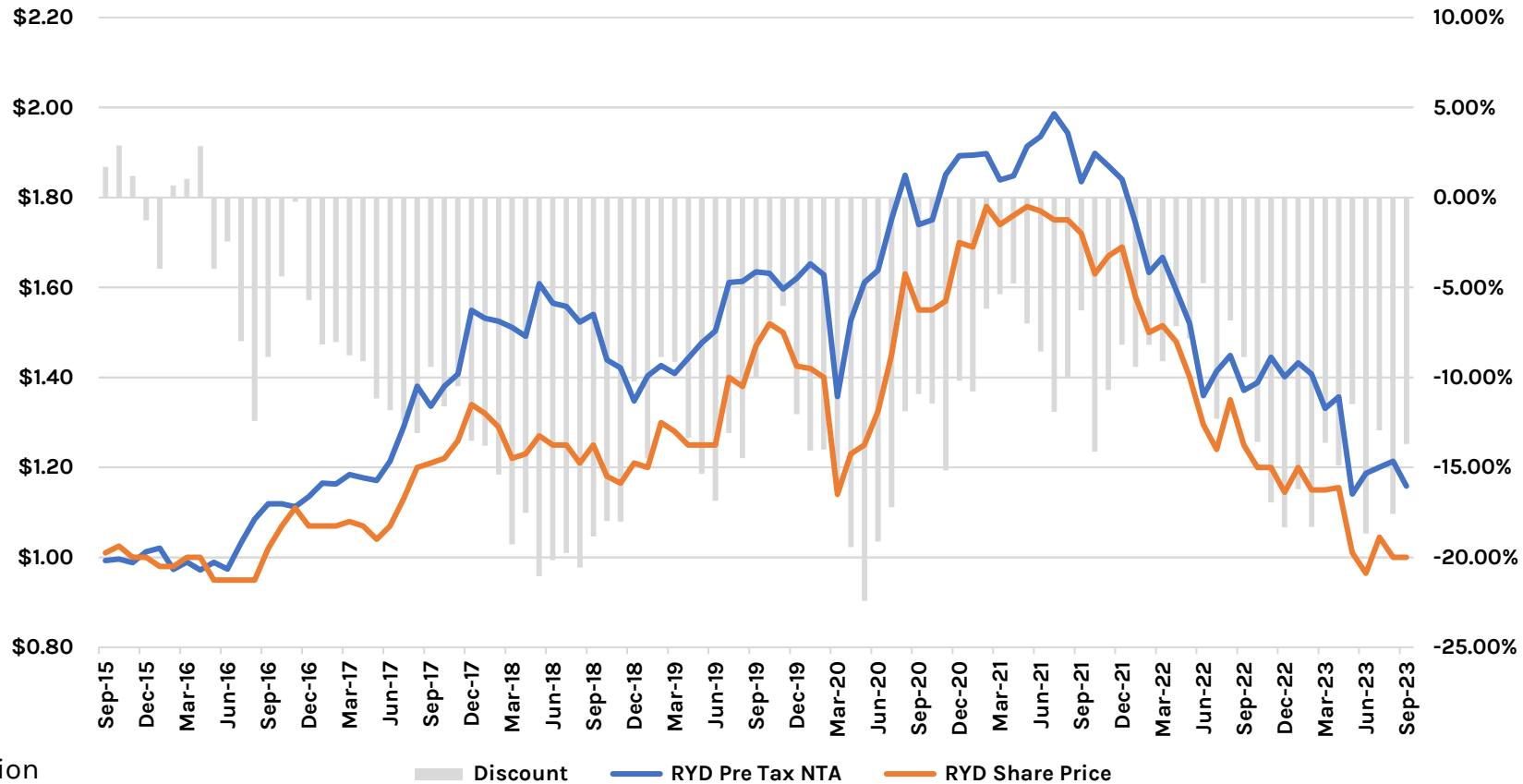
3.10%

*Based on 30 Sep 2023 Portfolio market value using trailing Portfolio company dividends and at call rates on cash deposits

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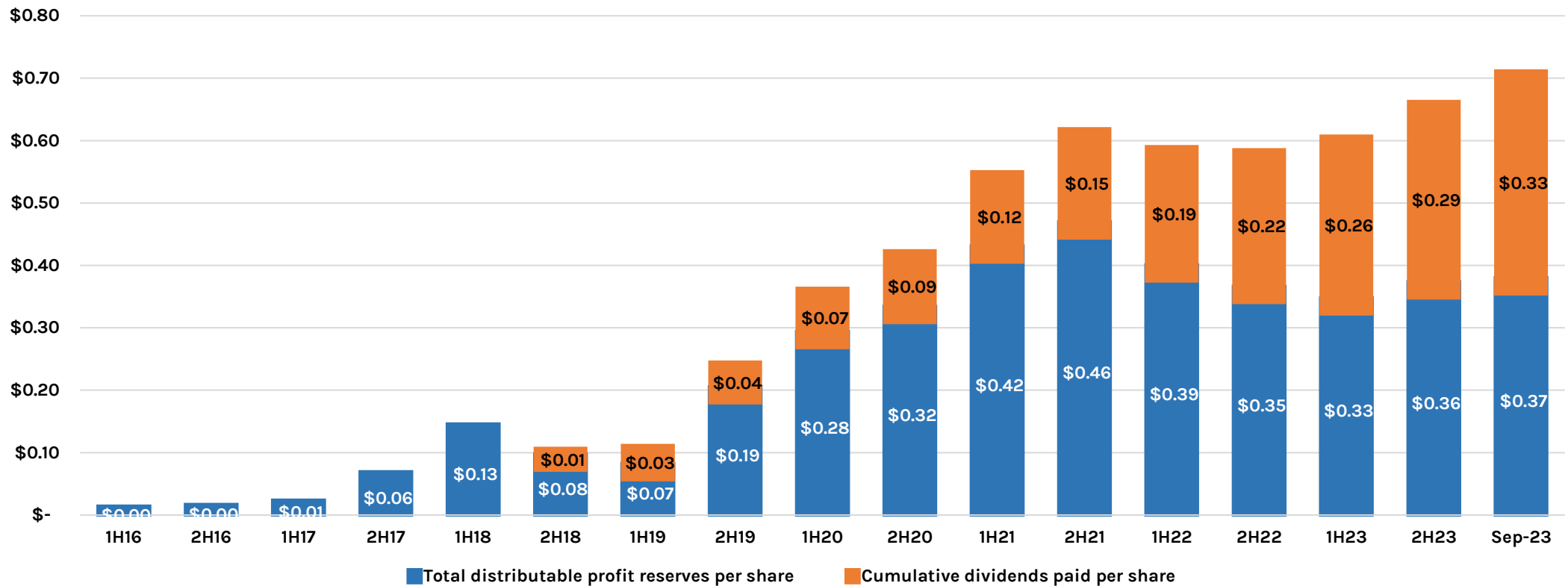
Discount to NTA

Ryder Share Price Premium / Discount to Diluted NTA Since Inception



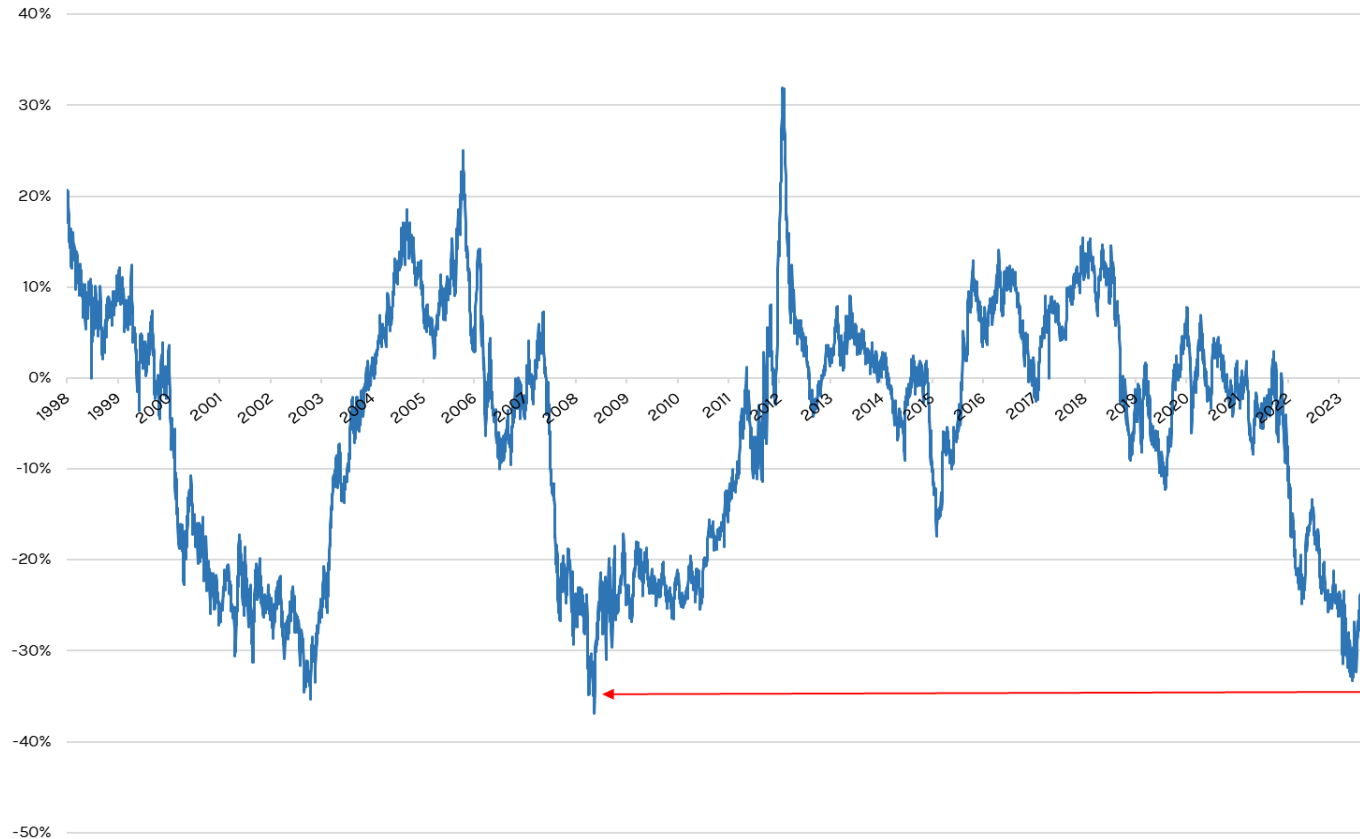
Distributable Profits Since Inception

RYD Distributable Profits and Dividends Paid Since Inception



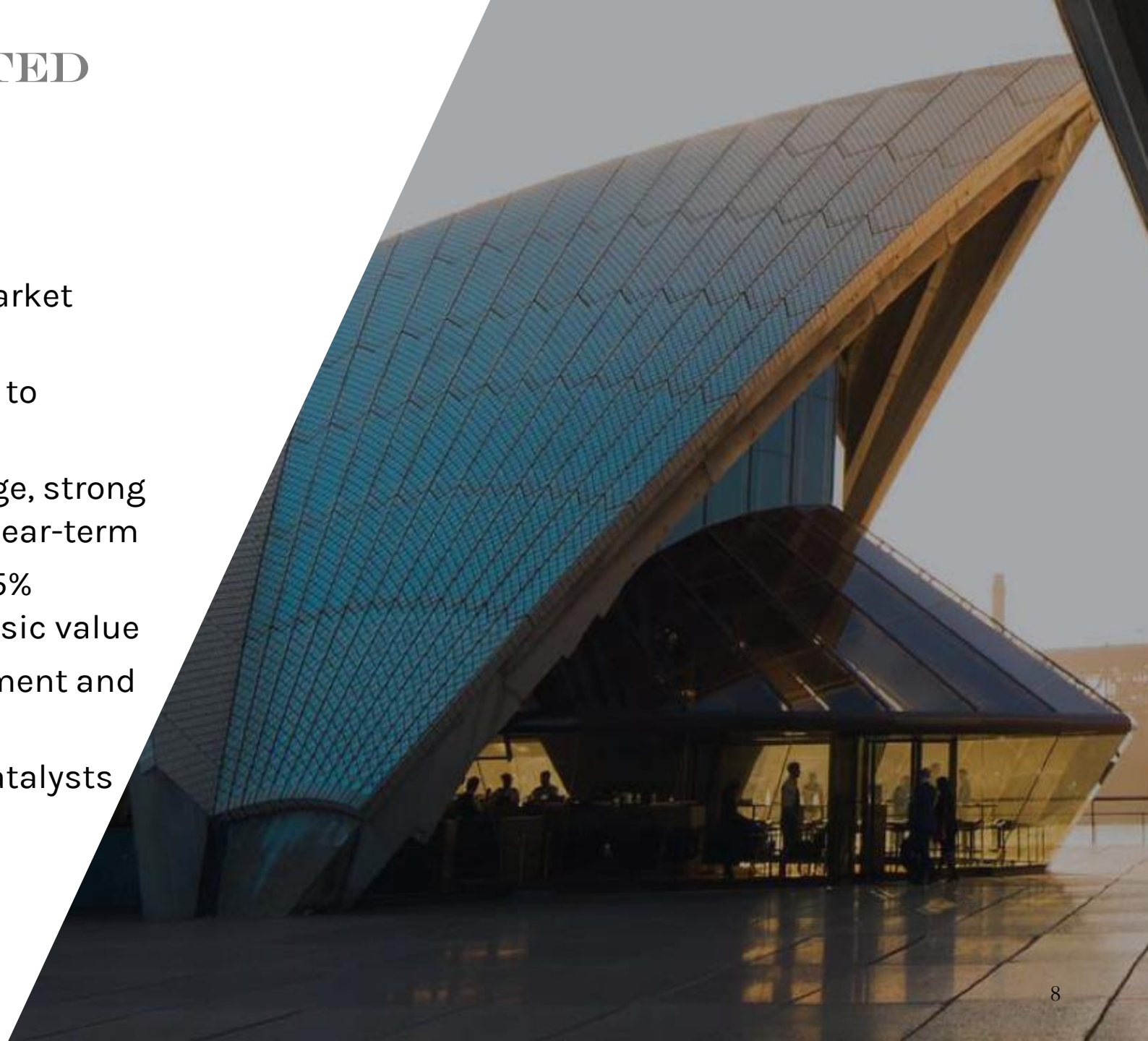
Small Cap Underperformance

Rolling 3 Year Performance - All Ords (Acc) vs Small Industrials (Acc)
Higher = Smalls Outperforming, Lower = Smalls Underperforming



What we look for

- Small/micro-cap companies with market caps between \$100m - \$1bn
- Value focused bottom up with a bias to deeper value and unloved situations
- Companies with low financial leverage, strong free cash flow or ability to generate near-term
- Companies trading at a minimum 25% discount to our assessment of intrinsic value
- Management and Boards with alignment and demonstrable track records
- Companies with identifiable value catalysts



FY23 Portfolio
Activity

Purchases/additions	June 2023 Weighting
SRG Global (SRG)	15.25%
Macmahon (MAH)	7.67%
Janison Education (JAN)	7.17%
Austin Engineering (ANG)	6.91%
Aurelia Metals (AMI)	4.87%

Sales/reductions	June 2023 Weighting
3P Learning (3PL)	3.09%
Imdex (IMD)	1.90%
LGI (LGI)	Nil
Duratec (DUR)	Nil
Peel Mining (PEX)	Nil

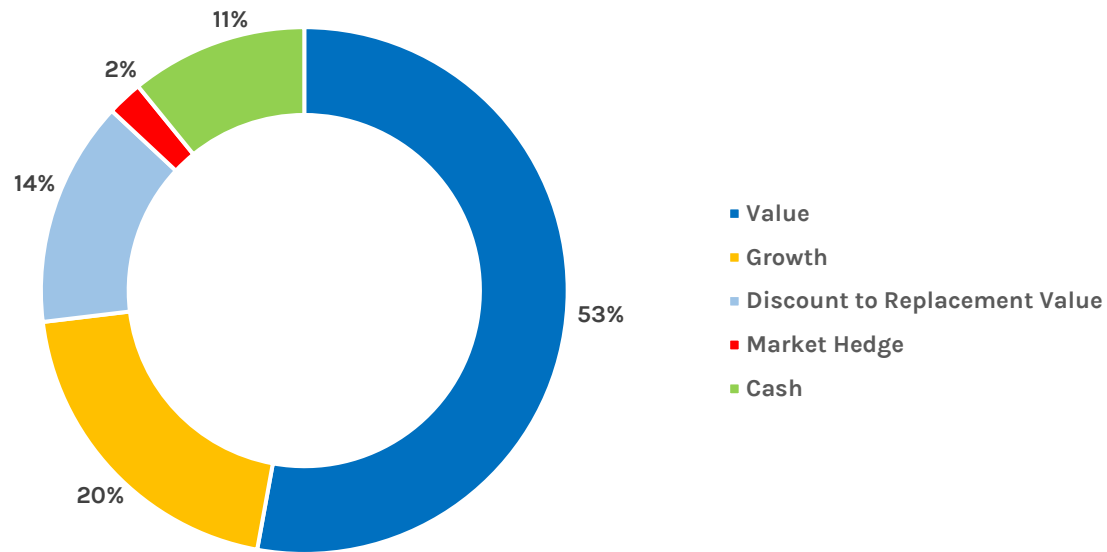
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Top 10 Core Holdings

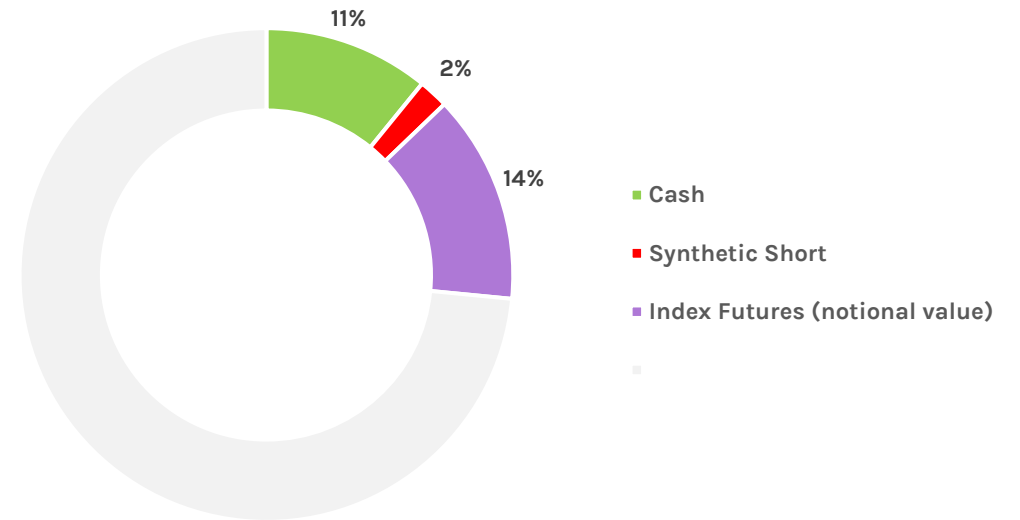
Ticker	Name	30 Sep 2023 Weight
SRG	SRG Global Ltd	13.27%
MAH	Macmahon Holdings Ltd	9.87%
BCI	BCI Minerals Ltd	8.41%
ANG	Austin Engineering Ltd	6.83%
JAN	Janison Education Group Ltd	6.74%
CCV	Cash Converters International Ltd	5.42%
CUP	Count Ltd	5.35%
SSM	Service Stream Ltd	5.33%
AMI	Aurelia Metals Ltd	4.71%
CAJ	Capitol Health Ltd	3.27%
	Top 10 Positions	69.21%

Defensive Portfolio Positioning

Portfolio Positioning (as at 30 Sep 2023)



Portfolio Hedging (as at 30 Sep 2023)



1st Quarter 2023 Outperformance

	RYD	Small Ords Accumulation Index	All Ords Accumulation Index	ASX 200 Accumulation Index	ASX Emerging Companies Accumulation Index
1st Quarter Return	+1.19%	-1.94%	-0.66%	-0.77%	-5.26%

Portfolio Outlook

- We see a likely longer period of higher interest rates threatening cyclically high company profit margins and equity valuations
- Portfolio is conservatively positioned / marked down trading at a large discount to Ryders assessment of intrinsic value
- Hedging strategies to dampen volatility and overall risk – balanced against preferred expression of risk aversion, which is to increase cash
- Retain core group of value stocks that:
 - Are cash generative
 - Have conservative balance sheets
 - Strong management
 - Pay regular dividends

Strategic Review

- **Problem:** LIC's generally are trading at large and persistent discounts to NTA
 - RYD is no outlier, trading at a consistent and large discount compounded by poor liquidity
- **Desired Outcome:** Shareholders being able to realise their investment in RYD at NTA
- **What we are doing:** the Board has commenced a review of these dual problems of poor liquidity and discount to NTA and anticipates being able to report to Shareholders no later than February 2024 the outcomes and a proposed course of action



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For more information about Ryder Capital Limited see: www.rydercapital.com.au