

# **RYDER CAPITAL LIMITED**

**ABN 74 606 695 854**

## **Interim financial report**

**For the half-year ended 31 December 2016**

**RYDER CAPITAL LIMITED  
INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

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**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**CORPORATE DIRECTORY**

**Directors** Peter Constable (Chairman)  
David Bottomley  
Ray Kellerman

**Company Secretary** David Bottomley

**Registered Office** Level 25  
88 Phillip Street  
Sydney NSW 2000

**Contact Details** P: (02) 8211 2777  
F: (02) 8211 0555  
W: [www.rydercapital.com.au](http://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](http://www.linkmarketservices.com.au)

**Auditor** Pitcher Partners  
Level 22, MLC Centre  
19 Martin Place  
Sydney NSW 2000  
P: (02) 9221 2099

**Stock Exchange Listings** Ryder Capital Limited securities are listed on the Australian Stock Exchange under the following exchange codes:

Shares RYD  
Options RYDO

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**DIRECTORS' REPORT**

Your directors present their report on Ryder Capital Limited ("the Company") for the period ended 31 December 2016.

The following persons were directors of the Company from registration date and up to the date of this report:

Peter Constable - Chairman  
David Bottomley - Director  
Ray Kellerman - Independent Director

**Principal activity**

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

**Review of Operations**

For the six-month period ending 31 December 2016 the Company made a loss before tax of \$700,974 and after providing for tax of \$266,815 made an after tax loss of \$434,159. Statutory profit as reported and referred to above ignores unrealised gains or losses on the Company's portfolio, therefore a more accurate measure of the Company's performance for the reporting period is to look at the movement in the starting pre-tax Net Asset Value ("NAV") adjusted for tax paid and equity distributions of \$35,861,794 at 30 June 2016 and the closing pre-tax NAV adjusted for tax paid and equity distributions on 31 December 2016 of \$41,788,931. The result is a gain of \$5,927,137 before tax but after performance fees and all other operating expenses. This figure represents the pre-tax gain in the net worth of the Company after all operating costs.

To the extent the Company begins to pay tax as a result of capital profits and income exceeding the costs of operations during a financial year, franking credits will be generated which we will report on to assist in the reconciling of the differences between the pre and post-tax net asset value of the Company, net of any tax or other timing differences.

For the current period (six months to 31 December, 2016) the Company's pre-tax NAV increased by 16.52% whilst holding an average weighting to cash of approximately 36.2%.

It is pleasing to report the Managers performance (as measured by the performance of the Company's portfolio less all operating costs before tax) exceeded the Company's set performance benchmarks for the period. The Manager is now outperforming the Company's performance benchmarks over all time periods. Performance fees are calculated monthly and when positive are accrued as a provisional expense and reflected in the monthly NTA together with the results at balance date. These fees, when positive are paid annually as at the 30 June balance date with negative accruals rolled forward and required to be made up before any future performance fees are paid. All reported performance numbers are after all management and performance fees and all other Company expenses but before tax. We highlight this point in order to differentiate ourselves from some of our peers who elect to report gross returns (that exclude management fees, performance fees and operating costs) as opposed to net pre-tax returns which we consider to be the more appropriate performance measure for shareholders to evaluate.

During the period the Manager made up a prior period negative performance accrual of (\$489,380), equivalent to a Net Asset Value performance deficit of (\$2,617,018) as at 30 June 2016. As at 31 December 2016 the Manager had made up this deficit and then exceeded the periods absolute benchmark return resulting in a positive performance fee accrual of \$615,157 at 31 December 2016. The payment of this amount will be dependent on the Managers absolute performance relative to the Company's benchmark for the six months to 30 June 2017.

The Manager continued to deploy the Company's cash assets into equities during the period resulting in a reduced weighting to cash from approximately 48.1% at 30 June 2016 to approximately 26.2% as at 31 December 2016. We consider this weighting to cash to be consistent with the Company's longer term portfolio structure objectives and as such believe the Company is appropriately invested for the current environment.

The Board continues to be conscious of shareholder interest in not only the performance of the portfolio but also its ongoing construction and contents. The Company releases its NTA Statement within fourteen days of the conclusion of each calendar month to the ASX. In addition to value changes per share, it also outlines the portfolio weightings split between equities, bonds and cash. The Board considers month to month performance assessment as inconsequential when compared with measuring long term investment performance which the Portfolio Manager is primarily focussed on. In addition to the NTA Statement the Board has determined that the Company will provide additional disclosure in the Portfolio Manager's report contained in this half year report, including the top 10 investment's (by market value) at balance date.

While the portfolio holdings disclosure is accurate as at the balance date (31 December 2016) it is possible that material changes occur and as such no reliance should be made on the holdings, their respective weights or that new investments not disclosed in this report now constitute material positions in the Company's Portfolio.

The Board is mindful of any investment activity disclosure that may disadvantage the Company and as such there is no commitment to the extent of such disclosure, its completeness or continuance except as required by the ASX or the Corporations Law.

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**DIRECTORS' REPORT**

**Dividends**

No dividends were declared or paid during the period.

**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 (where indicated).

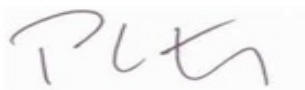
**Comparative period**

The comparative period, being for the period from 26 June 2015 (date of incorporation) to 31 December 2015, the company commenced operation from 22 September 2015.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the directors.



**Peter Constable**

Ryder Capital Limited

Sydney, 23 February 2017

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**INVESTMENT MANAGERS' REPORT**

During the period, the cash and cash equivalents weighting was reduced from approximately 48.1% of the Portfolio to 26.2% resulting in an increased weighting to equities to 73.8% from 51.9%. Average cash weightings during the period were approximately 36.2%.

Performance as measured by the movement in pre-tax NTA equated to an increase of 16.52% for the six months to 31 December 2016. On a risk adjusted basis (considering the average cash holdings of 36.2%) we consider this performance to have been satisfactory.

Looking at the dispersion of returns for the period, the top 5 contributors to performance added a cumulative \$5,477,476 while the bottom 5 detractors from performance equated to (\$824,371) supporting a favourable short term mark to market profit/loss skew.

Over the longer term we will closely monitor the portfolios realised cumulative profit/loss dispersion on investment outcomes as well as the absolute number of winning/losing investment positions. Shorter time periods such as those we are currently reporting on principally capture mark to market movements in "price" which may reflect sentiment shifts rather than "value" movements and as such we consider it of little analytical value. In time we anticipate reporting more detailed analysis of our performance.

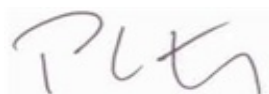
We continue to be mindful of macro market risks and expect to maintain cash weightings of approximately 25% in the near term.

The resurgence in commodity prices caught our attention last calendar year as we contemplated what a Trump Administration could mean for world capital and asset markets generally (the deflation trade as it has become known). As a function of our review we have identified a limited number of investment opportunities that provide a considered and cautious exposure to mining and mining related investment themes. We have set tight exposure limits for the Portfolio to ensure risk is closely controlled in a volatile and potentially abbreviated investment cycle. To date these positions have provided a meaningful contribution to the Portfolio.

Portfolio activity during the period included realising our fixed interest investment in NextDC II Notes at a premium to face value prior to the US election and reinvesting the proceeds into an equity position. Subsequent to the US election we considered the potential impacts of a Trump Administration on the US healthcare sector and in particular the implications for large for-profit operators in that sector. This review led us to substantially reduce our holding in Oneview Healthcare Plc ("Oneview") from a 10.6% Portfolio weighting at 31 December 2016 (Note: this large Portfolio weighting resulted principally from price appreciation during the investment holding period) to approximately 1.5% as at the date of this report. The Oneview investment generated a return of approximately 80% on the exited holding.

**Portfolio weightings and top 10 holdings at market value - 31 December 2016**

<b>Name</b>	<b>% Holding</b>
Oneview Healthcare Plc*	10.6%
Billabong International Ltd	9.0%
Codan Ltd	8.2%
Updater Inc - CDI	6.9%
NextDC Ltd	6.5%
Flexigroup Ltd	5.1%
Topbeta Holdings Ltd	4.6%
BC Iron Ltd	4.1%
Veem Ltd	3.6%
Kogan.com Ltd	3.5%
Other Equities	11.7%
Total Equities	73.8%
Cash	26.2%
Total	100.0%



Peter Constable  
Portfolio Manager



David Bottomley  
Portfolio Manager  
Ryder Investment Management Pty Ltd.

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF RYDER CAPITAL LIMITED  
ABN 74 606 695 854**

In relation to the independent auditor's review for the half-year ended 31 December 2016, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Ryder Capital Limited.



Scott Whiddett  
Partner

PITCHER PARTNERS  
Sydney

23 February 2017

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	Half-year ended 31 December 2016 \$	Period from 26 June 2015 to 31 December 2015 \$
<b>Investment income</b>			
Interest income		213,167	242,018
Dividend income		178,479	-
Net unrealised loss on net financial liabilities at fair value through profit or loss		(16,624)	(21,948)
Net foreign exchange realised gain		48	6,498
Other income		7,707	-
<b>Total investment income</b>		<b>382,777</b>	<b>226,568</b>
<b>Expenses</b>			
Performance fees		(615,157)	(47,109)
Management fees		(264,087)	(129,261)
Directors' fees		(15,000)	-
Other operating expenses		(189,507)	(20,562)
<b>Total expenses</b>		<b>(1,083,751)</b>	<b>(196,932)</b>
<b>(Loss)/profit for the period before income tax expense</b>		<b>(700,974)</b>	<b>29,636</b>
Income tax benefit/(expense)		266,815	(7,214)
<b>(Loss)/profit for the period</b>		<b>(434,159)</b>	<b>22,422</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Movement in fair value of long term equity investments, net of tax	6	4,633,084	544,964
<b>Total comprehensive income for the period</b>		<b>4,198,925</b>	<b>567,386</b>
<b>Basic (loss)/earnings per share</b>	4	<b>(1.18) cents</b>	<b>0.12 cents</b>
<b>Diluted (loss)/earnings per share</b>	4	<b>(1.18) cents</b>	<b>0.12 cents</b>

*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**  
**ABN 74 606 695 854**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	As at	
		31 December 2016	30 June 2016
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		11,115,808	15,415,906
Receivables		103,422	172,368
Taxes receivable		-	-
<b>Total current assets</b>		<b>11,219,230</b>	<b>15,588,274</b>
<b>Non-current assets</b>			
Long-term equity investments	3	31,406,680	20,662,471
Deferred tax asset		289,899	343,644
<b>Total non-current assets</b>		<b>31,696,579</b>	<b>21,006,115</b>
<b>Total assets</b>		<b>42,915,809</b>	<b>36,594,389</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities held at fair value through profit or loss	3	94,348	77,723
Payables		756,049	315,225
Current tax liability		-	4,253
<b>Total current liabilities</b>		<b>850,397</b>	<b>397,201</b>
<b>Non-current liabilities</b>			
Deferred tax liability		1,699,138	29,839
<b>Total non-current liabilities</b>		<b>1,699,138</b>	<b>29,839</b>
<b>Total liabilities</b>		<b>2,549,535</b>	<b>427,040</b>
<b>Net assets</b>		<b>40,366,274</b>	<b>36,167,349</b>
<b>Equity</b>			
Issued capital	5	36,591,082	36,591,082
Retained losses	6	(479,319)	-
Profits reserve	6	121,720	76,560
Asset revaluation reserve	6	3,871,346	(557,775)
Capital profits reserve	6	261,445	57,482
<b>Total equity</b>		<b>40,366,274</b>	<b>36,167,349</b>

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

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2016**

Note	Issued capital \$	Retained (losses)/ earnings \$	Profits reserve \$	Asset revaluation reserve \$	Capital profit reserve \$	Total equity \$
<b>Balance on date of registration (26 June 2015)</b>	<b>1</b>	-	-	-	-	<b>1</b>
Profit for the period	-	22,422	-	-	-	22,422
Net revaluation of investments	-	-	-	544,964	-	544,964
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>22,422</b>	<b>-</b>	<b>544,964</b>	<b>-</b>	<b>567,386</b>
<b>Other</b>						
Transfer of realised profit on sale of investments, net of tax	6	-	-	(6,798)	6,798	-
Transfer to profits reserve	6	(22,422)	22,422	-	-	-
		<b>-</b>	<b>(22,422)</b>	<b>22,422</b>	<b>(6,798)</b>	<b>6,798</b>
<b>Transactions with owners in their capacity as owners</b>						
Shares and options issued during the period	5	36,828,500	-	-	-	36,828,500
Initial public offering costs, net of deferred tax impact	5	(237,419)	-	-	-	(237,419)
		<b>36,591,081</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,591,081</b>
<b>Balance at 31 December 2015</b>		<b>36,591,082</b>	<b>-</b>	<b>22,422</b>	<b>538,166</b>	<b>6,798</b>
<b>Balance at 30 June 2016</b>		<b>36,591,082</b>	<b>-</b>	<b>76,560</b>	<b>(557,775)</b>	<b>57,482</b>
Loss for the period		-	(434,159)	-	-	(434,159)
Net revaluation of investments		-	-	4,633,084	-	4,633,084
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(434,159)</b>	<b>-</b>	<b>4,633,084</b>	<b>-</b>
<b>Other</b>						
Transfer of realised loss on sale of investments, net of tax	6	-	-	(203,963)	203,963	-
Transfer to profits reserve	6	-	(45,160)	45,160	-	-
		<b>-</b>	<b>(45,160)</b>	<b>45,160</b>	<b>(203,963)</b>	<b>203,963</b>
<b>Transactions with owners in their capacity as owners</b>						
Shares and options issued during the period	5	-	-	-	-	-
Initial public offering costs, net of deferred tax impact	5	-	-	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 December 2016</b>		<b>36,591,082</b>	<b>(479,319)</b>	<b>121,720</b>	<b>3,871,346</b>	<b>261,445</b>

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

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	<b>Half-year ended 31 December 2016</b>	<b>Period from 26 June 2015 to 31 December 2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest received	247,005	74,745
Dividends received	178,479	-
Net receipts from foreign exchange transactions	-	6,498
Management fees paid	(255,722)	(88,573)
Directors' fees paid	(5,579)	-
Other operating expenses paid	(194,591)	(28,008)
Net foreign exchange loss	48	-
Other income received	7,707	-
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>(22,653)</b>	<b>(35,338)</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investments	5,806,378	34,711
Payments for purchase of investments	(10,083,823)	(12,283,072)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(4,277,445)</b>	<b>(12,248,361)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Proceeds from shares issued under initial public offering	-	36,828,500
Issue costs	-	(253,815)
	<hr/>	<hr/>
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>36,574,685</b>
	<hr/>	<hr/>
<b>Net increase in cash held</b>	<b>(4,300,098)</b>	<b>24,290,986</b>
Cash and cash equivalents at beginning of the financial period	15,415,906	-
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the financial period</b>	<b>11,115,808</b>	<b>24,290,986</b>
	<hr/>	<hr/>

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

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**1. GENERAL INFORMATION**

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 25, 88 Phillip Street, Sydney NSW 2000. The Company's principal activity is investing in a concentrated portfolio of ASX and NZX listed micro 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.

These condensed interim financial statements are for the half-year ended 31 December 2016, and were authorised for issue by the Directors on 23 February 2017.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

These condensed interim financial statements for the period ended 31 December 2016 have been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting*, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

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

These condensed interim financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the 30 June 2016 annual financial report and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed interim financial statements are prepared based on an accruals concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the half-year. It is prepared on the basis of fair value measurement of assets and liabilities except otherwise stated.

The accounting policies applied in these condensed interim financial statements are the same as those applied to the Fund's financial statements for the year ended 30 June 2016.

**(b) New accounting standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published by the AASB that are not mandatory for the interim period ending 31 December 2016 and have not been early adopted by the Company. The directors have considered these standards and interpretations and have concluded that they will not have a material impact on the financial report of the Company.

**(c) Rounding amounts**

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 (where indicated).

**(d) Comparative period**

The comparative period, being for the period from 26 June 2015 (date of incorporation) to 31 December 2015, the company commenced operation from 22 September 2015.

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**3. FAIR VALUE MEASUREMENT**

The Company measures and recognises financial assets and liabilities held at fair value through profit or loss and through other comprehensive income on a recurring basis.

The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

**(a) Fair value in an active market (Level 1)**

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**(b) Fair value in an inactive or unquoted market (Level 2 and Level 3)**

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent 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 technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Company would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

**RYDER CAPITAL LIMITED**  
**ABN 74 606 695 854**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**3. FAIR VALUE MEASUREMENT (CONTINUED)**

**(c) Recognised fair value measurements**

The table below presents the Company's financial assets and liabilities measured and recognised at fair value as at 31 December 2016:

<b>At 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
<i>Long-term equity investments</i>				
Listed investments	31,406,680	-	-	31,406,680
Total long-term equity investments	31,406,680	-	-	31,406,680
<b>Total financial assets</b>	<b>31,406,680</b>	<b>-</b>	<b>-</b>	<b>31,406,680</b>
<b>Financial liabilities</b>				
<i>Held for trading liabilities</i>				
Forward contracts	-	94,348	-	94,348
<b>Total financial liabilities</b>	<b>-</b>	<b>94,348</b>	<b>-</b>	<b>94,348</b>
<b>At 30 June 2016</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
<i>Long-term equity investments</i>				
Listed investments	17,639,571	-	-	17,639,571
Unlisted investments	-	999,000	-	999,000
Fixed interest	2,023,900	-	-	2,023,900
Total long-term equity investments	19,663,471	999,000	-	20,662,471
<b>Total financial assets</b>	<b>19,663,471</b>	<b>999,000</b>	<b>-</b>	<b>20,662,471</b>
<b>Financial liabilities</b>				
<i>Held for trading liabilities</i>				
Forward contracts	-	77,723	-	77,723
<b>Total financial liabilities</b>	<b>-</b>	<b>77,723</b>	<b>-</b>	<b>77,723</b>

Included within Level 1 of the hierarchy are listed investments. The fair value of these financial assets and liabilities have been based on the last close prices at the end of the reporting period.

**RYDER CAPITAL LIMITED**  
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**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**3. FAIR VALUE MEASUREMENT (CONTINUED)**

**(d) Transfer between levels**

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

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

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

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

	<b>Half-year ended 31 December 2016</b>	<b>Period from 26 June 2015 to 31 December 2015</b>
	<b>\$</b>	<b>\$</b>
<b>4. EARNINGS PER SHARE</b>		
<b>Basic earnings per share</b>	<b>(1.18) cents</b>	<b>0.12 cents</b>
<b>Diluted earnings per share</b>	<b>(1.18) cents</b>	<b>0.12 cents</b>
Earnings used in calculating basic earnings per share (\$)	(434,159)	22,422
Earnings used in calculating diluted earnings per share (\$)	(434,159)	22,422
Weighted average number of ordinary shares used in the calculation of basic earnings per share	36,828,501	18,414,251
Weighted average number of shares used in the calculation of diluted earnings per share	36,828,501	18,414,251

**5. 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.

*Shares under IPO*

The Company issued a replacement Prospectus on 12 August 2015 for the offer of up to 50,000,000 fully paid ordinary shares at an office price of \$1.00 per share to raise up to \$50,000,000, together with an entitlement to 1 option, exercisable at \$1.25 on or before 10 December 2018 for every 1 share subscribed for under the offer. Upon the exercise of an initial option the company will also issue holders a second option exercisable at \$1.50 on or before 10 December 2021. On 21 September 2015, the Company issued 36,828,500 fully paid ordinary shares under this initial public offering at \$1.00 per share.

*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 monitor 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.

**RYDER CAPITAL LIMITED**  
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**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**5. ISSUED CAPITAL (CONTINUED)**

	Half-year ended 31 December 2016		Period from 26 June 2015 to 31 December 2015	
	Shares	\$	Shares	\$
<b>(a) Movements in ordinary share capital</b>				
Opening balance	36,828,501	36,591,082	1	1
Ordinary shares issued	-	-	36,828,500	36,828,500
Costs of issued capital, net of tax	-	-	-	(237,419)
Closing balance at 31 December	<b>36,828,501</b>	<b>36,591,082</b>	<b>36,828,501</b>	<b>36,591,082</b>
<b>(b) Options issued</b>				
Opening balance	36,828,500	36,828,500	-	-
Options issued	-	-	36,828,500	36,828,500
Closing balance at 31 December	<b>36,828,500</b>	<b>36,828,500</b>	<b>36,828,500</b>	<b>36,828,500</b>

Investors received, for no additional consideration, one initial option for every one share subscribed for, exercisable at \$1.25 on or before 10 December 2018. Upon the exercise of an initial option, the Company will issue holders a secondary option, with each secondary option exercisable at \$1.50 on or before 10 December 2021.

	Half-year ended 31 December 2016	Period from 26 June 2015 to 31 December 2015
	\$	\$
<b>6. RESERVES AND RETAINED LOSS</b>		
<b>(a) Retained loss</b>		
Balance at the beginning of the period	-	-
Net profit/(loss) attributable to members of the Company	(434,159)	22,422
Transfer to profits reserve	(45,160)	(22,422)
<b>Balance at 31 December</b>	<b>(479,319)</b>	<b>-</b>
<b>(b) Profits reserve</b>		
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 period	76,560	-
Transfer from retained (loss)/earnings	45,160	22,422
<b>Balance at 31 December</b>	<b>121,720</b>	<b>22,422</b>
<b>(c) Capital profits reserve</b>		
The reserve records gains or losses arising from disposal of long-term equity investments.		
Balance at the beginning of the period	57,482	-
Realised profit on sale of investments, net of tax	203,963	6,798
<b>Balance at 31 December</b>	<b>261,445</b>	<b>6,798</b>



**RYDER CAPITAL LIMITED**  
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**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

<b>6. RESERVES AND RETAINED LOSS (CONTINUED)</b>	<b>Half-year ended 31 December 2016</b>	<b>Period from 26 June 2015 to 31 December 2015</b>
	<b>\$</b>	<b>\$</b>
<b>(d) Asset revaluation reserve</b>		
The reserve records revaluations of long-term equity investments.		
Balance at the beginning of the period	(557,775)	-
Movement in fair value of long-term equity investments, net of tax	4,633,084	544,964
Realised loss on sale of investments, net of tax transferred to capital profits reserve	(203,963)	(6,798)
	3,871,346	538,166
<b>Balance at 31 December</b>	<b>3,871,346</b>	<b>538,166</b>

**7. CONTINGENT LIABILITIES AND COMMITMENTS**

As at 31 December 2016, the Company has no contingent liabilities or commitments.

**8. 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 at Note 3(c) Fair Value Measurement.

**9. EVENTS SUBSEQUENT TO REPORTING DATE**

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**  
**ABN 74 606 695 854**  
**DIRECTORS' DECLARATION**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

The directors of the Company declare that:

- a) the financial statements and notes set out on pages 7 to 16 are in accordance with the *Corporations Act 2001* , and:
  - i) complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001* ; and
  - ii) giving a true and fair view of the financial position of the Company as at 31 December 2016 and of its performance for the financial half-year ended on that date.
- 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.

Signed in accordance with a resolution of the directors of the Company.

On behalf of the Directors



**Peter Constable**  
Chairman  
Ryder Capital Limited

Sydney, 23 February 2017

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF RYDER CAPITAL LIMITED  
ABN 74 606 695 854**

**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Ryder Capital Limited ("the company") which comprises the statement of financial position as at 31 December 2016, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration of the company.

**Directors' Responsibility for the Half-year Financial Report**

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *"Review of a Financial Report Performed by the Independent Auditor of the Entity"*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *"Interim Financial Reporting"* and the *Corporations Regulations 2001*. As the auditor of Ryder Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF RYDER CAPITAL LIMITED  
ABN 74 606 695 854**

**Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ryder Capital Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



SCOTT WHIDDETT  
Partner

23 February 2017



PITCHER PARTNERS  
Sydney