Dear Fellow Shareholders,

2026 picked up where 2025 left off, with markets relatively steady through January until Anthropic's Claude Cowork AI launch triggered what has become known as the 'SaaSpocalypse', wiping $285 billion from global software stocks as investors feared AI would commoditise software, undermining the value proposition of these companies. This had a significant effect on broader investor sentiment with indiscriminate selling casting a shadow over almost every technology related business.

If the SaaSpocalypse wasn't enough, then came the war. On 28 February, the United States and Israel launched coordinated strikes against Iran. A dramatic escalation has followed that has since drawn in Lebanon, the Gulf states, and disrupted the entire region. Whatever one's view on the strategic rationale, the economic consequences have been severe and far-reaching. The closure of the Strait of Hormuz, through which roughly 20% of the world's seaborne oil and a significant share of global LNG shipments flow has triggered what the International Energy Agency described as the largest supply disruption in the history of the global oil market. Oil surged above US$100 a barrel, LNG spot prices in Asia spiked over 140% after Iranian strikes damaged Qatar's Ras Laffan facility, and stock markets sold off globally, with energy-dependent Asian economies hit particularly hard.

Even if military operations wind down from here, the economic aftershocks will linger. Damaged energy infrastructure in the Gulf will take years to repair and as such an inflationary shock is all but guaranteed, the magnitude of which will be dependent on the speed and trajectory of any deescalation from here, or not. This, combined with Australia's own home-grown inflationary challenges thanks to continued fiscal largess has left the hammer of monetary policy firmly in the hands of the RBA.

The onset of the war and resulting market correction in smaller companies led to a material fall in NTA for the quarter. In particular, the ASX Small Ordinaries, our most comparable benchmark fell by over 18% at one point from the peak in January. This left us nursing some large negative mark to market movements, resulting in a fall in our NTA of -9.79% for March and -10.73% for the quarter, as compared to the Small Ords of -10.87%. Whilst disappointing, we cannot avoid a draw down in NTA in such a broad based and significant market correction.

What matters is whether such a market movement exposes poorly conceived positions, errors in portfolio construction and whether the Portfolio holds sufficient cash in advance of these volatile periods to capitalise on deep value opportunities. Pleasingly, we were reasonably well prepared with ~17% cash prior to the market collapse and the Portfolio remains by and large in good shape. Subject to a more orderly market and steady outlook, we are well placed to make good gains in the future. We actively capitalised on recent volatility, initiating new positions at what we consider to be some extraordinary prices, along with adding to some existing high-conviction positions and further trimming of other strong performers, which we discuss later in this report.

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March Quarter Performance

Ryder produced a pre-tax NTA return of -10.73% for the March quarter, underperforming its absolute performance hurdle of +1.93% whilst performing in line with ASX Small Ords Index which was down -10.87%. Key negative contributors to the quarterly return were Lumos Diagnostics (-2.21%), Adore Beauty (-2.19%) and Janison Education (-1.94%). The rolling 1-year pre-tax NTA return now sits at +44.39%. The performance summary as at 31 March 2026 is as follows:

	3 Months (%)	6 Months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)	Since Inception[3] (% p.a.)
Gross Portfolio Performance	-13.12	2.62	49.03	25.58	12.23	18.03	17.13
Pre-tax Undiluted NTA Return[1]	-10.73	2.21	44.39	22.83	9.85	14.25	13.47
Pre-tax NTA Return[2]	-10.73	2.27	44.68	23.06	8.95	12.62	11.94
S&P ASX All Ordinaries Accumulation Index	-2.66	-3.44	11.29	9.36	8.36	9.46	9.24
S&P Small Ordinaries Accumulation Index	-10.87	-9.27	13.65	8.50	3.99	7.29	8.16
Hurdle (RBA Cash Rate + 4.25% Return)	1.93	3.89	8.02	8.33	7.12	6.26	6.25

1. Adjusted for the dilution of the exercised 26.7m RYDO options and 26.5m RYDOA options. Calculation of pre-tax NTA is prior to the provision and payment of tax. 2. Fully diluted for all options since inception. Calculation of pretax NTA is prior to the provision and payment of tax. 3. Inception date is 22 September 2015. 4. All returns assume the reinvestment of dividends.

March Quarter Activity

We had an active quarter, realising a near record $12.8m of net capital profits as we focused on positioning for volatility by adding to cash during January and February by selectively trimming overweight positions in Macmahon Holdings, Amplitude Energy and Hillgrove Resources and exiting our holdings in Emeco and Ramelius Resources.

During March, we deployed cash back into the market, initiating several new positions including Siteminder, a profitable and growing global software business servicing the hotel market as well as Vista Group International, another profitable, growing, global software business servicing the cinema market. Both of these businesses have seen large share price declines as a function of the indiscriminate selloff in global software companies perceived to be threatened by AI with the market failing to distinguish between generic workflow software where AI does pose a genuine substitution risk, and systems of record that sit at the transaction layer, accumulating proprietary data that actually becomes more valuable in an AI-enabled world. Additionally, Siteminder has experienced an amplified share price impact from its exposure to the travel industry causing further concern for the market. We have followed Siteminder for years with the view that it was too expensive, however current prices have provided an attractive entry point into a high-quality business.

We added to several existing holdings including FINEOS, a global software platform replacing legacy systems in the life insurance industry, also affected by the indiscriminate AI-related selloff. Further additions were made to positions in local services platform Airtasker, omnichannel beauty retailer Adore Beauty, construction and engineering contractor Symal, and payments platform OFX Group after the announcement of a strategic review that could provide for a realisation of intrinsic value.

Key Position Updates & Weightings (as at 31 March)

BCI Minerals – 14.6% Portfolio Weight

BCI was up +1.3% for the quarter, continuing to deliver excellent progress on the Mardie Salt Project with construction completion at over 80% (up from 66% in the prior quarter) whilst remaining within budget and confirming first salt on ship for late this calendar year. This means within the next 7-8 months, BCI will start generating material revenues, a significant milestone for a project that has been over 8 years in the making.

During the quarter, BCI successfully commissioned the first salt crystalliser cells, transferring high density brine from its evaporation ponds to the crystallisers, the final step in the production of salt. Works on the salt wash plant progressed during the period, alongside continued testing and evaluation of SOP production using KTMS sourced from the Mardie salt brine waste stream. Management's confidence in the ability to produce SOP continues to strengthen, with the next key milestone being sufficient validation to support construction of a pilot plant targeted for mid-year. Despite recent equity market volatility and softer spot prices for salt, the BCI share price has held up relatively well in advance of first salt on ship later this year.

Lumos Diagnostics – 10.9% Portfolio Weight

Lumos fell 22.8% during the quarter after a very strong period of performance in the 6 months prior where its share price was up over 10x. A meaningful pullback, whilst frustrating, was always on the cards after such a strong rally. Pleasingly, in late March Lumos was successful in achieving its long awaited, and critically important CLIA waiver from the US FDA for its FebriDX product. This crystallised material upfront payments and immediate sales orders from PHASE Scientific via its exclusive distribution agreement with Lumos previously announced in July 2025. With CLIA waiver, the addressable market opportunity for FebriDX is now 15x greater and worth over USD$1 billion annually in the US alone. In parallel with the announcement of CLIA waiver, Lumos raised ~$20m of growth capital to support its manufacturing and sales ramp up, with several Australian institutional investors joining the register to support the company in its next stage of growth.

Count – 7.3% Portfolio Weight

Count had a relatively strong quarter, up +4.5% including dividends following a solid 1H26 result in February. At quarter end, Count announced the acquisition of Oracle Advisory Group, a complementary accounting and wealth management business. The transaction strengthens Count's competitive position, particularly in financial advice while creating a new distribution channel for its vertically integrated service offerings, accelerating the strong organic growth already being delivered by the current business.
The acquisition was funded via a mix of debt and a capital raise of ~$41m supported by new institutional investors, as a larger company now with a broader register and improved liquidity, Count should start to gain more attention from the wider market. Despite a significant growth opportunity ahead in a fragmented and disrupted industry, Count continues to trade at a meaningful discount to peers and comparable private transactions in the wealth management industry.

OFX Group – 5.4% Portfolio Weight

OFX rose +10.3% during the quarter after the company announced the appointment of Goldman Sachs as its advisor in relation to a strategic review to explore a range of organic and inorganic options to maximise value for shareholders, including a potential sale. The migration of corporate customers onto the new client platform continued to gain momentum during the quarter, providing confidence that the company can unlock additional revenue streams outside its core FX offering. We expect products such as cards to drive stronger non-FX revenue growth, while digital wallet balances should continue to build over the next year supporting higher interest income. With a net cash balance sheet and early indications that the new platform can return OFX to growth, we remain confident in the company's strategy and outlook for significantly higher earnings. During the quarter we became a substantial holder with a 7.3% equity interest.

Cuscal Limited – 4.6% Portfolio Weight

Cuscal was down 8.7% for the quarter inclusive of dividends, despite delivering a strong result in February with transaction volumes ahead of market growth supporting an upgrade to earnings. Integration of the Indue acquisition is tracking well with all key customers retained and management reaffirming confidence in the delivery of material cost synergies. The conclusion of the RBA payments review removed an element of uncertainty in the market, confirming no direct impacts to the business. Cuscal has a highly defensive and growing earnings profile that is yet to be fully appreciated in its earnings multiple, as the integration of Indue progresses and liquidity continues to improve supporting index inclusion this year, we expect the company to trade at a significantly higher valuation.

Chrysos Corporation – 4.3% Portfolio Weight

Chrysos fell 3.5% for the quarter despite delivering a strong result that reinforced our investment thesis. The company reported higher utilisation across its installed base of PhotonAssay units, driven by increased drilling activity in the gold sector which in turn translated into material earnings growth. Encouragingly, we are also seeing evidence of accelerating market adoption of PhotonAssay technology, reflected in increased contracting activity for the deployment of new units, providing the market with greater visibility and increased confidence in the rollout of the technology globally. The market opportunity is large and PhotonAssay is one of the only cost-effective, sustainable and proven alternatives to traditional fire assay. Despite strong progress to date, Chrysos is still early in the adoption cycle of its technology, and with strong structural tailwinds there remains a significant runway for further growth.

Corporate Update

Share Buyback

During the quarter no shares were repurchased. The buyback will continue where it is accretive to NTA, balanced against portfolio liquidity and current investment opportunities.

Dividend

The first of our quarterly 3.0 cents per share fully franked dividends was paid in January. These quarterly dividends equate to an annualised dividend of 12.0 cents per share fully franked and is expected to form the base dividend for FY27, subject to ongoing performance. At quarter end, Ryder maintains a strong profits reserve of ~$0.61 per share of which an estimated ~$0.58 per share is available to distribute as fully franked dividends - noting this assumes distribution at a dividend imputation crediting rate of 30% which has increased from 25% previously. The profits reserve together with regular fully franked Portfolio income provides Ryder with strong fully franked dividend coverage, supporting our dividend policy of paying steady to increasing fully franked dividends over time.

Outlook

The outlook for equities, and in particular for small caps has become increasingly uncertain with the US War on Iran front and centre, with all number of short- and longer-term consequences yet to flow. The most poignant of which is the now guaranteed impost of an inflationary shock at a time where Australia was already seeing a broad-based reacceleration of inflation. As such we need to be prepared for higher interest rates and the possibility of some austerity measures from the government's May budget. We hope our politicians can administer or at least lay the path for the reform the country so badly needs. This backdrop combined with relatively high valuations makes for a difficult environment for equity indices to maintain their longer-term returns. Whilst challenging, this outlook should present opportunities for Ryder's careful, nimble and prudent stock picking process. As at 31 March 2026, the Portfolio held approximately $25 million in cash, representing around 15% of total assets.

Yours sincerely,

Peter Constable, Lauren De Zilva and Alex Grosset

Monthly Performance Heatmap

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total Return
FY16			-0.10%	0.63%	-0.80%	2.50%	0.74%	-4.61%	1.68%	-1.78%	1.74%	-1.55%	-1.73%
FY17	6.03%	5.06%	3.17%	0.00%	-0.59%	2.00%	2.69%	-0.15%	1.77%	-0.57%	-0.51%	3.66%	24.68%
FY18	6.23%	7.03%	-3.26%	3.34%	1.98%	10.09%	-1.17%	-0.40%	-0.72%	-0.67%	8.90%	-1.18%	33.29%
FY19	-0.17%	-2.15%	2.96%	-3.66%	-1.00%	-3.51%	4.13%	1.63%	-0.54%	2.39%	2.29%	1.74%	3.80%
FY20	7.05%	0.18%	3.15%	-0.18%	-2.17%	1.49%	1.99%	-1.53%	-15.44%	12.42%	5.54%	1.68%	12.34%
FY21	6.91%	6.02%	-1.86%	0.60%	6.19%	4.91%	0.31%	0.70%	-1.34%	2.19%	4.12%	1.16%	33.72%
FY22	2.64%	-1.49%	-3.43%	5.62%	-0.65%	0.17%	-5.23%	-4.69%	3.86%	-4.37%	-4.69%	-10.53%	-21.47%
FY23	3.96%	2.45%	-3.42%	1.21%	4.07%	-3.00%	2.16%	-1.62%	-3.31%	1.93%	-15.77%	3.95%	-8.85%
FY24	1.16%	1.07%	-1.02%	-4.03%	2.65%	4.38%	0.49%	6.59%	3.44%	4.96%	1.75%	1.48%	24.96%
FY25	6.06%	1.69%	4.39%	4.92%	0.35%	-2.28%	0.43%	-1.74%	0.68%	4.80%	2.35%	3.01%	27.16%
FY26	7.04%	13.09%	5.63%	4.25%	3.57%	6.04%	-2.20%	0.95%	-9.58%				30.69%

Disclaimer

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