

NTA and Monthly Report

May 2024

Business Overview

BKI is a research driven, Listed Investment Company, investing for the long term in profitable, high yielding, well managed companies. Listed on the Australian Securities Exchange (BKI.ASX) and managed by Contact Asset Management, an investment in BKI gives shareholders access to a diversified Australian equity portfolio. BKI's Board & Portfolio Managers are shareholders in BKI. We invest for the long term and focus on creating wealth for all shareholders through capital growth, increasing fully franked dividends and by keeping costs low.

Monthly Portfolio Commentary

Despite a continued lag against global indices, the S&P/ASX 300 Accumulation Index gained 0.9% in May. Local IT, Utilities and Financial sectors performed well, returning 4.5%, 3.4% and 2.6% respectively for the month. The worst performing sectors for May were Communications, falling 2.8%, Consumer Staples falling 1.0% and Consumer Discretionary falling 0.9%. BKI's Total Shareholder Returns gained 1.5% for May. BKI's discount to the pre-tax NTA has now reduced from 9.1% in March, to 5.6% as at 31 May 2024.

The portfolio positioning for the month included a re-weighting of National Australia Bank (NAB-ASX) and Macquarie Group (MQG-ASX). Our holding in NAB was reduced slightly from 8.4% to 7.0% and MQG reduced from 8.5% to 6.5%. Despite the slight reductions, both companies recently announced solid results including robust dividend outlooks. They will continue to do well in the current market, and we remain very happy with our investments at current levels.

We exited our position in Treasury Wine Estates (TWE-ASX), believing that while the Chinese import tariff removal was a positive, a return to previous export volumes for TWE may be some way off. There appears to be a glut of product in the system and TWE carries a certain amount of agricultural / seasonal risk.

We added a new position into the BKI portfolio in Dalrymple Bay Infrastructure (DBI-ASX). DBI is an Australian infrastructure company, holding a 99-year lease of Dalrymple Bay Terminal, the world's largest export metallurgical coal facility, servicing world leading customers. Its valuation is very compelling with a forward PE multiple of 15.1X and a healthy future earnings stream. DBI is offering a 10.6% grossed up dividend yield, franked at 70%.

We also added to positions in Mirvac (MGR-ASX) and Stockland (SGP-ASX). We consider that both companies are offering good value whilst trading on attractive discounts to their NTA and both offer dividend yields of over 5.0%. We believe their future earnings streams are under pinned by significant structural tailwinds that have come about through the supply/demand imbalance of housing as well as the significant growth expected in Australia's population.

Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,368m
Investment Portfolio	\$1,343m
Cash & Cash Equivalents	\$111m
Debt	\$0
Rolling 12 Month Dividend**	7.85cps
DRP	Active

Net Tangible Assets (NTA)

BKI Share Price	\$1.70
Pre-Tax NTA	\$1.80
Post Tax NTA	\$1.68

Historical Grossed
Up Dividend Yield *

6.6%

As at 31 May 2024

Management
Expense Ratio

0.17%

As at 31 December 2023

20Yr Total Shareholder
Returns^

9.9% pa

As at 31 May 2024

Total Portfolio
Including Cash

\$1,454m

As at 31 May 2024

No
Performance
Fees

Lonsec Recommended Rating



*Grossed up yield includes franking credits and is based on a tax rate of 30%. Includes FY2024 Interim Dividend of 3.85cps and FY2023 Final Dividend of 4.00cps and is based on share price as at 31/05/2024. ^Includes Franking Credits

Board of Directors

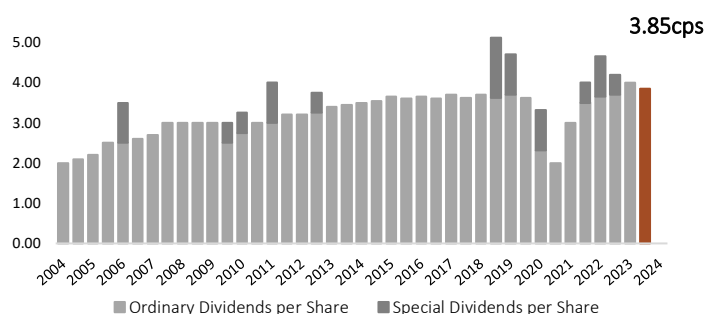
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Amanda Wong (Company Secretary).

Investment Management

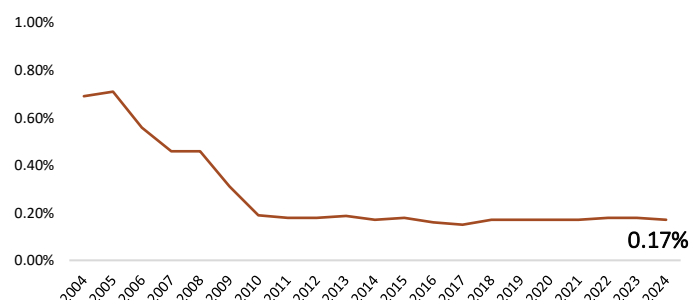
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Analyst).

Investor Focused

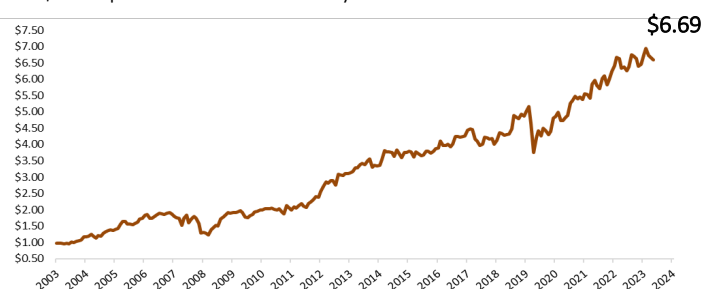
Fully Franked Dividends - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's First Half FY2024 Ordinary Interim Dividend of 3.85cps was up 4% on last year and BKI's highest first half dividend paid in the 20 years of being listed on the ASX.



Management Expense Ratio (MER) – BKI offers a very competitive fee structure, with an external, active Management Fee of 0.10% and a total MER of only 0.17%.



Cumulative Share Price Returns - Assuming all dividends were reinvested and using the full benefit of franking credits, since IPO on 12th December 2003, the cumulative share price of BKI shares was \$6.69 per share as at 31 May 2024.



Company		% of Total Portfolio
1	BHP Group	8.8%
2	Commonwealth Bank	8.3%
3	National Australia Bank	7.0%
4	Macquarie Group	6.5%
5	Wesfarmers Limited	5.5%
6	APA Group	5.5%
7	New Hope Corporation	4.4%
8	Woodside Energy	3.5%
9	Transurban Group	3.0%
10	Woolworths Limited	2.6%
11	Telstra Group	2.6%
12	ARB Corporation	2.6%
13	Harvey Norman	2.5%
14	Goodman Group	2.2%
15	Sonic Healthcare	2.1%
16	Yancoal Australia	1.9%
17	Ramsay Healthcare	1.9%
18	Amcort PLC	1.8%
19	TPG Telecom	1.8%
20	Suncorp Group	1.7%
21	Aurizon Holdings	1.6%
22	Stockland	1.4%
23	Coles Group	1.3%
24	Ampol Limited	1.1%
25	Lindsay Australia	1.1%
Cash and cash equivalents		7.6%
Total of Top 25 plus Cash and cash equivalents		90.3%

Contact Us



Web bkilimited.com.au



E-Mail info@bkilimited.com.au



Phone Amanda Wong 02 7251 6242
 Tom Millner 0408 754 180
 Will Culbert 0410 627 378

BKI Performance 31 May 2024	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	12.0%	9.9%	8.7%	7.6%	9.9%	9.7%
BKI Total Shareholder Returns (TSR)	4.9%	9.0%	7.1%	4.9%	8.2%	8.1%
BKI Total Shareholder Returns – 100% Franked	6.9%	11.1%	9.1%	6.9%	10.4%	9.9%

Source: Contact Asset Management, Factset. BKI Portfolio Performance is measured by change in pre-tax NTA and is after all operating expenses, provision and payment of both income and capital gains tax and the reinvestment of dividends and includes franking. TSR include reinvestment of dividends. TSR including franking credits are based on BKI's dividends being fully franked. Past performance is generally not indicative of future performance. The material contained within the BKI Investment Company Limited NTA and Monthly Report (The Report) has been prepared by Contact Asset Management (AFSL 494045). Figures referred to in The Report are unaudited. The Report is not intended to provide advice to investors or take into account an individual's financial circumstances or investment objectives. This is general investment advice only and does not constitute advice to any person. The opinions within The Report are not intended to represent recommendations to investors, they are the view of Contact Asset Management as of this date and are accordingly subject to change. Information related to any company or security is for information purposes only and should not be interpreted as a solicitation of offer to buy or sell any security. The information on which The Report is based has been obtained from sources we believe to be reliable, but we do not guarantee its accuracy or completeness. Investors should consult their financial adviser in relation to any material within this document.