

BKI INVESTMENT COMPANY LIMITED

ABN: 23 106 719 868



Appendix 4D – Half Year Report

31 December 2024

Lodged with the ASX under Listing Rule 4.2A

The reporting period is the half-year ended 31 December 2024 with the previous corresponding period being for the half-year ended 31 December 2023

Appendix 4D - Half Year Report

Results for Announcement to the Market

		Change		Dec 24 \$'000	Dec 23 \$'000
Revenue performance:					
Total revenue - Ordinary	Up	0.3%	to	35,045	from 34,946
Special investment revenue	Down	58.5%	to	484	from 1,166
Total revenue	Down	1.6%	to	35,529	from 36,112

Profits:

Operating result after tax - before special investment revenue and applicable tax	Down	7.7%	to	30,690	from 33,266
Special investment revenue net of applicable tax	Down	58.5%	to	484	from 1,166
Net profit from ordinary activities after tax attributable to shareholders	Down	9.5%	to	31,174	from 34,432
Net profit attributable to shareholders	Down	9.5%	to	31,174	from 34,432

		Change		Dec 24 Cents	Dec 23 Cents
Earnings per share:					
Basic earnings per share before special investment revenue and applicable tax	Down	8.6%	to	3.81	from 4.17
Basic earnings per share after special investment revenue	Down	10.2%	to	3.87	from 4.31

Dividends per share:

Interim – Ordinary, fully franked	Steady	1.3%	to	3.90	from 3.85
Interim – Special, fully franked		-%	to	-	from -

Explanation of Operating Results

BKI's Net Operating Result, before tax and special investment revenue, was \$33.8 million; in line with the previous corresponding period. BKI's Net Operating Profit After Tax but before special investment revenue for the first half of FY2025 was \$30.7 million, down 7.7% from \$33.3 million last year. BKI's basic earnings per share before special investment revenue decreased 8.6% to 3.81 cents per share.

As a replay of this time last year, companies were generally faced with an uncertain economy, high expenses and high interest rates, so opted to maintain conservative payout ratios leaving dividend distributions largely unchanged compared to the prior corresponding period. While the dividends received from some of BKI's holdings grew (Commonwealth Bank, National Australia Bank, APA Group, Wesfarmers, Transurban Group, New Hope Group and Telstra) dividends from the resources sector declined.

BKI Investment Company Limited
Appendix 4D
31 December 2024

	Ordinary Operations Dec 24 \$'000	Special Investment Revenue Dec 24 \$'000	Statutory Numbers Dec 24 \$'000	Statutory Numbers Dec 23 \$'000
Revenue from investment portfolio	32,639	484	33,123	33,585
Revenue from bank deposits	2,316	-	2,316	2,188
Other income	90	-	90	-
Other gains	-	-	-	339
Income from operating activities	35,045	484	35,529	36,112
Operating expenses	(1,270)	-	(1,270)	(1,211)
Discount on acquisition of controlled entity, net of expenses	-	-	-	22
Operating result before tax	33,775	484	34,259	34,923
Income tax expense	(3,085)	-	(3,085)	(491)
Net operating result	30,690	484	31,174	34,432

	Cents per share	Cents per share	Cents per share
Basic and diluted earnings per share	3.81	3.87	4.31

NTA Backing

	Dec 24	Dec 23
Net Tangible Asset backing per ordinary share before tax	187.3 cents	182.1 cents
Net Tangible Asset backing per ordinary share after tax	173.1 cents	169.5 cents

Additional Dividend Information

The BKI Board has declared an interim ordinary dividend of 3.90 cents per share fully franked at the tax rate of 30%. The ex-dividend date is Monday, 3 February 2025, and the Record Date for determining entitlements to the dividends is Tuesday, 4 February 2025. The dividend will be paid to shareholders on Friday, 28 February 2025.

The Company will continue its Dividend Reinvestment Plan, offering shareholders the opportunity to receive additional shares in the Company instead of receiving cash dividends. The Dividend Reinvestment Plan will be offered at no discount. The last date for the receipt of an election notice to participate in the Dividend Reinvestment Plan is Wednesday, 5 February 2025. Shareholders can update their election notices by contacting our share registry. Contact information can be found by following this link on the BKI website <http://bkilimited.com.au/share-registry/>.

2025

BKI INVESTMENT COMPANY LIMITED

ABN: 23 106 719 868

Interim Financial Report

for the half year ended 31 December 2024

BKI Investment Company Limited
Corporate directory
31 December 2024

Directors	Robert Dobson	Non-Executive Chair
	Millner AO	
	David Capp Hall AM	Independent Non-Executive Director
	Alexander James	Non-Executive Director
	Payne	
	Ian Thomas Huntley	Independent Non-Executive Director
Investment Manager	Jacqueline Ann	Independent Non-Executive Director
	Clarke	
	Contact Asset Management Pty Limited (Contact)	
	Thomas Charles Dobson Millner	Portfolio Manager
	William Anthony Culbert	Portfolio Manager
Company secretary	Amanda Wong	
Registered office and principal place of business	Suite 302, Level 3	
	1 Castlereagh Street	
	Sydney NSW 2000	
	Telephone: (02) 7251 6242	
	Facsimile: (02) 8355 1617	
Postal address	PO Box H280	
	Australia Square NSW 1215	
Share register	MUFG Corporate Markets (AU) Limited	
	Level 12	
	680 George Street	
	Sydney NSW 2000	
	Telephone: 1300 853 816	
Auditor	MGI Sydney Assurance Services Pty Ltd	
	Level 14	
	20 Martin Place	
	Sydney NSW 2000	
ASX listing	BKI Investment Company Limited shares are listed on the Australian	
	Securities Exchange (ASX code: BKI)	
Website	www.bkilimited.com.au	

BKI Investment Company Limited
Directors' report
31 December 2024

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of BKI Investment Company Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were Directors of BKI Investment Company Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Robert Dobson Millner AO	Non-Executive Director and Chair
David Capp Hall AM	Non-Executive Director
Ian Thomas Huntley	Non-Executive Director
Alexander James Payne	Non-Executive Director
Jacqueline Ann Clarke	Non-Executive Director

Principal activities

The principal activities of the Group are that of a Listed Investment Company (LIC) primarily focused on long-term investment in ASX listed securities. There were no significant changes in the nature of those activities during the half-year.

Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
Final ordinary dividend for the year ended 30 June 2024 of 4.00 cents per share (2023 final: 4.00 cents per share) fully franked at the tax rate of 30%, paid on 29 August 2024	32,197	31,671
	<u>32,197</u>	<u>31,671</u>

Dividends declared after balance date

Since the end of the half year, the Directors have declared an interim ordinary dividend for the 2025 financial year of 3.90 cents per share (2024 interim: 3.85 cents per share), fully franked at the tax rate of 30%. The dividend will be paid on 28 February 2025 but has not been recognised as a liability at the half year.

Review of the Group's operations and results

The operating result for the Group after providing for income tax amounted to \$31,174,000 (31 December 2023: \$34,432,000).

Corporate Objectives

The Group aims to generate an increasing income stream for distribution to shareholders in the form of fully franked dividends to the extent of available imputation tax credits, through long-term investment in a portfolio of assets that are also able to deliver long term capital growth to shareholders.

Investment Strategy

The Group is a research driven, long term investor focusing on well managed companies, with a profitable history and that offer attractive dividend yields. Stock selection is bottom up, focusing on the merits of individual companies rather than market and economic trends.

Financial Performance

BKI's Total Ordinary Revenue was \$35.0 million up 0.3% and Special Investment Revenue was \$0.5 million, down 58.5% on the previous corresponding period. Total revenue for the period was down 1.6% to \$35.5 million.

BKI Investment Company Limited
Directors' report
31 December 2024

Net Operating Result, before tax and special investment revenue, was \$33.8 million, in line with last year.

Equity markets delivered solid capital appreciation over the first half of FY2025, but the broader economic landscape remained burdened with uncertainty. Expenses continued to rise and elevated interest rates again weighed heavily on corporate decision-making which prompted many companies to adopt a cautious approach. The environment is improving. However, to preserve balance sheet strength many companies opted to maintain conservative payout ratios, leaving dividend distributions largely unchanged compared to the prior corresponding period.

Positively, dividends received in the first half of FY2025 from BKI's major holdings including Commonwealth Bank, Macquarie Group, National Australia Bank, APA Group, Wesfarmers Limited, Transurban Group, New Hope Group and Telstra Group grew between 1% and 7%.

Dividends received were softened by further declines in resource sector payouts, with BHP Group reducing dividends by 10% and Woodside cutting dividends by 16%. However, the big disappointment in dividends received for the period was that Yancoal Australia halted its interim dividend for the six months ending 30 June 2024. The Company's board opted to preserve cash for potential corporate initiatives, including the acquisition of new coal assets. The company has indicated that if the retained funds are not deployed for such purposes, they may be distributed to shareholders at a later date.

Likely Developments and Expected Results

The operations of the Group will continue with planned long-term investments in Australian equities and fixed interest securities where appropriate. BKI will continue its strategy of investing for the long term in a portfolio of assets to deliver shareholders an increasing income stream and long-term capital growth. The success of this strategy will be strongly influenced by the performance of the underlying investee companies, their share price movements, and capital management and income distribution policies.

The performance of these companies will be influenced by general economic and market conditions such as economic growth rates, interest rates, and inflation. Performance could also be influenced by regulatory change.

These external conditions are difficult to predict and not within the control of the Group, making it difficult to forecast the future results of the Group.

BKI is a research driven, long term manager focusing on investing in well managed, profitable companies, focusing on the merits of individual companies rather than market and economic trends. BKI will continue to implement prudent business practice to allow the achievement of the Group's Corporate Objectives and Business Strategy.

Significant changes in the state of affairs

Other than as stated in the Financial Report, there were no significant changes in the state of affairs of the Group during the reporting period.

Matters subsequent to the end of the financial half-year

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 immediately after this Directors' report.

BKI Investment Company Limited
Directors' report
31 December 2024

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'R. Millner', with a long horizontal flourish extending to the right.

Robert D Millner AO
Chair

21 January 2025
Sydney



MGI Sydney Assurance Services Pty Limited
Level 14, 20 Martin Place
Sydney NSW 2000
Tel: +61 2 9230 9200
PO Box H258
Australia Square
Sydney NSW 1215
ABN 24 160 063 525
www.mgisyd.com.au

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BKI INVESTMENT COMPANY LIMITED AND CONTROLLED ENTITIES**

As lead auditor for the review of BKI Investment Company Pty Limited and Controlled Entities for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

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

MGI Sydney Assurance Services

MGI Sydney Assurance Services Pty Limited
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Kimmy Jongue', with a stylized, cursive script.

Kimmy Jongue
Director
Sydney, 21 January 2025

BKI Investment Company Limited
Consolidated statement of profit or loss
For the half-year ended 31 December 2024

		Consolidated	
	Note	Dec 24	Dec 23
		\$'000	\$'000
Ordinary revenue from investment portfolio	3	32,639	32,419
Revenue from bank deposits	3	2,316	2,188
Other income	3	90	-
Other gains	3	-	339
Income from operating activities before special investment revenue		<u>35,045</u>	<u>34,946</u>
Operating expenses	4	(1,270)	(1,211)
Discount on acquisition of controlled entity, net of expenses		<u>-</u>	<u>22</u>
Operating result before income tax expense and special investment revenue		33,775	33,757
Special investment revenue	3	<u>484</u>	<u>1,166</u>
Operating result before income tax expense		34,259	34,923
Income tax expense		<u>(3,085)</u>	<u>(491)</u>
Operating result after income tax expense for the half-year attributable to the owners of BKI Investment Company Limited		<u><u>31,174</u></u>	<u><u>34,432</u></u>

		Dec 24	Dec 23
		Cents	Cents
Basic and diluted earnings per share before special investment revenue	12	3.81	4.17
Basic and diluted earnings per share after special investment revenue	12	3.87	4.31

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes

BKI Investment Company Limited
Consolidated statement of other comprehensive income
For the half-year ended 31 December 2024

	Note	Consolidated Dec 24 \$'000	Dec 23 \$'000
Operating result after income tax expense for the half-year attributable to the owners of BKI Investment Company Limited		31,174	34,432
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Unrealised (losses)/gains on investment portfolio		(18,563)	55,116
Deferred tax benefit/(expense) on unrealised gains/losses on investment portfolio		5,569	(16,594)
Realised gains/(losses) on investment portfolio		49,974	(2,983)
Tax (expense)/benefit relating to realised gains/losses on investment portfolio		(14,992)	895
Other comprehensive income for the half-year, net of tax		21,988	36,434
Total comprehensive income for the half-year attributable to the owners of BKI Investment Company Limited		<u>53,162</u>	<u>70,866</u>

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes

BKI Investment Company Limited
Consolidated statement of financial position
As at 31 December 2024

	Note	Consolidated Dec 24 \$'000	Jun 24 \$'000
Assets			
Current assets			
Cash and cash equivalents		106,103	99,399
Trade and other receivables		6,191	11,471
Other		60	52
Total current assets		<u>112,354</u>	<u>110,922</u>
Non-current assets			
Investment portfolio	5	1,401,449	1,368,669
Property, plant and equipment		1	1
Deferred tax		-	3,819
Total non-current assets		<u>1,401,450</u>	<u>1,372,489</u>
Total assets		<u>1,513,804</u>	<u>1,483,411</u>
Liabilities			
Current liabilities			
Trade and other payables		290	287
Income tax		1,657	3,073
Total current liabilities		<u>1,947</u>	<u>3,360</u>
Non-current liabilities			
Deferred tax		116,871	109,786
Total non-current liabilities		<u>116,871</u>	<u>109,786</u>
Total liabilities		<u>118,818</u>	<u>113,146</u>
Net assets		<u>1,394,986</u>	<u>1,370,265</u>
Equity			
Share capital	6	1,043,667	1,039,911
Reserves		254,568	232,580
Retained profits		96,751	97,774
Total equity		<u>1,394,986</u>	<u>1,370,265</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

BKI Investment Company Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2024

Consolidated	Share capital \$'000	Revaluation reserve \$'000	Realised capital gains reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2023	1,016,811	206,925	(18,637)	95,962	1,301,061
Operating result after income tax expense for the half-year	-	-	-	34,432	34,432
Other comprehensive income for the half- year, net of tax	-	38,522	(2,088)	-	36,434
Total comprehensive income for the half- year	-	38,522	(2,088)	34,432	70,866
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	19,424	-	-	-	19,424
Dividends paid (note 7)	-	-	-	(31,671)	(31,671)
Balance at 31 December 2023	1,036,235	245,447	(20,725)	98,723	1,359,680

Consolidated	Share capital \$'000	Revaluation reserve \$'000	Realised capital gains reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2024	1,039,911	243,139	(10,559)	97,774	1,370,265
Operating result after income tax expense for the half-year	-	-	-	31,174	31,174
Other comprehensive income for the half- year, net of tax	-	(12,994)	34,982	-	21,988
Total comprehensive income for the half- year	-	(12,994)	34,982	31,174	53,162
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 6)	3,756	-	-	-	3,756
Dividends paid (note 7)	-	-	-	(32,197)	(32,197)
Balance at 31 December 2024	1,043,667	230,145	24,423	96,751	1,394,986

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

BKI Investment Company Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2024

		Consolidated	
	Note	Dec 24	Dec 23
		\$'000	\$'000
Cash flows from operating activities			
Payments to suppliers and employees		(1,275)	(1,280)
Dividends and distributions received		38,070	39,378
Interest received		2,649	2,375
Other income		90	-
Income taxes paid		<u>(3,016)</u>	<u>(1,810)</u>
Net cash from operating activities		<u>36,518</u>	<u>38,663</u>
Cash flows from investing activities			
Payments for investments		(113,496)	(58,210)
Proceeds from sale of investment portfolio		<u>112,127</u>	<u>37,202</u>
Net cash used in investing activities		<u>(1,369)</u>	<u>(21,008)</u>
Cash flows from financing activities			
Share issue transaction costs	6	(15)	(44)
Dividends paid	7	<u>(28,430)</u>	<u>(27,844)</u>
Net cash used in financing activities		<u>(28,445)</u>	<u>(27,888)</u>
Net increase/(decrease) in cash and cash equivalents		6,704	(10,233)
Cash and cash equivalents at the beginning of the financial half-year		<u>99,399</u>	<u>105,222</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>106,103</u></u>	<u><u>94,989</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

BKI Investment Company Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

Identification of reportable operating segments

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing the performance of the operating segments. The Group operates solely in the securities industry in Australia and has no reportable segments.

Note 3. Revenue

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
(a) Ordinary revenue from investment portfolio		
Fully franked dividends	24,350	26,498
Unfranked dividends	3,340	1,849
Trust distributions	4,949	4,072
Total ordinary revenue from investment portfolio	<u>32,639</u>	<u>32,419</u>
(b) Special investment revenue		
Fully franked dividends	<u>484</u>	<u>1,166</u>
(c) Revenue from bank deposits		
Interest received	<u>2,316</u>	<u>2,188</u>
(d) Other income		
Other income	<u>90</u>	<u>-</u>
(e) Other gains		
Net realised gain on sale of investments held for trading	<u>-</u>	<u>339</u>
Total revenue	<u><u>35,529</u></u>	<u><u>36,112</u></u>

BKI Investment Company Limited
Notes to the consolidated financial statements
31 December 2024

Note 4. Operating expenses

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
Administration expenses	205	205
Employment expenses	168	168
Investment management	782	720
Professional fees	115	118
	<u>1,270</u>	<u>1,211</u>

Note 5. Non-current assets - investment portfolio

	Consolidated	
	Dec 24	Jun 24
	\$'000	\$'000
Listed securities at fair value through other comprehensive income	1,401,449	1,368,669

	Equities held	Market value 31 Dec 24 \$'000	% of Portfolio value
Stock			
Financials			
Commonwealth Bank of Australia Limited	867,000	132,868	9.48
National Australia Bank Limited	2,971,800	110,254	7.87
Macquarie Group Limited	320,507	71,040	5.07
Suncorp Group Limited	2,088,572	39,704	2.83
Equity Trustees Limited	447,932	14,334	1.02
E&P Financial Group Limited	6,631,759	3,415	0.24
Carlton Investments Limited	35,614	1,074	0.08
		372,689	26.59
Materials			
BHP Group Limited	2,884,976	114,101	8.14
Amcor Limited	1,960,000	29,341	2.09
Brickworks Limited	436,209	11,189	0.80
Orora Limited	3,442,804	8,469	0.61
		163,100	11.64
Industrials			
Transurban Group	4,261,146	57,057	4.07
Dalrymple Bay Infrastructure Limited	8,162,673	29,386	2.10
Aurizon Holdings Limited	8,330,000	27,072	1.93
Lindsay Australia Limited	17,141,631	14,999	1.07
Smartgroup Corporation Limited	1,685,000	13,092	0.93
Reece Limited	515,499	11,537	0.82
IPH Limited	965,000	4,854	0.35
Johns Lyng Group Limited	1,232,000	4,608	0.33
		162,605	11.60
Energy			
New Hope Corporation Limited	12,950,952	64,237	4.58
Woodside Energy Group Limited	2,190,000	53,874	3.84
Yancoal Australia Limited	2,545,000	16,542	1.18
Washington H. Soul Pattinson and Company Limited	413,086	14,136	1.01
Ampol Limited	480,000	13,531	0.97
		162,320	11.58

BKI Investment Company Limited
Notes to the consolidated financial statements
31 December 2024

Note 5. Non-current assets - investment portfolio (continued)

	Equities held	Market value 31 Dec 24 \$'000	% of Portfolio value
Stock			
Consumer Discretionary			
Wesfarmers Limited	960,000	68,669	4.90
Harvey Norman Holdings Limited	10,100,000	47,167	3.37
ARB Corporation Limited	978,590	39,740	2.84
		155,576	11.11
Telecommunications Services			
Telstra Group Limited	13,500,000	54,135	3.86
TPG Telecom Limited	5,748,362	25,810	1.84
Tuas Limited	2,874,181	18,280	1.30
		98,225	7.00
Consumer Staples			
Woolworths Limited	1,209,906	36,890	2.64
Coles Group Limited	1,137,838	21,494	1.53
Metcash Limited	6,700,045	20,770	1.49
		79,154	5.66
Property			
Goodman Group Limited	945,000	33,680	2.40
Stockland Corporation Limited	5,050,000	24,240	1.73
Mirvac Limited	9,250,000	17,344	1.24
		75,264	5.37
Utilities			
APA Group	9,716,652	67,725	4.83
		67,725	4.83
Health Care			
Sonic Healthcare Limited	1,262,000	34,087	2.43
Ramsay HealthCare Limited	575,000	19,860	1.42
Regis Healthcare Limited	1,807,428	10,844	0.77
		64,791	4.62
Total Portfolio		1,401,449	100.00

Note 6. Equity - issued capital

	Dec 24 Shares	Consolidated Jun 24 Shares	Dec 24 \$'000	Jun 24 \$'000
Ordinary shares - fully paid	807,134,229	804,918,528	1,043,667	1,039,911

Movements in ordinary share capital

Details	Shares	\$'000
Balance at 1 July 2024	804,918,528	1,039,911
Dividend reinvestment plan	2,215,701	3,767
Transaction costs		(15)
Deferred tax credit recognised directly in equity		4
Balance at 31 December 2024	807,134,229	1,043,667

Note 7. Equity - dividends

(a) Dividends paid during the financial half-year

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
Final ordinary dividend for the year ended 30 June 2024 of 4.00 cents per share (2023 final: 4.00 cents per share) fully franked at the tax rate of 30%, paid on 29 August 2024	32,197	31,671
	<u>32,197</u>	<u>31,671</u>

(b) Reconciliation of total dividends paid to dividends paid in cash

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
Total dividends paid	32,197	31,671
Less: Dividends reinvested in shares via DRP	<u>(3,767)</u>	<u>(3,827)</u>
Dividends paid in cash	<u>28,430</u>	<u>27,844</u>

Dividends declared after balance date

Since the end of the half year, the Directors have declared an interim ordinary dividend for the 2025 financial year of 3.90 cents per share (2024 interim: 3.85 cents per share), fully franked at the tax rate of 30%. The dividend will be paid on 28 February 2025 but has not been recognised as a liability at the half year.

Note 8. Contingent liabilities

The Group had no contingent liabilities at 31 December 2024.

Note 9. Commitments

The Group had no capital commitments as at 31 December 2024.

Note 10. Related party transactions

The Group did not enter into any new arrangements with related parties during the half-year ended 31 December 2024.

Note 11. Events after the reporting period

Apart from the dividend declared as disclosed in note 7, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

BKI Investment Company Limited
Notes to the consolidated financial statements
31 December 2024

Note 12. Earnings per share

(a) Calculation of earnings

	Consolidated	
	Dec 24	Dec 23
	\$'000	\$'000
Operating result after income tax attributable to the owners of BKI Investment Company Limited	31,174	34,432
Less: Special investment revenue	(484)	(1,166)
	<hr/>	<hr/>
Earnings used in calculating basic and diluted earnings per share before special investment revenue	30,690	33,266
	<hr/>	<hr/>

(b) Number of shares

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share, before and after special investment revenue	807,411,718	798,657,069
Weighted average number of ordinary shares used in calculating diluted earnings per share, before and after special investment revenue	807,411,718	798,657,069

(c) Earnings per share

	Cents	Cents
Basic and diluted earnings per share before special investment revenue	3.81	4.17
	Cents	Cents
Basic and diluted earnings per share after special investment revenue	3.87	4.31

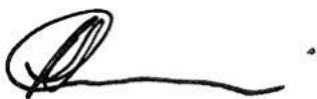
BKI Investment Company Limited
Directors' declaration
31 December 2024

In the Directors' opinion:

- the attached consolidated half-year financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached consolidated financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- 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 Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Robert D Millner AO
Chair

21 January 2025
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BKI INVESTMENT COMPANY LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of BKI Investment Company Limited and Controlled Entities (the Consolidated Entity), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity.

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 BKI Investment Company Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's responsibility for the review of their half year financial report section of our report.

We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporation Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (including Independent Standards)* (the Code) that are relevant to our audit of the annual report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The directors of the Company are responsible for the other information. The other information obtained at the date of this review report comprises the information included in the Directors' Report for the half year ended 31 December 2024, but does not include the financial report and our review report thereon. Our conclusion on the financial report does not cover the other information and accordingly we do not express any form of review conclusion thereon.

In connection with our review 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 review 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 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 responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of 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*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for 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.

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 *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2024 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 BKI Investment Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for 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.

MGI Sydney Assurance Services

MGI Sydney Assurance Services Pty Limited
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Kimmy Jongue', written over a horizontal line.

Kimmy Jongue
Director
Sydney, 21 January 2025



**BKI INVESTMENT
COMPANY LIMITED**

ABN: 23 106 719 868

Suite 302, Level 3
1 Castlereagh Street
Sydney NSW 2000