

NTA and Monthly Report

May 2025

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.

Monthly Portfolio Commentary

After the volatility of April, the month of May proved to be a period of resilience and positive momentum for equities. The S&P/ASX 300 Accumulation Index delivered a solid 4.2% in May, showing a strong rebound in investor sentiment following earlier volatility. This uplift was driven by improved global trade sentiment and a 0.25% interest rate cut by the RBA to 3.85%.

BKI's portfolio returns were 3.5% for May boosted by strong performances from financial holdings including Commonwealth Bank, National Australia Bank and Macquarie, returning 5.5%, 7.3% and 12.0% respectively. Other notable moves were Ramsay Healthcare, up 14.1%, Goodman Group, up 9.4% and Woodside Energy, up 7.0%. BKI's 1 year portfolio return, including franking credits, as at the end of May was 12.7%.

BKI's Net Tangible Assets (NTA) also reflected the positive market sentiment. BKI's Pre-tax NTA (Net Tangible Assets before tax) as at 31 May was \$1.91 an increase from \$1.84 in the previous month. Concurrently, BKI's share price closed at \$1.70 on 31 May. This resulted in shares trading at an 11% discount to the Pre-tax NTA, one of the largest discounts BKI has experienced in some time.

We believe that it is important for shareholders to understand the nuances of NTA reporting for Australian Listed Investment Companies (LICs). We typically report two key NTA figures: Pre-tax NTA and Post-tax NTA. The Pre-tax NTA represents the total value of BKI's assets (investments and cash) minus its liabilities, before accounting for any potential tax on unrealised gains or losses within the investment portfolio. For a LIC like BKI, which adopts a long-term investment strategy the Pre-tax NTA is generally considered a more appropriate measure of valuation. This is because the deferred tax liabilities on unrealised gains are unlikely to be realised in the short to medium term.

Conversely, Post-tax NTA is a more conservative measure as it deducts an estimated provision for the tax that would be payable if the entire investment portfolio were to be liquidated at its current market value – a highly unlikely scenario for BKI.

While both figures are valuable for analysis, BKI's consistent focus on long-term investments and the generation of fully franked dividends means that the Pre-tax NTA often serves as the primary reference point for investors who align with this strategy. The current 11% discount to BKI's Pre-tax NTA is significant, effectively giving shareholders the opportunity to acquire \$1.91 worth of underlying assets for a share price of \$1.70. This metric is easily tracked as BKI's Pre-tax NTA is released each week to the ASX.

Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,372m
Investment Portfolio	\$1,434m
Cash & Cash Equivalents	\$111m
Debt	\$0
Rolling 12 Month Dividend**	7.90cps
DRP	Active

Net Tangible Assets (NTA)

BKI Share Price	\$1.70
Pre-Tax NTA	\$1.91
Post Tax NTA	\$1.75

Historical Grossed
Up Dividend Yield *

6.6%

As at 31 May 2025

20Yr Total
Shareholder Returns^

9.8% pa

As at 31 May 2025

Management
Fee

0.10%

Contact Asset Management

No
Performance
Fees

Total Portfolio
Including Cash

\$1,545m

As at 31 May 2025

Lonsec Recommended Rating



*Grossed up yield includes franking credits and is based on a tax rate of 30%. Includes FY2024 Final Dividend of 4.00cps and FY2025 Interim Dividend of 3.90cps and is based on share price as at 10/05/2025. ^Includes Franking Credits

Board of Directors

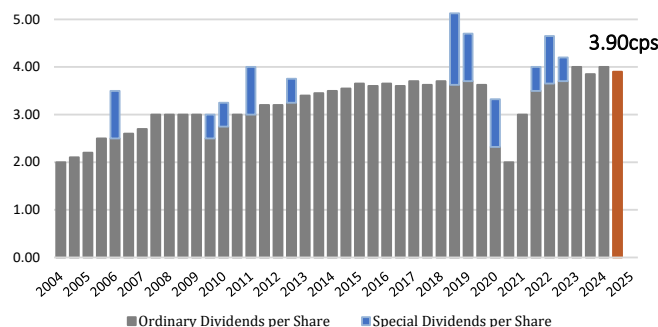
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Amanda Wong (Company Secretary).

Investment Management

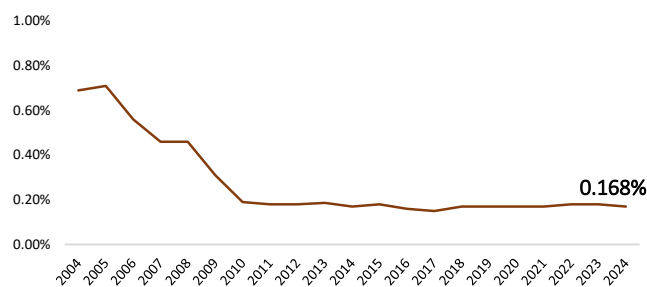
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Investment Analyst).

Investor Focused

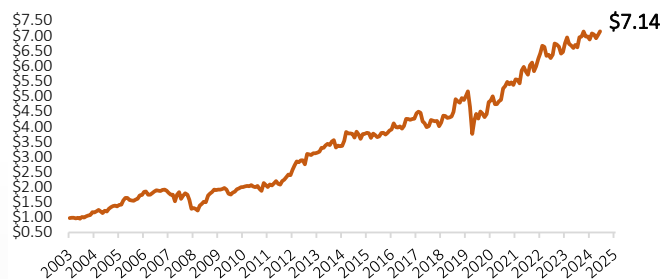
Fully Franked Dividends - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's 2025 Half Year Dividend of 3.90cps was up 1% on last year.



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 0.168%.



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 \$7.14 per share as at 31 May 2025.



Company	% of Total Portfolio
1 Commonwealth Bank	9.9%
2 National Australia Bank	7.3%
3 BHP Group	6.5%
4 APA Group	5.2%
5 Wesfarmers Limited	5.2%
6 Telstra Group Limited	4.7%
7 Macquarie Group	4.4%
8 Transurban Group	3.9%
9 Harvey Norman Holdings Limited	3.4%
10 New Hope Corporation	3.1%
11 Woolworths Limited	2.5%
12 Dalrymple Bay Infrastructure	2.5%
13 Suncorp Group	2.4%
14 Amcor	2.2%
15 Sonic Healthcare	2.2%
16 Woodside Energy Group Limited	2.1%
17 Goodman Group Limited	2.0%
18 ARB Corporation	2.0%
19 TPG Telecom Limited	1.9%
20 Stockland	1.8%
21 Coles Group	1.6%
22 Aurizon Holdings	1.6%
23 Metcash Limited	1.5%
24 Ramsay HealthCare	1.4%
25 Yancoal Ltd	1.4%
Cash and cash equivalents	7.2%
Total of Top 25 plus Cash and cash equivalents	89.9%

Contact Us



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BKI Performance 31 May 2025	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	12.7%	9.4%	12.4%	7.8%	9.3%	9.6%
BKI Total Shareholder Returns (TSR)	4.7%	5.0%	8.1%	4.6%	7.6%	7.1%
BKI Total Shareholder Returns – 100% Franked	6.8%	7.1%	10.1%	6.7%	9.7%	9.8%

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 includes the 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 within this document.