

BKI INVESTMENT COMPANY LIMITED

ABN: 23 106 719 868

NTA AND MONTHLY REPORT

May 2022

“Our aim is to create wealth for BKI shareholders, through an increasing fully franked dividend and capital growth”

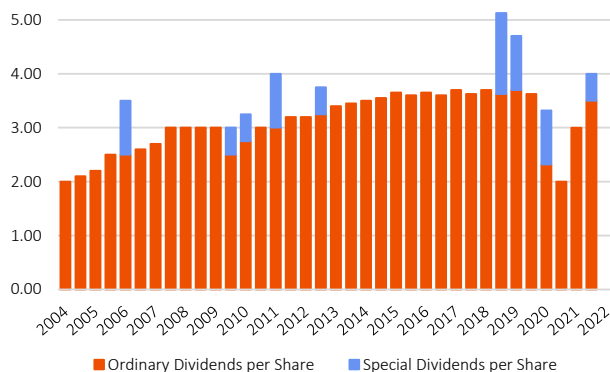
Business Overview

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) with the equity portfolio managed by Contact Asset Management, an investment in BKI gives shareholders access to a diversified Australian equity portfolio.

Growing Fully Franked Dividends

BKI's Board & Portfolio Managers are shareholders in BKI. We invest for the long term and focus on creating wealth for all shareholders by keeping costs low and increasing fully franked dividends and capital growth.

As at 31 May 2022, using the FY2022 Interim Dividend of 3.50cps, Interim Special Dividend of 0.50cps and FY2021 Final Dividend of 3.00cps, and a share price of \$1.69, the historical grossed-up dividend yield is 5.9%.



Pre-Tax Net Tangible Assets: \$1.77

Post-Tax Net Tangible Assets: \$1.65

Board of Directors

Robert Millner (Chairman), Alex Payne, David Hall, Ian Huntley, Jacqui Clarke, Jaime Pinto (Company Secretary), Amanda Wong (Company Secretary)

Investment Management

Contact Asset Management provides investment management services in accordance with the directions of the BKI Board and BKI Investment Committee.

Tom Millner (Portfolio Manager)

Will Culbert (Portfolio Manager)



Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,252m
Investment Portfolio	\$1,223m
Cash & Cash Equivalents	\$93m
Total Portfolio Including Cash	\$1,316m
Debt	\$0
MER*	0.16%
Rolling 12 Month Dividend**	7.00cps
Dividend Yield	4.1%
Percentage Franked	100%
Grossed Up Yield#^	5.9%
DRP	Active
Share Price	\$1.69

Net Tangible Assets (NTA)

Pre Tax NTA	\$1.77
Post Tax NTA	\$1.65

Grossed Up
Dividend Yield #^

5.9%

As at 31 May 2022

Management
Expense Ratio

0.16%

As at 31 December 2021

10Yr Total Shareholder
Returns^

10.7% pa

As at 31 May 2022

Total Portfolio
Including Cash

\$1,355m

As at 31 May 2022

No
Performance
Fees

Lonsec Recommended Rating



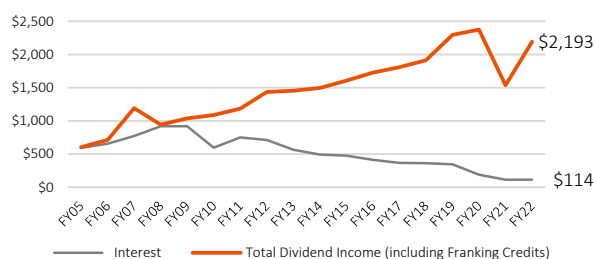
*MER as at 31 December 2021 **Includes FY2022 Interim Dividend of 3.50cps, Special Dividend of 0.50cps and FY2021 Final Dividend of 3.00cps, #Based on share price as at 31 May 2022. ^Grossed up yield includes franking credits and is based on a tax rate of 30%.

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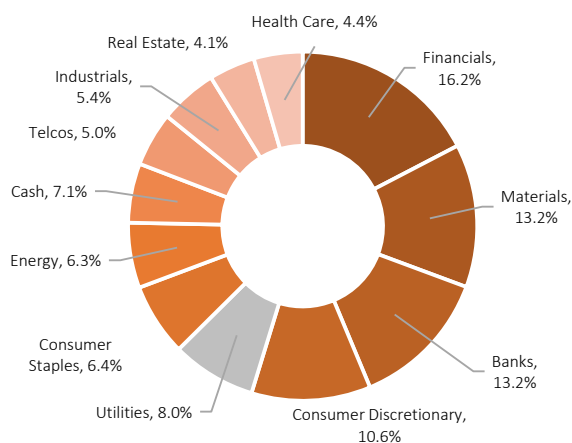
Focused on Capital Management

The chart below shows the dividends and franking credits received from a \$10,000 investment in BKI at inception versus bank quarterly interest. An investor who spent the equivalent of \$10,000 to purchase BKI shares upon listing in December 2003, and who participated in all of the Company's DRPs would now be receiving fully franked dividends of \$1,535pa. The franking credits enhance the income by a further \$658, assuming a tax rate of 30%. The same investment in a term deposit (based on the cash rate + 0.50%) would be earning \$114pa with no franking credits.



This chart highlights the benefit of receiving a fully franked dividend in a falling interest rate environment.

Portfolio Weighting by Sector



Company	% of Total Portfolio
1 Macquarie Group	9.3%
2 BHP Group	8.9%
3 APA Group	7.6%
4 Commonwealth Bank	7.3%
5 National Australia Bank	5.9%
6 Wesfarmers Limited	4.0%
7 Transurban Group	3.8%
8 New Hope Corporation	3.6%
9 Ramsay HealthCare	3.1%
10 Woolworths Limited	3.1%
11 Sonic Healthcare	2.7%
12 Woodside Energy Group	2.7%
13 Rio Tinto Limited	2.6%
14 Telstra Corporation	2.5%
15 TPG Telecom Limited	2.5%
16 Harvey Norman Holdings	2.3%
17 Amcor	2.3%
18 ARB Corporation	2.3%
19 Coles Group	1.5%
20 Goodman Group	1.5%
21 Aurizon Holdings	1.4%
22 Invocare Limited	1.4%
23 Suncorp Group	1.3%
24 Pandal Group Limited	1.2%
25 Metcash Limited	1.0%
Cash and cash equivalents	7.1%
Total of top 25 plus Cash and cash equivalents	92.9%

Contact Us

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BKI Performance 31 May 2022	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)
BKI Portfolio Performance	12.4%	7.2%	6.6%	8.0%	5.0%
BKI Total Shareholder Returns (TSR)	17.0%	8.3%	6.1%	8.6%	5.8%
BKI Total Shareholder Returns – 100% Franked	19.1%	10.3%	8.2%	10.7%	7.9%

Source: Contact Asset Management, Factset. 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. TSR include reinvestment of dividends. TSR including franking credits are based on BKI's dividends being fully franked and the S&P/ASX300 Acc Index franked at 80%. Past performance is generally not indicative of future performance.

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