

NTA and Monthly Report

February 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

The S&P/ASX 300 Accumulation Index was 1.0% higher for the month of February. Following a better than expected reporting season, IT and Consumer Discretionary sectors were the standouts returning 19.7% and 9.7% respectively. While Energy fell 5.9% and Materials finished lower, down 4.8% for the month.

BKI's Total Shareholder Return for February fell 3.0%, with BKI's Portfolio Performance gaining 0.5%. BKI shares traded ex-dividend on Monday 5 February with the fully franked interim dividend of 3.85cps paid to shareholders on Tuesday 27 February 2024. The take up of the Dividend Reinvestment plan was 12%.

Reporting season saw positive top line growth from a majority of stocks held within the BKI portfolio, exceeding expectations. However, profit conversion was difficult to come by as higher expenses and interest payments in particular dragged on earnings. Many good quality companies were able to manage these headwinds, however those that were unable to do so found it difficult to raise or even maintain dividend payments. Negative dividend surprises were a feature of this reporting season with many companies taking a conservative approach to capital management with their first half FY2024 results.

We believe that this reporting season did highlight that we are at, or close to, a low point for many companies, with positive growth in margins and cashflows expected to return in the second half. Company guidance for many of BKI's positions was positive.

Of BKI's major holdings, Commonwealth Bank's result was a standout. With the main highlight being an increase to their interim dividend from \$2.10 to \$2.15 per share. Wesfarmers, Transurban, Telstra, ARB Corporation, Aurizon, Suncorp, Amcor, Ampol, Reece, Lindsay Australia and Sonic Healthcare all lifted dividends. While BHP Group and energy stocks, Woodside and Yancoal Australia reduced dividends from previous record levels.

Also during the month we saw the reported Australian inflation number come in slightly below the markets expectations. Subsequently, the RBA held the cash rate steady during February at 4.35%.

Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,376m
Investment Portfolio	\$1,402m
Cash & Cash Equivalents	\$64m
Debt	\$0
Rolling 12 Month Dividend**	7.85cps
DRP	Active

Net Tangible Assets (NTA)

BKI Share Price	\$1.71
Pre-Tax NTA	\$1.82
Post Tax NTA	\$1.68

Historical Grossed
Up Dividend Yield *

6.9%

As at 29 February 2024

Management
Expense Ratio

0.17%

As at 31 December 2023

20Yr Total Shareholder
Returns^

10.1% pa

As at 29 February 2024

Total Portfolio
Including Cash

\$1,466m

As at 29 February 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 29 Feb 2024. ^Includes Franking Credits

Board of Directors

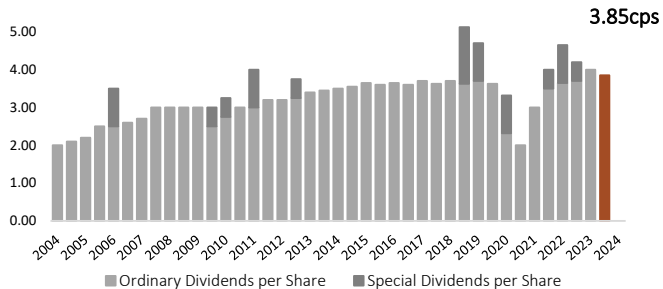
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Amanda Wong (Company Secretary).

Investment Management

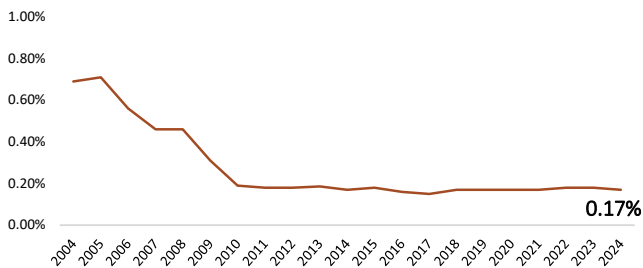
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Analyst).

Investor Focused

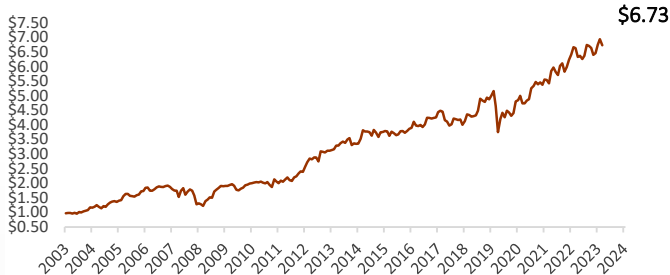
Fully Franked Dividends - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's First Half FY2024 Ordinary Interim Dividend of 3.85cps was up 4% on last year and BKI's highest first half dividend paid in the 20 years of being listed on the ASX.



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 \$6.73 per share as at 29 February 2024.



Company	% of Total Portfolio
1 Macquarie Group	8.7%
2 BHP Group	8.6%
3 National Australia Bank	8.3%
4 Commonwealth Bank	8.0%
5 Wesfarmers Limited	5.6%
6 APA Group	5.2%
7 New Hope Corporation	4.2%
8 Woodside Energy Group Limited	3.4%
9 Transurban Group	3.2%
10 Telstra Group Limited	2.9%
11 ARB Corporation	2.8%
12 Harvey Norman Holdings Limited	2.7%
13 Woolworths Limited	2.7%
14 Sonic Healthcare	2.6%
15 Ramsay HealthCare	2.2%
16 Goodman Group Limited	1.9%
17 TPG Telecom Limited	1.8%
18 Amcor	1.7%
19 Suncorp Group	1.6%
20 Aurizon Holdings	1.6%
21 Yancoal Ltd	1.4%
22 Coles Group	1.3%
23 Ampol Limited	1.3%
24 Lindsay Australia	1.3%
25 Smartgroup Corporation	1.0%
Cash and cash equivalents	4.4%
Total of Top 25 plus Cash and cash equivalents	90.4%

Contact Us



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BKI Performance 29 February 2024	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	7.7%	10.6%	7.3%	5.9%	8.7%	7.6%
BKI Total Shareholder Returns (TSR)	-0.4%	10.3%	7.1%	5.4%	9.8%	7.8%
BKI Total Shareholder Returns – 100% Franked	1.5%	12.4%	9.2%	7.4%	12.0%	10.1%

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. 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.