

NTA and Monthly Report

December 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 finished the calendar year on a soft note, falling 3.1% in December. The S&P/ASX Midcap 50 gave back some of its previous strong gains, falling 3.8%, while the S&P/ASX 20 Index was the best performing segment of the market despite falling 2.6%.

Sector performance was again mixed, with Consumer Staples leading the way, returning 0.7% for December 2024. Utilities had another good period, returning 0.4%, while Energy finally found some support, returning 0.1% in a very weak market. In contrast, Real Estate delivered a weak return in December of -6.0% with most stocks in this segment trading ex-distribution during the month. Materials lagged again, delivering -4.5% in December. On a one-year basis to 31 December 2024, the Materials sector has returned -13.8%, the worst of all sectors.

BKI was an active buyer of toll road operator Transurban Group (TCL.ASX) and wholesaler and conglomerate company Metcash Limited (MTS.ASX) during December 2024.

TCL recently delivered their 1Q 2025 traffic update with Average Daily Traffic (ADT) increasing 1.1%. The result was supported by ADT growth in Sydney, up 1.9% with an improvement in workday trips and heavy vehicles. Brisbane traffic increased 1.3% and North American traffic continued to grow, increasing 6.5%. Unfortunately, Melbourne ADT decreased 1%. TCL shares were bought cum-dividend with the company offering a forecast FY2025 grossed up yield of 5.0%.

MTS delivered their 1H 2025 result with Food (ex-tobacco) and Liquor performing well in a difficult market. The result was offset by weaker demand and promotional activity in Hardware, however MTS is very well managed and has already responded to the weaker conditions by implementing additional cost management initiatives. Importantly, MTS's Food division accounts for 45% of EBIT and saw Supermarkets and Convenience revenue increase by 3.2%, with overall revenue increasing by 10% following the Superior Foods acquisition. MTS shares were bought cum-dividend with the company offering a forecast FY2025 grossed up yield of 8.4%.

Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,364m
Investment Portfolio	\$1,401m
Cash & Cash Equivalents	\$112m
Debt	\$0
Rolling 12 Month Dividend**	7.85cps
DRP	Active

Net Tangible Assets (NTA)

BKI Share Price	\$1.69
Pre-Tax NTA	\$1.87
Post Tax NTA	\$1.73

Historical Grossed
Up Dividend Yield *

6.6%

As at 31 December 2024

20Yr Total
Shareholder Returns[^]

9.8% pa

As at 31 December 2024

Management
Fee

0.10%

Contact Asset Management

No
Performance
Fees

Total Portfolio
Including Cash

\$1,513m

As at 31 December 2024

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 FY2024 Final Dividend of 4.00cps and is based on share price as at 31/12/2024. ^Includes Franking Credits

Board of Directors

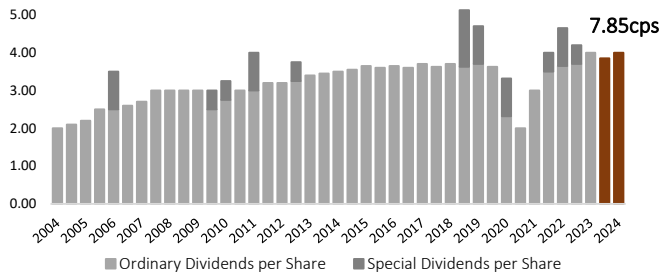
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Amanda Wong (Company Secretary).

Investment Management

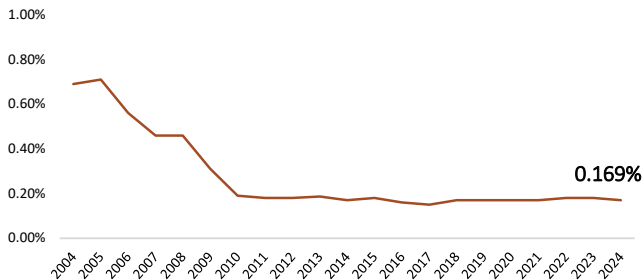
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Investment Analyst).

Investor Focused

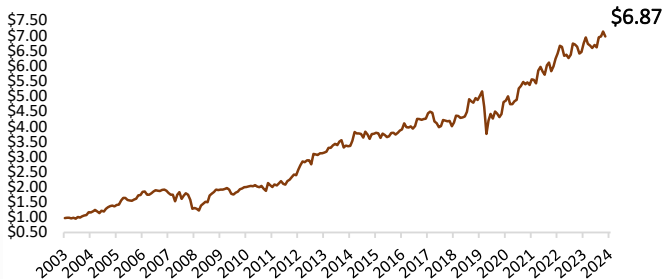
Fully Franked Dividends - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's FY2024 Dividends of 7.85cps was up 2% on FY2023 and was BKI's highest full year ordinary dividends paid in the 20 years of being listed on the ASX.



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 0.169%.



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 \$6.87 per share as at 1 December 2024.



Company	% of Total Portfolio
1 Commonwealth Bank	8.8%
2 BHP Group	7.5%
3 National Australia Bank	7.3%
4 Macquarie Group	4.7%
5 Wesfarmers Limited	4.5%
6 APA Group	4.5%
7 New Hope Corporation	4.2%
8 Transurban Group	3.8%
9 Telstra Group Limited	3.6%
10 Woodside Energy Group	3.6%
11 Harvey Norman Holdings	3.1%
12 ARB Corporation	2.6%
13 Suncorp Group	2.6%
14 Woolworths Limited	2.4%
15 Sonic Healthcare	2.3%
16 Goodman Group	2.2%
17 Dalrymple Bay Infrastructure	1.9%
18 Amcor	1.9%
19 Aurizon Holdings	1.8%
20 TPG Telecom	1.7%
21 Stockland	1.6%
22 Coles Group	1.4%
23 Metcash Limited	1.4%
24 Ramsay HealthCare	1.3%
25 Tuas Limited	1.2%
Cash and cash equivalents	7.4%
Total of Top 25 plus Cash and cash equivalents	89.3%

Contact Us



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BKI Performance 31 December 2024	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	9.2%	8.5%	8.8%	8.1%	8.5%	9.5%
BKI Total Shareholder Returns (TSR)	-0.1%	5.2%	4.6%	5.4%	6.8%	7.1%
BKI Total Shareholder Returns – 100% Franked	1.8%	7.3%	6.5%	7.4%	8.9%	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 material within this document.