

NTA and Monthly Report

February 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. 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

February proved to be a very turbulent month for markets, illustrated by a stark contrast between the RBA's welcome 0.25% interest rate cut and a generally underwhelming reporting season.

The S&P/ASX 300 Accumulation Index fell 3.8% for the month, with the IT sector experiencing a huge pullback, falling 12.3%. The market fall reflected concerns over companies missing earnings expectations, as rising operating costs, higher cost of debt and wage pressures squeezed margins. This pressure saw many firms with declining earnings and stretched balance sheets forced to cut dividends. Despite the overall market decline, a notable shift occurred during the month as investors focused back on quality. Companies demonstrating robust earnings, strong balance sheets and a clear long-term growth trajectory were rewarded. This "flight to quality" has been welcomed following a period of momentum investing with much of the market overlooking fundamental analysis. BKI delivered a Total Shareholder Return of -1.5% for February, outperforming the broader market. While BKI's Portfolio Return, including franking credits, was -0.8% for the month.

Several companies delivered standout results during February, highlighting the benefits of positive strategic long-term investing. Woodside Energy and APA Group, for example, reaped the rewards of significant capital expenditure over many years, reporting increased earnings and cashflows, resulting in higher dividends paid to their shareholders. Other notable companies included Commonwealth Bank, Telstra, TPG Telecom, Sonic Healthcare, ARB Corporation, and Coles Group, all of whom delivered positive results that were underpinned by capable management teams focusing on long term investment strategies.

BKI paid its interim FY2025 fully franked dividend on 28 February. The neutralisation of the Dividend Reinvestment Plan (DRP) was also effectively executed, with 2.2 million shares acquired on-market and distributed to participants. This successful DRP and BKI's dividend payment again demonstrates BKI's commitment to long term shareholder returns.

Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,352m
Investment Portfolio	\$1,418m
Cash & Cash Equivalents	\$65m
Debt	\$0
Rolling 12 Month Dividend**	7.90cps
DRP	Active

Net Tangible Assets (NTA)

BKI Share Price	\$1.675
Pre-Tax NTA	\$1.83
Post Tax NTA	\$1.69

Historical Grossed
Up Dividend Yield *

6.7%

As at 28 February 2025

20Yr Total
Shareholder Returns^

9.9% pa

As at 28 February 2025

Management
Fee

0.10%

Contact Asset Management

No
Performance
Fees

Total Portfolio
Including Cash

\$1,480m

As at 28 February 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 28/02/2025. ^Includes Franking Credits

Board of Directors

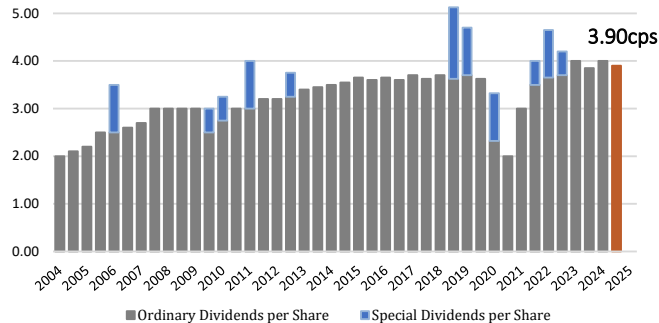
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Amanda Wong (Company Secretary).

Investment Management

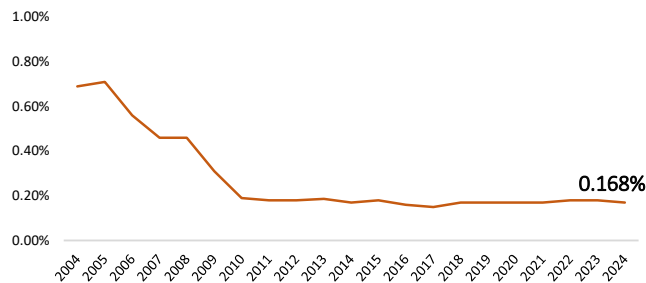
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Investment Analyst).

Investor Focused

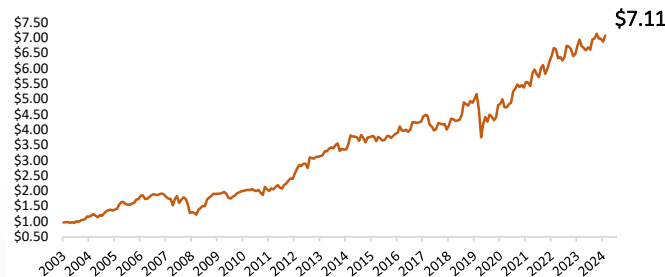
Fully Franked Dividends - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's 2025 Half Year Dividend of 3.90cps was up 1% on last year.



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 \$7.11 per share as at 28 February 2025.



Company	% of Total Portfolio
1 Commonwealth Bank	9.2%
2 BHP Group	7.6%
3 National Australia Bank	7.1%
4 Macquarie Group	4.9%
5 APA Group	4.8%
6 Wesfarmers Limited	4.8%
7 Telstra Group Limited	4.2%
8 Transurban Group	3.8%
9 Woodside Energy Group	3.7%
10 Harvey Norman Holdings	3.6%
11 New Hope Corporation	3.5%
12 Amcor	2.6%
13 ARB Corporation	2.5%
14 Woolworths Limited	2.5%
15 Suncorp Group	2.4%
16 Dalrymple Bay Infrastructure	2.4%
17 Sonic Healthcare	2.3%
18 Goodman Group	2.0%
19 Aurizon Holdings	1.8%
20 TPG Telecom	1.8%
21 Stockland	1.7%
22 Coles Group	1.5%
23 Metcash Limited	1.4%
24 Ramsay HealthCare	1.3%
25 Yancoal Ltd	1.3%
Cash and cash equivalents	4.4%
Total of Top 25 plus Cash and cash equivalents	89.1%

Contact Us



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BKI Performance 28 February 2025	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	8.3%	11.4%	9.8%	7.2%	9.0%	9.7%
BKI Total Shareholder Returns (TSR)	2.6%	6.6%	6.7%	4.3%	6.8%	6.9%
BKI Total Shareholder Returns – 100% Franked	5.7%	9.4%	8.9%	6.4%	9.1%	9.9%

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.