

# NTA and Monthly Report

September 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

September proved challenging for Australian equities as the Australian S&P/ASX 300 Accumulation Index was the only major global benchmark to decline. The weakness was led by the S&P/ASX 20 Index, which fell 1.7% for the month. BKI's Total Shareholder Return (TSR) was negative 0.8% in September.

Despite the overall negativity, sector performance was mixed, with Materials and Utilities the only sectors to record positive returns. Materials was the clear winner, surging an impressive 6.5% while Utilities posted a modest 0.7% gain.

BKI benefited from the strength in the Materials and Utilities sectors. The largest Materials holding, BHP Group, delivered a 0.7% return for September, building on its 9.6% jump in August. In the Utilities space BKI's holdings in APA Group and Dalrymple Bay saw increases of 1.7% and 1.5% respectively.

The Energy sector was a significant drag, falling 9.1%. This was reflected in BKI's portfolio, where Woodside Energy was the worst-performing stock in the Top 25, dropping 12.8%. Even solid results couldn't shield all energy stocks, as New Hope Corporation (NHC) fell 8.5% despite reporting strong FY25 figures, including an 18.1% increase in saleable coal production and a better-than-expected final fully franked dividend of 15cps.

After Harvey Norman (HVN) delivered a very good FY25 result late in August, the stock responded in September, closing the month 10.5% higher. Their result was driven by a meaningful pick-up in local sales, continued growth from offshore stores, and a strong property portfolio valuation update. HVN's better-than-expected fully franked final dividend was a 21% increase on the prior half-year period. The company has started its FY26 year well, with comparable sales growth of almost 9%, positioning it well to capture consumer spending in the post-COVID refresh cycle for Electrical and Technology categories.

Finally, domestic economic focus was concentrated on the Reserve Bank of Australia (RBA), which opted to keep the official cash rate unchanged at 3.60% in September. This decision and the RBA's forward-looking commentary disappointed the market leading to a negative reaction and some profit-taking, as the likelihood of a November rate cut diminished. The market has now adjusted its expectations significantly, with much of the current pricing reflecting only one additional 25bp rate cut, which is not anticipated to occur until early 2026.

## Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,441m
Investment Portfolio	\$1,511m
Cash & Cash Equivalents	\$79m
Debt	\$0
Rolling 12 Month Dividend**	7.90cps
DRP	Active

## Net Tangible Assets (NTA)

BKI Share Price	\$1.785
Pre-Tax NTA	\$1.96
Post Tax NTA	\$1.79

Historical Grossed  
Up Dividend Yield \*

**6.3%**

As at 30 September 2025

20Yr Total  
Shareholder Returns^

**9.0% pa**

As at 30 September 2025

Management  
Fee

**0.10%**

Contact Asset Management

No  
Performance  
Fees

Total Portfolio  
Including Cash

**\$1,590m**

As at 30 September 2025

Lonsec Recommended Rating



\*Grossed up yield includes franking credits and is based on a tax rate of 30%. Includes FY2025 Final Dividend of 4.00cps and FY2025 Interim Dividend of 3.90cps and is based on share price as at 30/09/2025. ^Includes Franking Credits

## Board of Directors

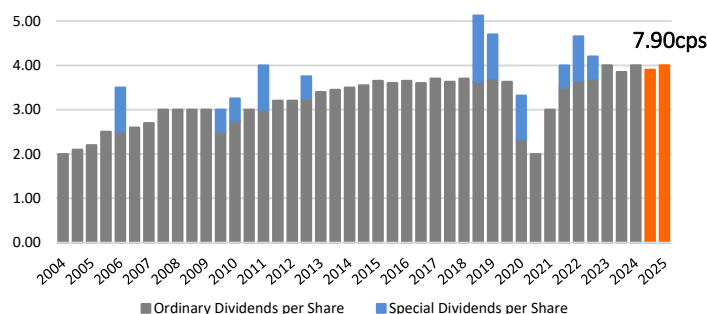
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Belinda Cleminson (Company Secretary).

## Investment Management

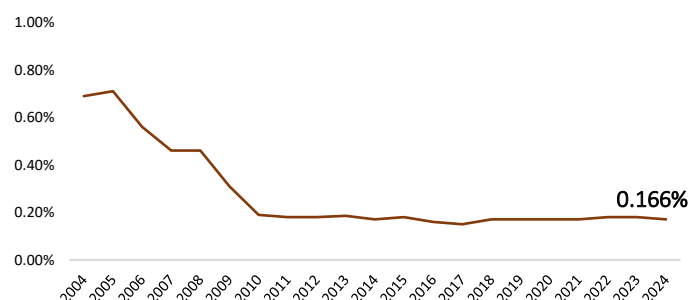
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Investment Analyst).

## Investor Focused

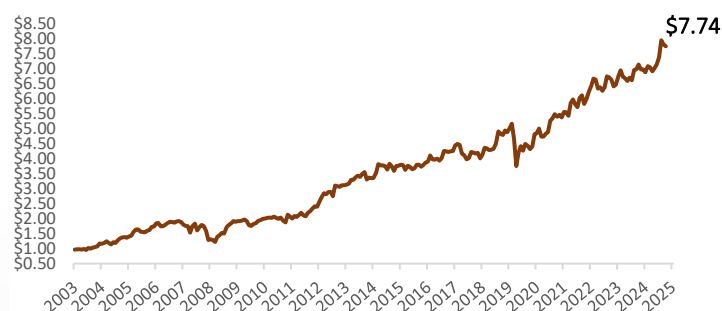
**Fully Franked Dividends** - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's 2025 Full Year Dividends of 7.90cps was up 1% on last year.



**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 0.166%.



**Cumulative Share Price Returns** - Assuming all dividends were reinvested and using the full benefit of franking credits, since IPO on 12<sup>th</sup> December 2003, the cumulative share price of BKI shares was \$7.74 per share as at 30 September 2025.



Company		% of Total Portfolio
1	BHP Group Limited	8.9%
2	National Aust Bank	8.2%
3	Commonwealth Bank	7.3%
4	Wesfarmers Limited	5.6%
5	APA Group	5.4%
6	Telstra Group	4.9%
7	Harvey Norman	4.7%
8	Macquarie Group	4.4%
9	Woodside Energy	4.3%
10	Transurban Group	3.7%
11	Dalrymple Bay	3.2%
12	New Hope Corporation	3.2%
13	Arcor PLC	2.8%
14	Suncorp Group	2.7%
15	Sonic Healthcare	2.6%
16	ARB Corporation	2.4%
17	Woolworths Group	2.0%
18	Goodman Group	1.9%
19	Stockland	1.9%
20	W.H Soul Pattinson	1.9%
21	TPG Telecom Limited	1.8%
22	Coles Group	1.7%
23	Metcash Limited	1.6%
24	Mirvac Group	1.3%
25	Ramsay Health Care	1.1%
Cash and cash equivalents		5.0%
<b>Total of Top 25 plus Cash and cash equivalents</b>		<b>94.5%</b>

## Contact Us



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BKI Performance 30 September 2025	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)
BKI Portfolio Performance	9.1%	13.4%	13.4%	9.4%	9.2%	8.6%
BKI Total Shareholder Returns (TSR)	6.4%	7.9%	10.4%	5.9%	7.6%	6.9%
<b>BKI Total Shareholder Returns – 100% Franked</b>	<b>8.4%</b>	<b>9.9%</b>	<b>12.4%</b>	<b>8.0%</b>	<b>9.7%</b>	<b>9.0%</b>

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.