

# NTA and Monthly Report

May 2026

## 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

The month of May 2026 was volatile but ultimately another positive period for the Australian equity market, with the S&P/ASX 300 Accumulation Index finishing the month slightly higher, up 1.2%. BKI's portfolio continues to be well positioned in this environment and has maintained its momentum, improving a further 1.9% during May to bring the year-to-date return to 13.3%. This represents a notable outperformance of 4.8% over the S&P/ASX 300 Accumulation Index over the same period, which returned 8.5%. BKI's share price rose to \$1.78 for the month, taking the one-year Total Shareholder Return (including franking credits) to 11.5%, outperforming the S&P/ASX 300 Accumulation Index by 3.0%.

Materials continued to dominate in May with a 10.3% return, while the Healthcare sector lagged again, falling a further 8.9% during the month. For the year, the Materials sector has now gained 58.4% and Energy 35.5%. In contrast, Healthcare has fallen 43.9% and IT is down 34.6%.

During the month, BHP Group officially walked away from its \$49 billion takeover bid for rival Anglo American after Anglo rejected a final request to extend the regulatory deadline. BHP was primarily eyeing Anglo's copper assets, but the six-week pursuit collapsed due to disagreements over BHP's deal structure, which would have required Anglo to unbundle its South African platinum and iron ore businesses. Under UK takeover rules, BHP is now barred from making another offer for Anglo for at least six months, leaving Anglo to focus on its own independent restructuring plan to expand copper output. Despite the failed bid, BHP's share price saw solid upward momentum across May, closing the month strong as investors reacted positively to BHP maintaining strict capital discipline rather than overpaying for assets.

While BHP shares finished the month up 16.0% and trading at record highs, the PE multiple remains attractive at ~17.9X. Given the recent strength of commodities, we are confident that BHP will significantly increase its dividend from here and be able to offer shareholders an attractive grossed-up dividend yield that will comfortably support a share price of over \$62.00. We continue to be well positioned with our exposure to BHP, with the portfolio holding now at 12.6%.

Despite the overweight position to BHP, it is important to highlight our disciplined focus on yield and valuation across the entire BKI portfolio. This ensures we are well positioned to navigate continued volatility and deliver sustainable returns to shareholders over the long term.

## Company Overview

ASX Code	BKI.ASX
Mandate	Australian Listed Equities
Market Capitalisation	\$1,437m
Investment Portfolio	\$1,573m
Cash & Cash Equivalents	\$80m
Debt	\$0
Rolling 12 Month Dividend**	7.95cps
DRP	Active

## Net Tangible Assets (NTA)

BKI Share Price	\$1.78
Pre-Tax NTA	\$2.04
Post Tax NTA	\$1.86

Historical Grossed  
 Up Dividend Yield \*

**6.3%**

As at 31 May 2026

Portfolio  
 Performance<sup>^</sup>

**10.0% pa**

Since Inception\*

Management  
 Fee

**0.10%**

Contact Asset Management

No  
 Performance  
 Fees

Total Portfolio  
 Including Cash

**\$1,652m**

As at 31 May 2026

Lonsec Recommended Rating



\*Grossed up yield includes franking credits, based on a tax rate of 30%. Includes FY2025 Final Dividend of 4.00cps and FY2026 Interim Dividend of 3.95cps and is based on BKI share price at 31/05/2026. <sup>^</sup>Includes Franking Credits. \*Since Inception date is 12 December 2003.

## Board of Directors

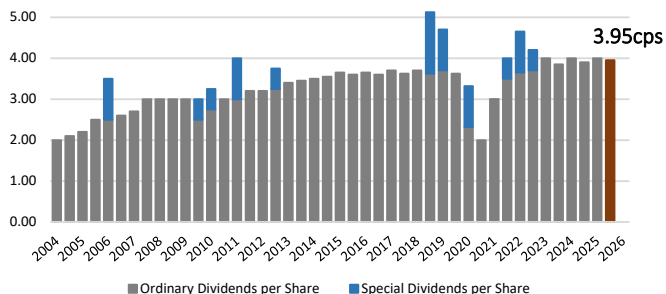
Robert Millner AO (Chair), Alex Payne, David Hall AM, Ian Huntley, Jacqui Clarke, Belinda Cleminson (Company Secretary).

## Investment Management

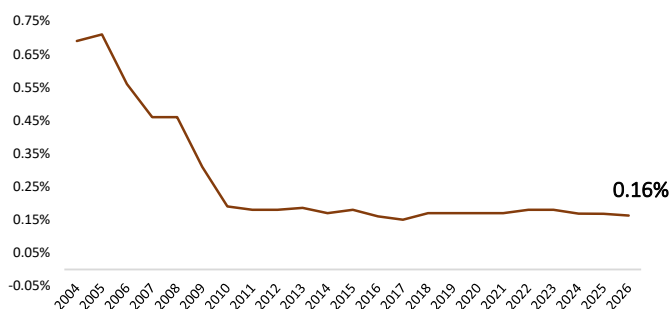
Tom Millner (Portfolio Manager), Will Culbert (Portfolio Manager), Rob Horne (Investment Analyst).

## Investor Focused

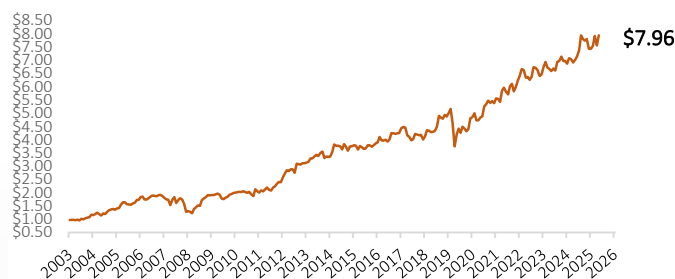
**Fully Franked Dividends** - BKI has a strong 20-year history of paying fully franked dividends and offering an attractive yield. BKI's Interim FY2026 Dividend of 3.95cps was up 1% on last year.



**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 0.16%.



**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 \$7.96 per share as at 31 May 2026.



Company	% of Total Portfolio
1 BHP Group	12.6%
2 APA Group	7.2%
3 Commonwealth Bank	7.0%
4 Woodside Energy Group	5.5%
5 Telstra Group	5.1%
6 National Australia Bank	5.0%
7 Wesfarmers Limited	4.6%
8 Macquarie Group	4.6%
9 New Hope Corporation	4.6%
10 Dalrymple Bay Infrastructure	3.9%
11 Transurban Group	3.9%
12 Harvey Norman Holdings	2.8%
13 Woolworths Group	2.6%
14 Sonic Healthcare	2.5%
15 Amcor	2.4%
16 Soul Pattinson	2.0%
17 Smartgroup Corporation	2.0%
18 Goodman Group	1.8%
19 Westpac Banking Corporation	1.7%
20 Coles Group	1.5%
21 TPG Telecom	1.4%
22 Origin Energy	1.3%
23 Ramsay Health Care	1.3%
24 Stockland	1.3%
25 Metcash Limited	1.2%
Cash and cash equivalents	4.8%
<b>Total of Top 25 plus Cash and cash equivalents</b>	<b>94.4%</b>

## Contact Us



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BKI Performance 31 May 2026	1 Year	3 Years (pa)	5 Years (pa)	10 Years (pa)	15 Years (pa)	20 Years (pa)	Since Inception
BKI Portfolio Performance	13.3%	12.5%	11.2%	9.3%	9.3%	8.8%	10.0%
BKI Total Shareholder Returns (TSR)	9.4%	6.3%	8.2%	6.0%	7.4%	6.3%	7.6%
BKI Total Shareholder Returns – 100% Franked	11.5%	8.4%	10.3%	8.1%	9.6%	8.5%	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 within this document.