

# BKI Investment Company

## Results Presentation

For the year ended 30 June 2025



BKI is managed by Contact Asset  
Management AFSL 494045

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# 2025 Full Year Results

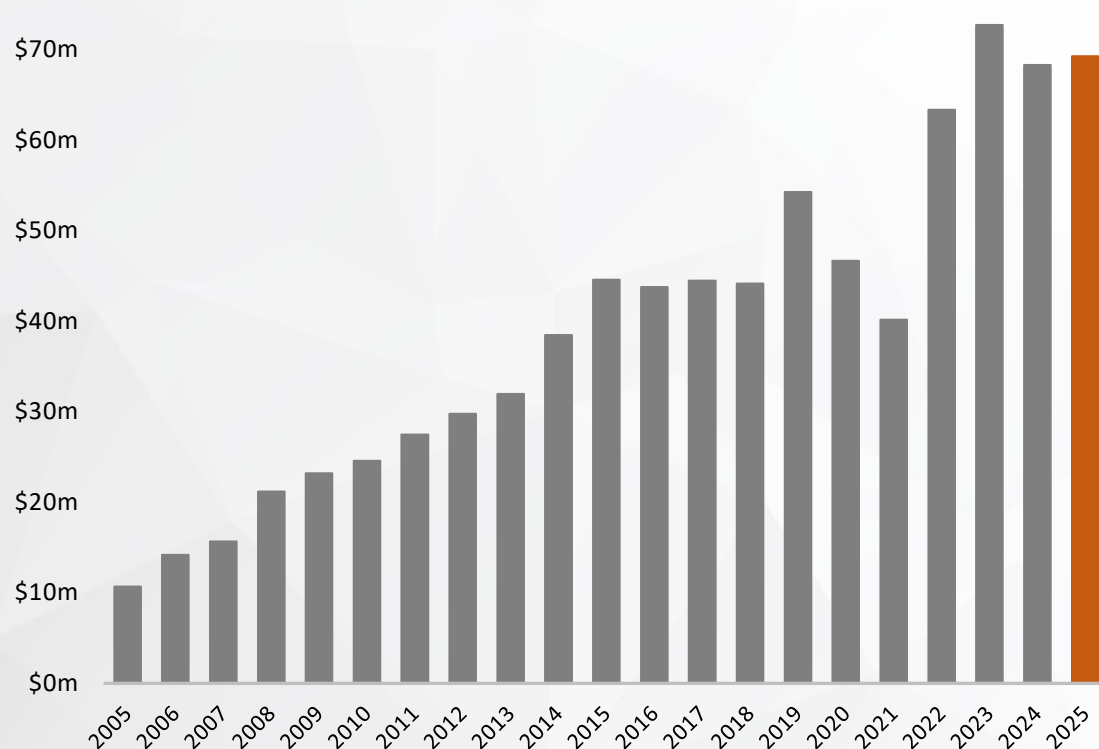
*For the year ended 30 June 2025*

Result <u>excluding</u> special investment revenue	FY2025 (\$m)	FY2024 (\$m)	Movement (%)
Ordinary revenue from Investment Portfolio	\$65.1	\$64.0	2%
Total Revenue - Ordinary	\$69.3	\$68.3	1%
<b>Operating Result</b> (before tax and special investment revenue)	<b>\$66.8</b>	<b>\$65.9</b>	<b>1%</b>
Earnings per share	7.53 (cps)	7.83 (cps)	-4%
Ordinary Dividend per share	7.90 (cps)	7.85 (cps)	1%
Result <u>including</u> special investment revenue	FY2025 (\$m)	FY2024 (\$m)	Movement (%)
Net profit after tax	\$61.9	\$64.4	-4%
Earnings per share	7.67 (cps)	8.03 (cps)	-4%

# 2025 Full Year Results

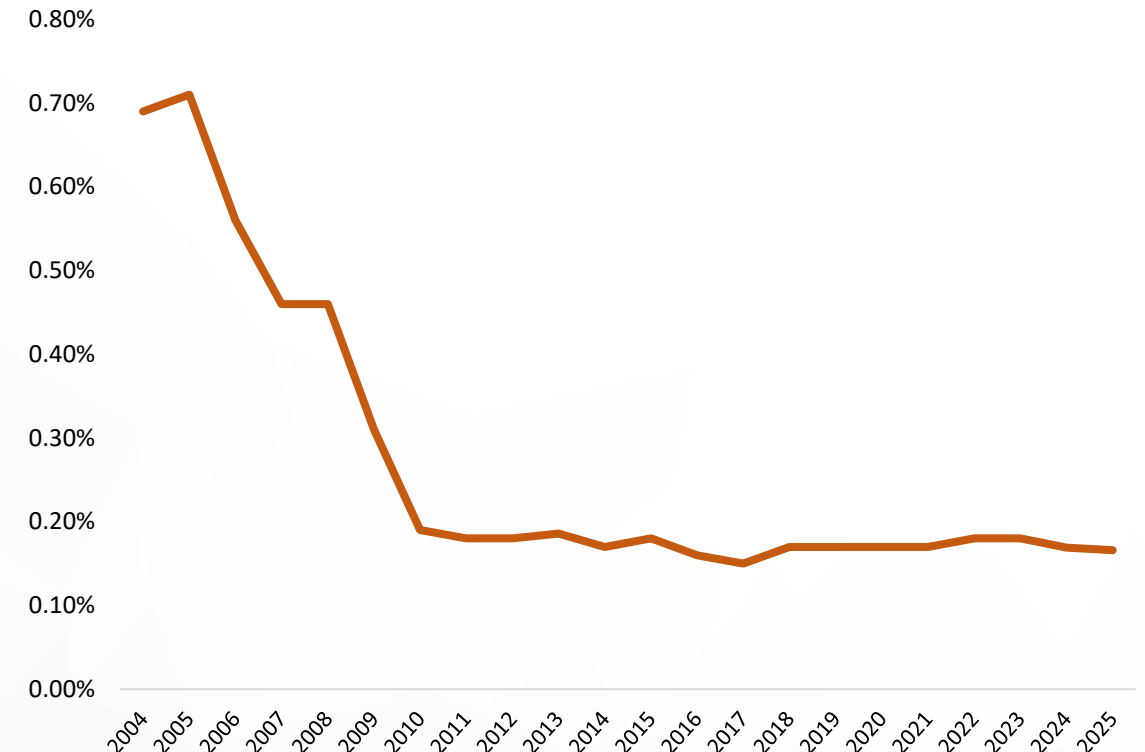
*Following the record result announced in FY2023, BKI has again delivered a solid Net Operating Result during FY2025.*

**Total Ordinary Revenue**  
(before special dividends)



**Management Expense Ratio (MER)**

BKI's MER was 0.166%, down from 0.169% last year



# 2025 Final Dividend

*Total FY2025 dividends are up 1% on last year.*

BKI's final ordinary dividend is 4.00 cents per share fully franked.

Last trading date to be eligible for the final dividend is Monday 4 August 2025.

Ex-dividend date is Tuesday 5 August 2025 and will be paid on Thursday 28 August 2025.

Dividend Timetable	Key Dates
Last trading date to be eligible for dividend	Monday 4 August 2025
Ex-dividend Date	<b>Tuesday 5 August 2025</b>
Record Date	Wednesday 6 August 2025
DRP Nomination	Thursday 7 August 2025
Dividend Payment Date	<b>Thursday 28 August 2025</b>



# Neutralised Dividend Reinvestment Plan

BKI's Dividend Reinvestment Plan (DRP) has been an effective mechanism enabling shareholders to reinvest their dividends into additional company shares without incurring brokerage fees. However, our traditional DRP has led to unintended consequences of placing additional pressure on the discount to pre-tax NTA.

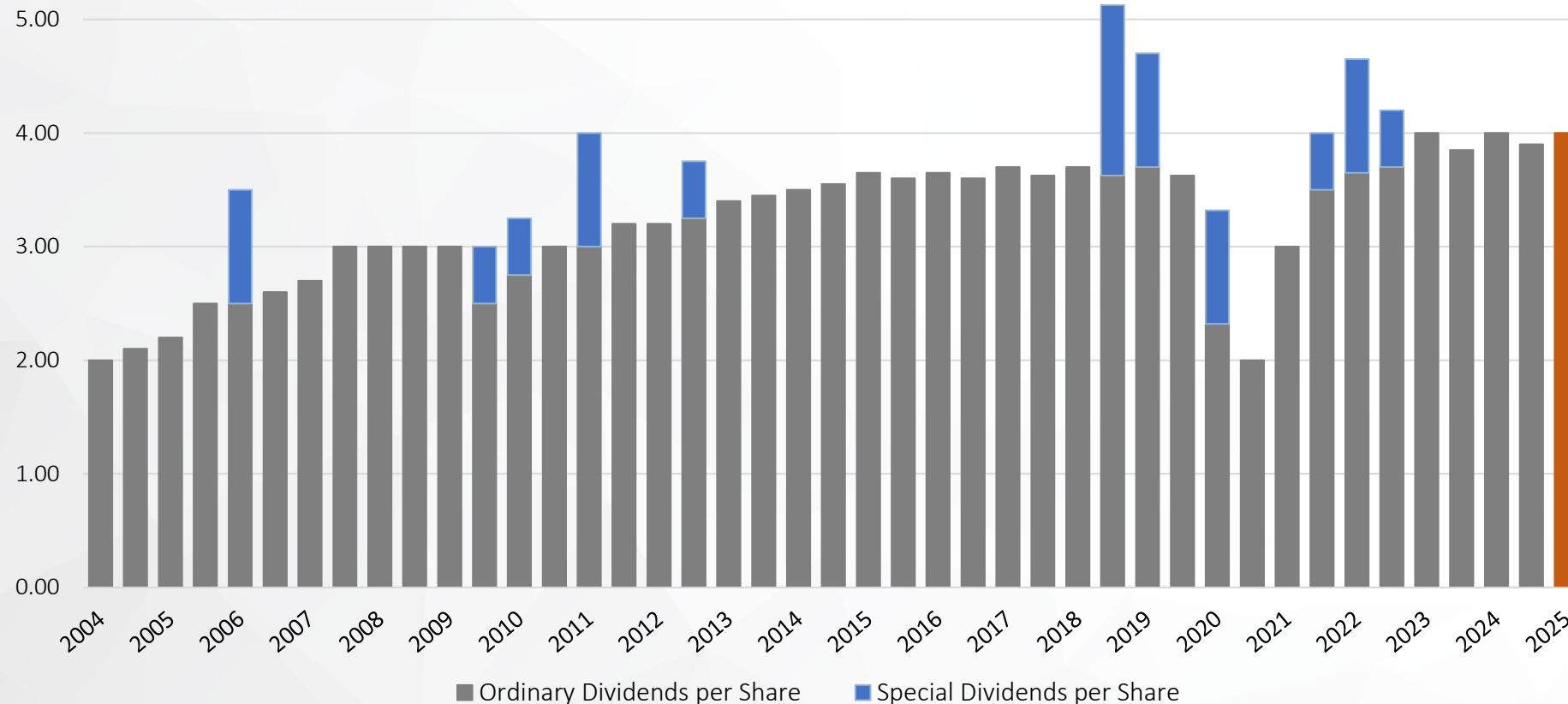
The DRP will be neutralized and addresses these concerns by ensuring BKI maintains capital neutrality, aligning with shareholder interests of reducing any discounts to NTA.

Participation in the DRP will remain voluntary, allowing shareholders to opt in or out based on their financial preferences. To preserve capital neutrality, BKI will (through a third party) execute an on-market share purchase of shares to satisfy its obligations under the DRP. Shares issued under the DRP will be priced at a nil discount to the volume-weighted average price (VWAP) over the specified trading period, encouraging shareholder participation while reflecting fair value. The purchase will be conducted at market prices, ensuring alignment with prevailing market conditions.

# A History of Strong Dividends

*BKI has a strong history of paying fully franked dividends and offering an attractive yield.*

BKI Dividend History



*2025 Final  
Dividend of 4.00cps*

*FY2025 Dividends  
up 1% on pcp*

# Performance

## Results Presentation

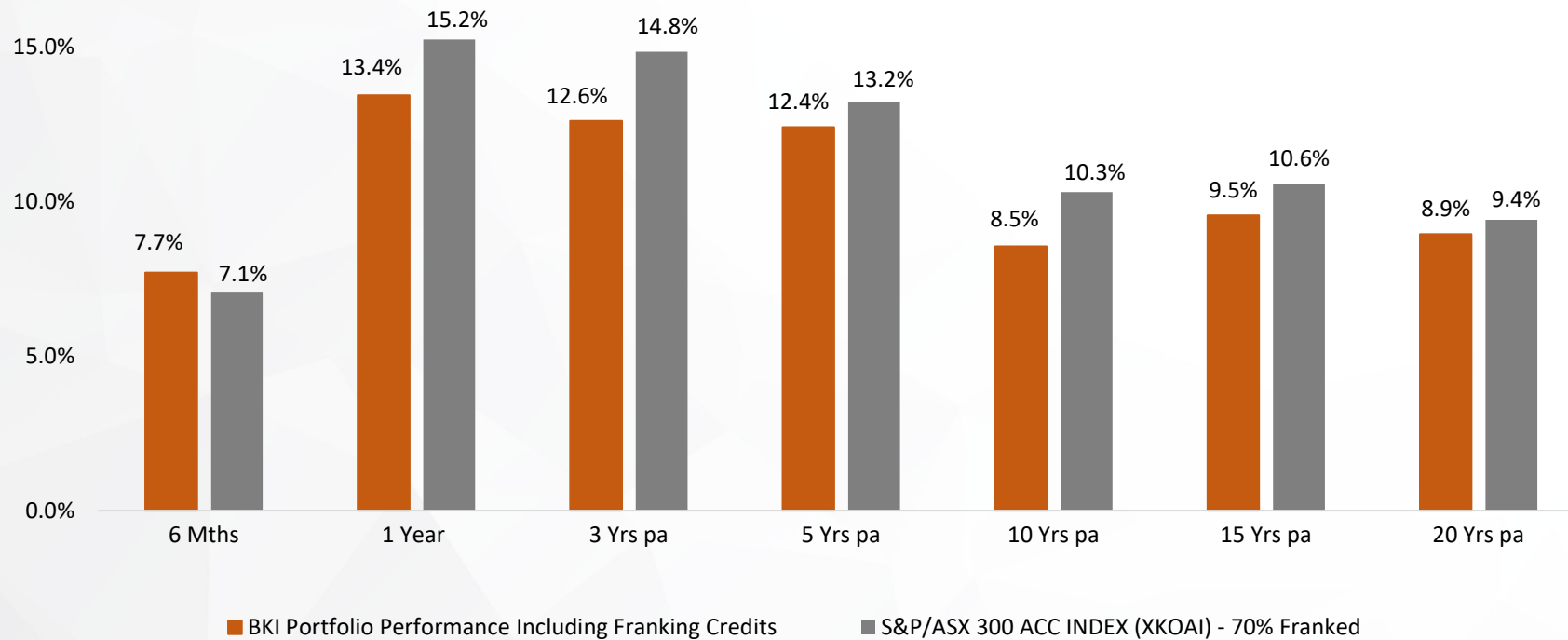
For the year ended 30 June 2025



# Performance – Portfolio Return

As at 30 June 2025

## BKI Portfolio Return

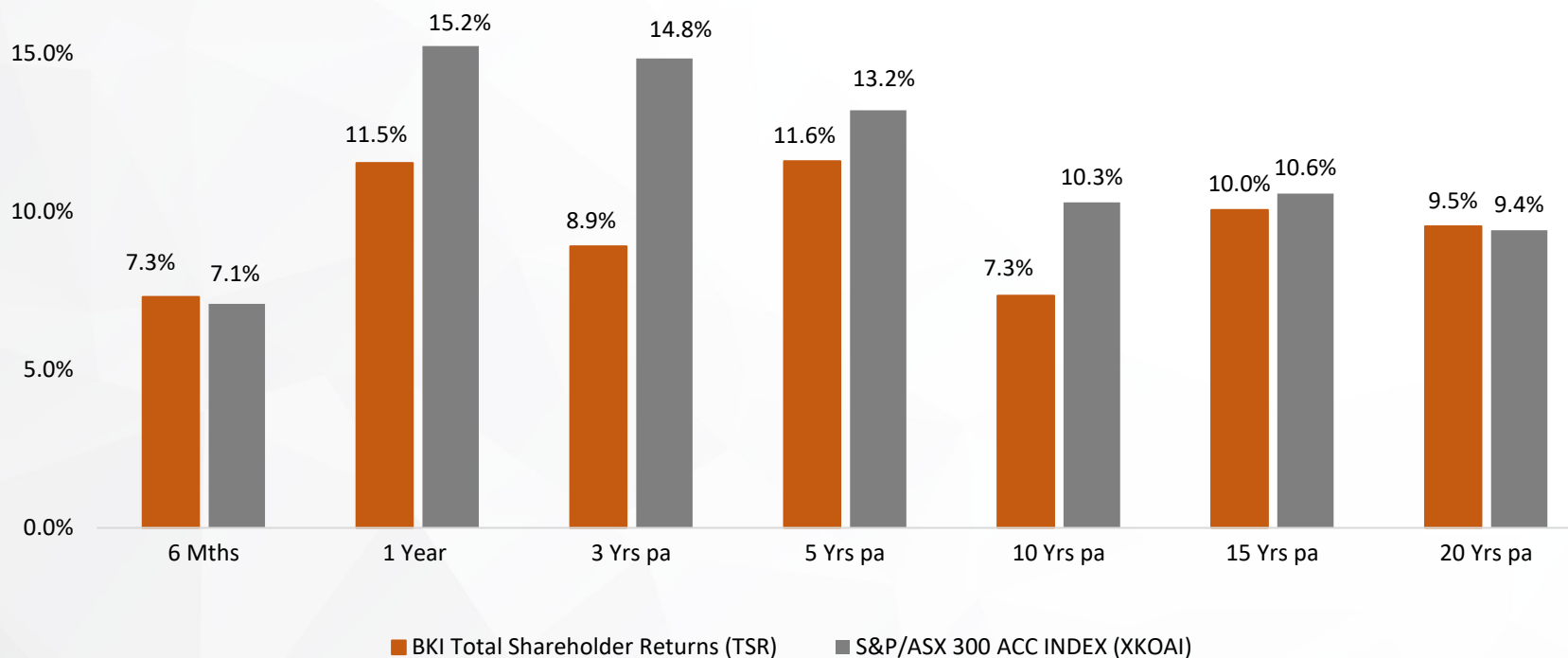


Source: IRESS, Factset, BKI, Contact Asset Management. S&P/ASX 300 Accumulation Index Franked at 70%.

# Performance - Total Shareholder Return

As at 30 June 2025

## Total Shareholder Returns (TSR)



Source: IRESS, Factset, BKI, Contact Asset Management. S&P/ASX 300 Accumulation Index Franked at 70%.

# Performance – Cumulative Share Price Returns

As at 30 June 2025

## Cumulative Share Price Returns

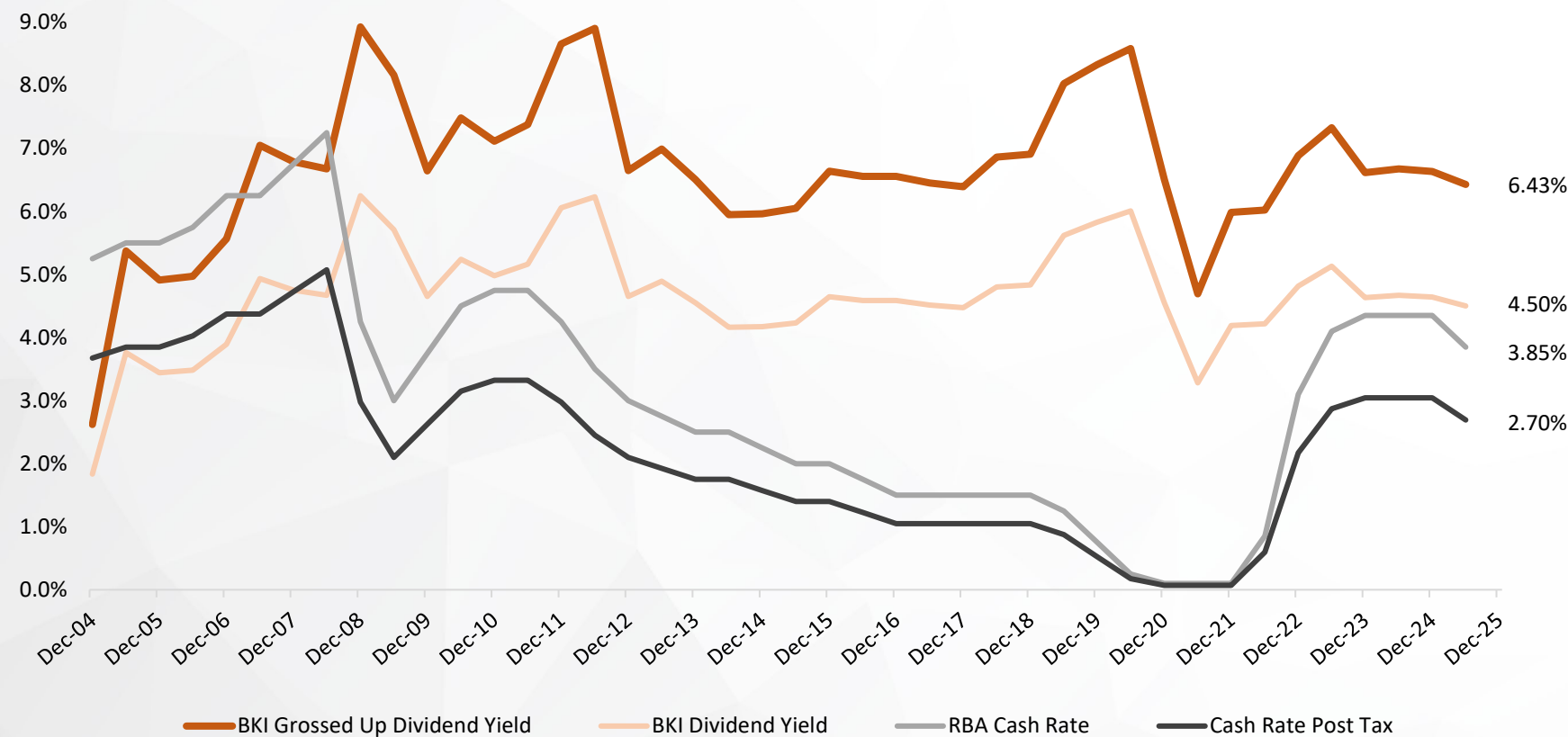
Assuming all dividends were reinvested and using the benefit of franking credits, the cumulative share price of BKI shares was \$7.37 per share as at 30 June 2025.



# Performance – Dividend Yield

BKI offers an attractive grossed-up dividend yield compared to post tax cash rates.

BKI Dividend Yield History



**6.4%**  
*Grossed-up Dividend Yield\**  
**V's**  
**2.7%**  
*Cash Rate Post Tax#*

Source: BKI, Contact Asset Management; \*BKI's historical grossed-up dividend yield calculated by using FY2025 Dividends, divided by the BKI share price of \$1.755, as at 30 June 2025, and is based on a tax rate of 30%. #Cash Rate Post Tax assumes a tax rate of 30%.

# Performance – Dividend Yield

*The attractive dividend yield of BKI is somewhat offset by its portfolio's modest underperformance to major Australian ETF's.*

Listed Investment Company (LIC) or Exchange Traded Fund (ETF)	Code	Active Passive	Index	No of Stocks Held	Mgt Fee	Historical Dividend Yield	Franking	Grossed-up Dividend Yield	1 yr Total Portfolio Returns	5yr p.a Total Portfolio Returns
BKI Investment Company	BKI-AU	Active	S&P/ASX 300 Acc	39	0.10%	4.50%	100%	6.43%	11.30%	10.40%
Vanguard Australian Shares Index ETF	VAS-AU	Passive	S&P/ASX 300	302	0.07%	3.19%	69%	4.13%	13.67%	11.75%
iShares Core S&P/ASX 200 ETF	IOZ-AU	Passive	S&P/ASX 200	203	0.05%	3.48%	61%	4.39%	13.77%	11.77%

**BKI Investment Company Portfolio Performance** is measured by the 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, excluding franking credits.

**Vanguard Australian Shares Index ETF ( VAS-AU) Total Returns** assume that an investor purchased shares at Net Asset Value (NAV) and does not reflect the transaction costs imposed on the creation and redemptions of ETF Units, brokerage or the bid ask spread that investors pay to buy and sell ETF securities on the Australian Securities Exchange. Returns assume reinvestment of all income distributions, and do not take into account of any management cost rebates. Past performance is not an indication of future performance. Returns for periods longer than 12 months are annualized.

**iShares Core S&P/ASX 200 ETF Gross Performance** figures are calculated gross of ongoing fees and expenses. Unless otherwise stated, performance for periods greater than one year is annualised and performance calculated to the last business day of the month. Unless otherwise stated, iShares ETF net performance is calculated on a NAV price basis, while net performance for all other funds is calculated on an exit-to-exit price basis.

Past performance is not a reliable indicator of future performance. In preparing the above information, Contact Asset Management has not taken into account individual circumstances such as tax implications and it may therefore not be applicable to an individual's situation.

Source: IRESS, Factset, BKI, Contact Asset Management, [vanguard.com.au](http://vanguard.com.au) - Vanguard Australian Shares Index ETF performance as at June 2025, [blackrock.com/au/ishares](http://blackrock.com/au/ishares), - iShares Core S&P/ASX 200 ETF June 2025 Fact Sheet, performance as at 30 June 2025. Historical dividend yields and grossed-up dividend yields are calculated by using rolling 12-month dividends/distributions divided by the closing share/unit price as at 30 June 2025 and is based on a tax rate of 30%.

# Portfolio Positioning

## Results Presentation

For the year ended 30 June 2025



# Net Portfolio Movements

For the year ended 30 June 2025

## Net Purchases



## Net Sales



## Exit



## Capital Return



# Portfolio Positioning – Top 25

As at 30 June 2025

Stock	% of Total Portfolio
1 Commonwealth Bank	10.1%
2 National Australia Bank	7.4%
3 BHP Group	6.1%
4 Wesfarmers Limited	5.1%
5 APA Group	5.0%
6 Telstra Group Limited	4.6%
7 Macquarie Group	4.6%
8 Transurban Group	3.8%
9 Harvey Norman Holdings	3.4%
10 Dalrymple Bay Infrastructure	3.1%
11 New Hope Corporation	3.0%
12 Suncorp Group	2.4%
13 Woolworths Limited	2.4%

Stock	% of Total Portfolio
14 Amcor	2.2%
15 Woodside Energy Group	2.2%
16 Sonic Healthcare	2.1%
17 Goodman Group Limited	2.0%
18 ARB Corporation	2.0%
19 TPG Telecom Limited	1.9%
20 Stockland	1.7%
21 Metcash Limited	1.7%
22 Aurizon Holdings	1.6%
23 Yancoal Ltd	1.5%
24 Coles Group	1.5%
25 Ramsay HealthCare	1.3%
Cash & Cash Equivalents	6.8%
<b>Total</b>	<b>89.5%</b>

Source: IRESS, Factset, BKI, Contact Asset Management.

# Portfolio Positioning – Overweight/Underweight

As at 30 June 2025

## BKI's Overweight Positions Relative to S&P/ASX 300 Index

Company	BKI Portfolio Weight	Active Weight	1 Year TSR*
APA Group	5.0%	4.6%	9.0%
National Australia Bank	7.4%	3.2%	12.5%
Harvey Norman	3.4%	3.1%	27.9%
Dalrymple Bay Infra.	3.1%	3.1%	41.3%
New Hope Corporation	3.0%	2.9%	-17.2%
Telstra Corporation	4.6%	2.7%	32.8%
Transurban Group	3.8%	2.3%	16.5%
ARB Corporation	2.0%	1.9%	-12.0%
Amcors PLC	2.2%	1.9%	0.6%
Wesfarmers Limited	5.1%	1.8%	28.6%

## BKI's Underweight Positions Relative to S&P/ASX 300 Index

Company	BKI Portfolio Weight	Active Weight	1 Year TSR*
Westpac Banking Corp	-	(4.0)%	26.2%
CSL Limited	-	(3.9)%	-19.2%
ANZ Group Holdings	-	(3.0)%	8.7%
Fortescue Ltd	-	(1.7)%	-25.0%
Rio Tinto Limited	-	(1.4)%	-4.8%
Aristocrat Leisure	-	(1.4)%	28.3%
Wisotech Global Ltd	-	(1.3)%	8.5%
QBE Insurance Group	-	(1.2)%	33.3%
Sigma Healthcare	-	(1.2)%	85.4%
Brambles Limited	-	(1.1)%	50.2%

# Portfolio Positioning – Overweight/Underweight

As at 30 June 2025

## Overweight/Underweight Positions relative to ETF's

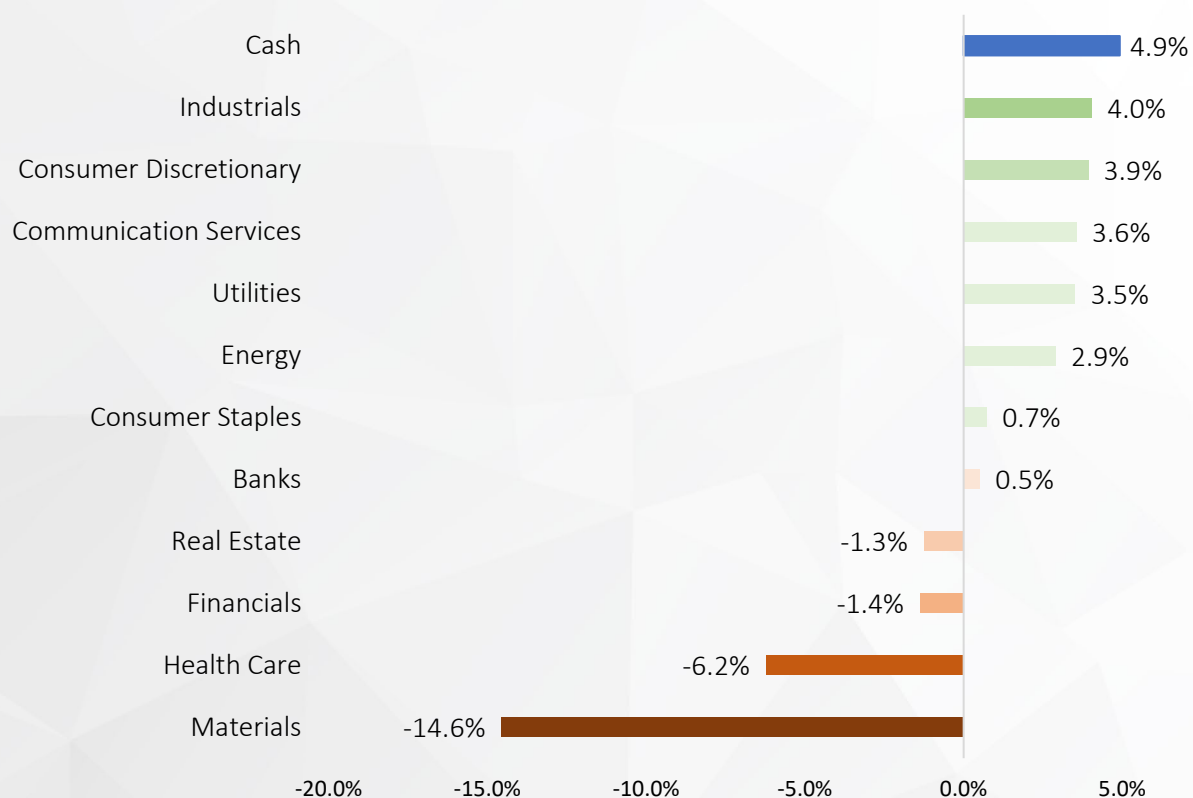
BKI's top holdings relative to Vanguard Australian Shares Index ETF (VAS-AU) and iShares Core S&P/ASX 200 ETF (IOZ-AU)

TOP HOLDINGS	IOZ-AU	VAS-AU	BKI-AU	COMMENTS
COMMONWEALTH BANK OF AUSTRALIA	11.6%	11.3%	10.1%	Slight underweight position, CBA remains BKI's preferred Australian Bank
BHP GROUP LTD	7.7%	7.4%	6.1%	Slight underweight position, BHP remains BKI's preferred resource company
NATIONAL AUSTRALIA BANK LTD	4.7%	4.5%	7.4%	NAB is BKI's preferred bank exposure over WBC and ANZ
APA GROUP	0.4%	0.4%	5.0%	Long-term, high-quality infrastructure exposure, provides growing distributions
WESFARMERS LIMITED	3.6%	3.6%	5.1%	Quality portfolio of market leading businesses, provides growing dividends
CSL LTD	4.5%	4.6%		Minimal dividend yield and low forecast earnings growth
WESTPAC BANKING CORPORATION	4.5%	4.3%		Prefer banking exposure through positions in CBA and NAB
TRANSURBAN GROUP	1.6%	1.7%	3.8%	Long-term, high-quality infrastructure exposure, provides growing distributions
HARVEY NORMAN	0.1%	0.1%	3.4%	Quality business with very attractive and growing dividend yield
DALRYMPLE BAY INFRASTRUCTURE	0.0%	0.0%	3.1%	Long-term, high-quality infrastructure exposure, provides growing distributions
ANZ GROUP HOLDINGS	3.5%	3.3%		Prefer banking exposure through positions in CBA and NAB
MACQUARIE GROUP	3.0%	2.9%	4.6%	International market exposure, solid dividend yield
GOODMAN GROUP	2.6%	2.6%	2.0%	Slightly underweight due to low yield, opportunity for growth
TELSTRA GROUP	2.1%	2.1%	4.6%	Quality business with very attractive and growing dividend yield
WOODSIDE ENERGY	1.8%	1.6%	2.2%	Attractive business and growing dividend yield
RIO TINTO LIMITED	1.6%	1.6%		Prefer resource exposure through BHP position
ARISTOCRAT LEISURE	1.6%	1.5%		Minimal dividend yield on offer despite solid earnings growth expected
WOOLWORTHS GROUP	1.5%	1.5%	2.4%	Quality business with large market share, solid dividend growth
<b>TOTAL TOP HOLDINGS</b>	<b>56.3%</b>	<b>55.0%</b>	<b>59.8%</b>	

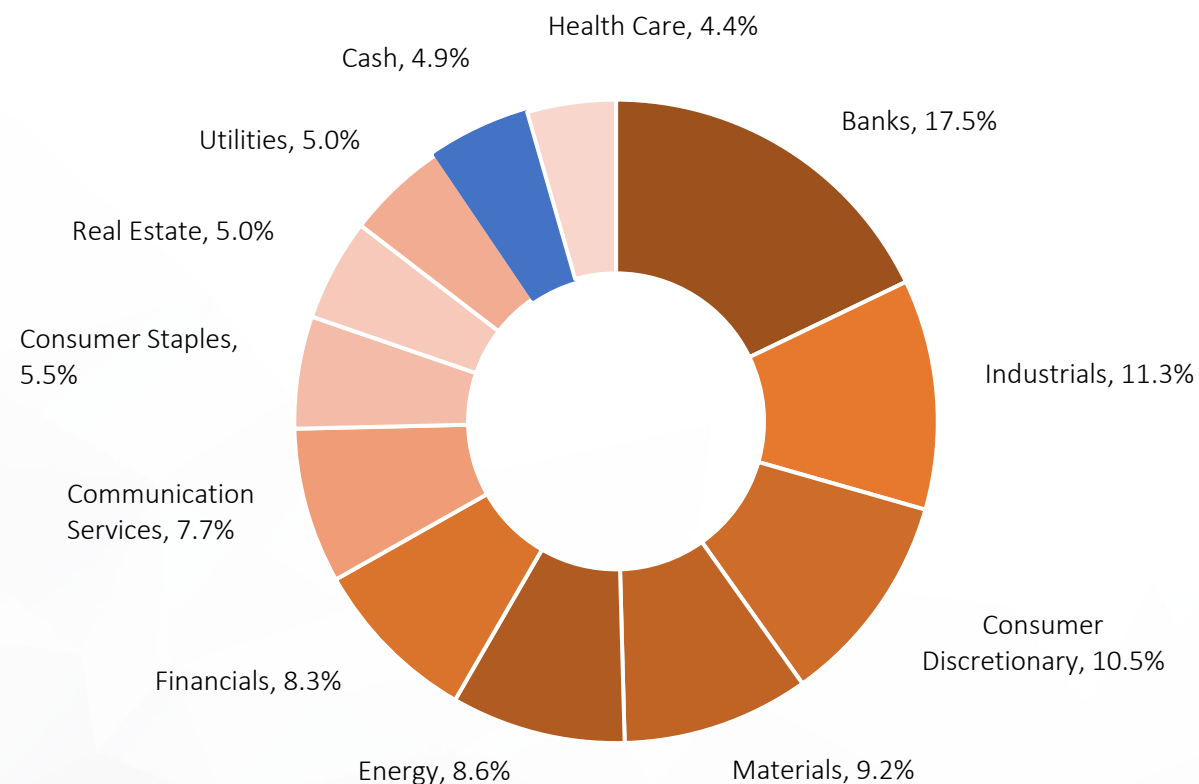
# Portfolio Positioning – Active Weight / Exposure

As at 30 June 2025

## BKI Portfolio: Active Weight by Sector













## BKI Portfolio: Exposure by Sector



# Portfolio Performance

## BKI's Top 10 Investments and 1 Year Total Shareholder Returns\*

<b>1</b> <p>BKI Portfolio Weight <b>10.1%</b></p>  <p>Total Shareholder Return <b>39.7%</b></p>	<b>2</b> <p>BKI Portfolio Weight <b>7.4%</b></p>  <p>Total Shareholder Return <b>12.5%</b></p>	<b>3</b> <p>BKI Portfolio Weight <b>6.1%</b></p>  <p>Total Shareholder Return <b>-9.9%</b></p>	<b>4</b> <p>BKI Portfolio Weight <b>5.1%</b></p>  <p>Total Shareholder Return <b>28.6%</b></p>	<b>5</b> <p>BKI Portfolio Weight <b>5.0%</b></p>  <p>Total Shareholder Return <b>9.0%</b></p>
<b>6</b> <p>BKI Portfolio Weight <b>4.6%</b></p>  <p>Total Shareholder Return <b>32.8%</b></p>	<b>7</b> <p>BKI Portfolio Weight <b>4.6%</b></p>  <p>Total Shareholder Return <b>13.9%</b></p>	<b>8</b> <p>BKI Portfolio Weight <b>3.8%</b></p>  <p>Total Shareholder Return <b>16.5%</b></p>	<b>9</b> <p>BKI Portfolio Weight <b>3.4%</b></p>  <p>Total Shareholder Return <b>27.9%</b></p>	<b>10</b> <p>BKI Portfolio Weight <b>3.1%</b></p>  <p>Total Shareholder Return <b>41.3%</b></p>



# Equity Market Overview

## Results Presentation

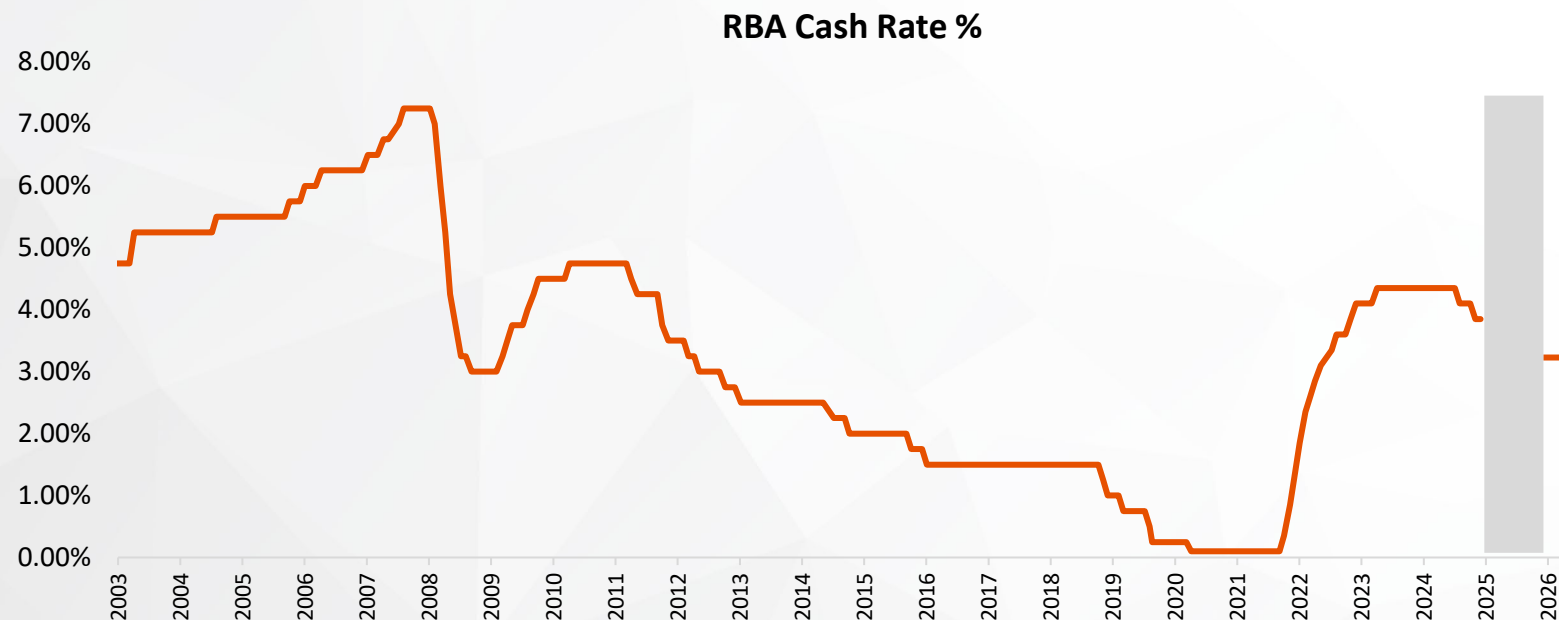
For the year ended 30 June 2025

# Equity Market Overview

As at 30 June 2025

## Interest Rate Environment and Inflation

Inflation remains the central concern in global economic discussions influencing both policy decisions and market sentiment. Rate cuts are expected and will be a tailwind for domestically focused businesses, especially in cyclical sectors like retail, consumer services and industrials.



Current projections suggest the RBA Cash Rate could fall to between 3.35% - 3.10% by mid-2026.

# Equity Market Overview

As at 30 June 2025

## Domestic Economic Resilience and Consumer Spending

Australia's economic growth is expected to improve heading into FY2026, supported by lower inflation, rising real wages, income tax cuts and solid government spending. A resilient labor market and improving consumer confidence are anticipated to lead to a gradual pickup in household consumption.

*BKI well exposed to this thematic*



Any forms of cost-of-living relief are key to supporting domestic demand. The housing market, particularly dwelling investment, is also a significant contributor to GDP.

*BKI well exposed to this thematic*



# Equity Market Overview

As at 30 June 2025

## Global Economic Growth and Geopolitical Landscape

With the backdrop of lower inflation, we believe that the global economy is on a positive upward trajectory. However, there are risks surrounding macroeconomic headwinds including trade tensions and geopolitical uncertainties.

*BKI well exposed to this thematic*



The Australian economy is relatively sheltered from US tariff threats but segments of the market with US operations could be impacted by US trade policies. China's stimulus efforts will be crucial for the resources sector given Australia's strong commodity exposure.

*BKI well exposed to this thematic*





# Equity Market Overview

As at 30 June 2025

## Structural Shifts and Sectoral Rotation

After a period where technology and financials (especially major banks) have dominated, there continues to be an ongoing shift in investor focus towards quality stocks – focusing on value/cyclical companies with improving earnings and dividends.

*BKI well exposed to this thematic*

**BHP**

**NHG**  
NEW HOPE GROUP

**amcor**

**YANCOAL**  
兗煤澳大利亚有限公司

**iph**

**Soul Patt's**

**smart  
group**  
corporation

**LINDSAY AUSTRALIA**  
LIMITED

Underlying drivers in structural shifts include digitalization, technology and rapid advancements in AI.

*BKI well exposed to this thematic*

**Goodman**<sup>+</sup>

**Commonwealth  
Bank**

**Telstra**

**tpg** TELECOM

**SONIC  
HEALTHCARE**

**Transurban**

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BKI is managed by Contact Asset  
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