

ASX and Media Release

21 July 2025

BKI's Full Year FY2025 Results

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%
Operating Result (before tax and special investment revenue)	\$66.8	\$65.9	1%
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%

Monday 21 July 2025: BKI Investment Company Limited (BKI, ASX: BKI) today announced the Group's results for the year to 30 June 2025. Total Ordinary Revenue was \$69.3 million up 1% and Special Investment Revenue was \$1.1 million, down 32% on the previous corresponding period. Total revenue was up 1% to \$70.5 million. Net Operating Result, before tax and special investment revenue, was \$66.8 million, up 1%. Net Operating Profit After Tax but before special investment revenue for the year was \$60.7 million, down 3% from \$62.7 million last year. The BKI Directors have declared a final dividend of 4.00cps taking full year FY2025 dividends to 7.90cps, up 1% on last year.

BKI Performance Overview

Despite significant macroeconomic headwinds including persistent inflation, trade tensions and geopolitical uncertainties, global equity markets delivered a robust performance over the year to 30 June 2025. BKI's Net Operating Profit, before tax and special investment revenue, was \$66.8 million, an increase of 1% over the previous corresponding period. This outcome is particularly positive given the ongoing challenges companies faced from elevated business costs and increased interest repayments compared to prior years.

BKI's Revenue from its investment portfolio was up 2% to \$65.1 million with higher dividends received from Commonwealth Bank, Suncorp Group, Dalrymple Bay Infrastructure, Harvey Norman, Telstra Corp, APA Group and Transurban Group. Special Investment Revenue was \$1.1 million in FY2025, with Special Dividends received from Suncorp Group, Woolworths Limited and Smartgroup Limited compared to Special Dividends received in FY2024 of \$1.7 million.

BKI's interest received was \$4.2 million in FY2025, up from \$4.0 million received in FY2024 following higher rates of interest and higher cash on deposit during the year.

Dividend Information

The BKI Board declared a final ordinary dividend of 4.00 cents per share fully franked at the tax rate of 30%, taking full year dividends for FY2025 to 7.90cps, up 1% on last year. The ex-dividend date is Tuesday 5 August 2025, and the Record Date for determining entitlements to the dividends is Wednesday 6 August 2025. The dividend will be paid to shareholders on Thursday 28 August 2025.

Using the FY2025 Interim and Final Dividends, BKI's historical grossed-up dividend yield is 6.4%, based on a tax rate of 30% and a share price of \$1.755, as at 30 June 2025.

Dividend Reinvestment Plan

The Board confirm that BKI's Dividend Reinvestment Plan (DRP) will be maintained. BKI's DRP has been an effective mechanism enabling shareholders to reinvest their dividends into additional company shares without incurring brokerage fees.

Participation in the DRP will remain voluntary, allowing shareholders to opt in or out based on their financial preferences. Shareholders can choose to receive full cash dividends, participate in the DRP, or a combination of both. The Final FY2025 DRP will be neutralised. 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 as usual 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.

Neutralising the impact to share capital by transferring shares to participants that are purchased on market prevents dilution of existing shareholder ownership, preserving the equity value of all shareholders.

The last day to nominate for participation in the DRP is Thursday 7 August 2025. To complete a DRP form please follow the following link:

bkilimited.com.au/dividend-information/

The last trading day to be eligible for BKI's fully franked final dividend is Monday 4 August 2025. Key dates for the dividends are as follows:

Last trading date to be eligible for dividend	Monday 4 August 2025
Ex-dividend Date	Tuesday 5 August 2025
Record Date	Wednesday 6 August 2025
DRP Nomination	Thursday 7 August 2025
Dividend Payment Date	Thursday 28 August 2025

Management Expense Ratio (MER)

BKI's MER as at 30 June 2025 was 0.166%, down from 0.169% in the corresponding period. The Board and Portfolio Managers are shareholders in BKI. We invest for the long term and do not charge excessive external portfolio management fees or any performance fees. Our focus is on creating wealth for all shareholders by keeping costs low, increasing fully franked dividends and generating capital growth over the long term. BKI has no debt and thus shareholder returns are not diluted by interest payable on such a facility.

BKI's MER continues to compare very favourably to other externally managed LICs, ETFs and managed funds in the domestic market that provide a similar broad-based exposure to Australian equities.

Performance

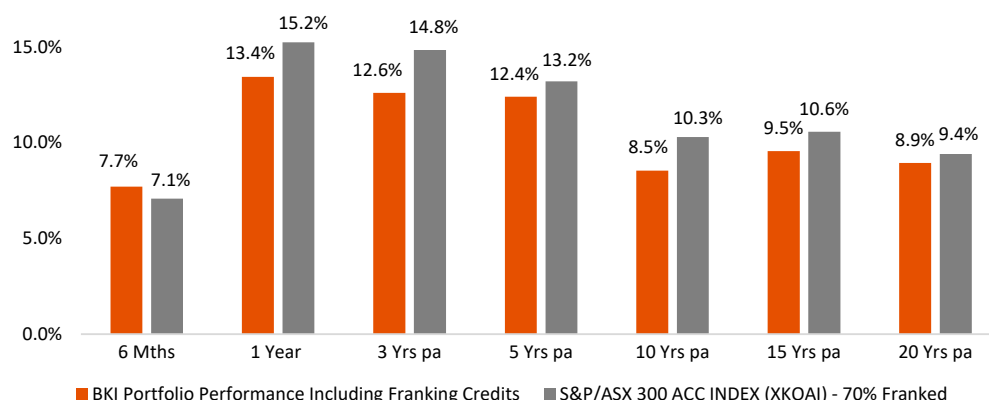
Portfolio Return

BKI's strong portfolio performance in FY2025 was once again a testament to its strategic allocation to quality holdings. Several key positions delivered exceptional total shareholder returns for the year. Dalrymple Bay Infrastructure (3.1% of the portfolio) delivered a total shareholder return of 53% for the year, Commonwealth Bank (10.1% of the portfolio) returned 50%, Telstra Group (4.6% of the portfolio) returned 40%, Wesfarmers (5.1% of the portfolio) returned 34% and Harvey Norman (3.4% of the portfolio) returned 33%.

Conversely, some holdings experienced negative contributions to the performance of the portfolio. Ramsay Healthcare (1.3% of the portfolio) delivered a total shareholder return of negative 21%, New Hope (3.0% of the portfolio) negative 17%, Aurizon (1.6% of the portfolio) negative 13% and ARB Corporation (2.0% of the portfolio) returned negative 11% for the year to 30 June 2025.

BKI's portfolio delivered a strong result in June 2025 to finish the year, which was especially pleasing given the continued turbulence in equity markets domestically and abroad. BKI's Portfolio Performance for the month of June was 2.4% compared to the S&P/ASX300 Accumulation Index which returned 1.4% for the same period. BKI's Net Portfolio Return (after all operating expenses, provisions and payment of both income and capital gains tax and the reinvestment of dividends and franking credits) for the 6 months to 30 June was 7.7% compared to the S&P/ASX300 Accumulation Index which returned 7.1% for the same period.

BKI's Net Portfolio Return for the year to 30 June 2025 was 13.4% compared to the S&P/ASX300 Accumulation Index which returned 15.2% for the same period.

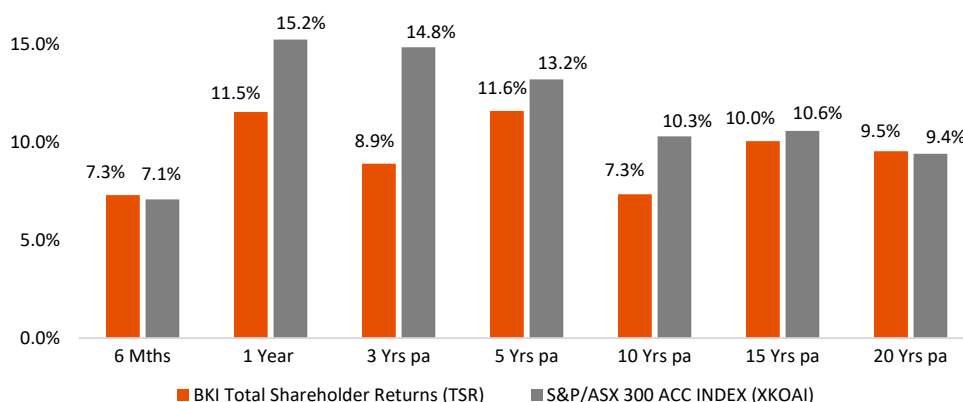


Above - BKI Net Portfolio Returns Including Franking Credits as at 30 June 2025.

Total Shareholder Return

BKI also delivered a strong Total Shareholder Return for the month of June 2025 to round out the year, returning 3.2%, outperforming the Index by 1.8%. For the 6 months to 30 June BKI's Total Shareholder Returns were 7.3% compared to the S&P/ASX300 Accumulation Index which returned 7.1% for the same period.

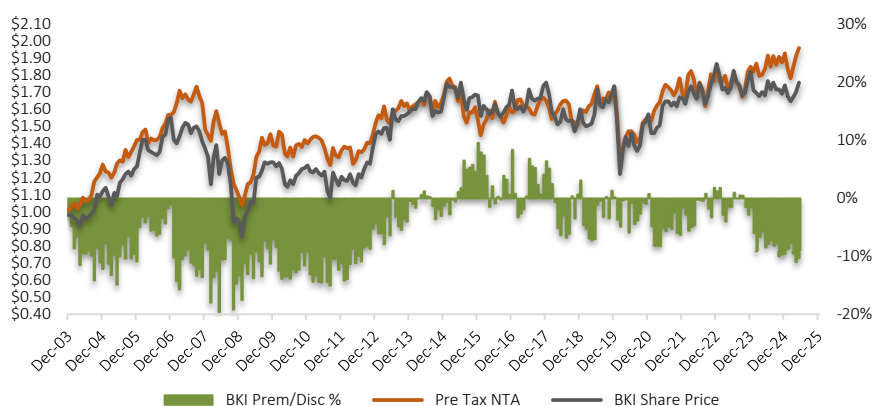
For the year to 30 June 2025, BKI's Total Shareholder Return was 11.5%.



Above - BKI Total Shareholder Returns (TSR) Including Franking Credits as at 30 June 2025.

Net Tangible Assets (NTA)

BKI's Pre-Tax Net Tangible Assets was \$1.96 as at 30 June 2025. BKI's share price was \$1.755 and represented a 10.3% discount to the Pre-Tax NTA.



Above – BKI's Premium/Discount since December 2003.

Portfolio Movements

Over the year, BKI invested a total of \$166 million into the market with \$154 million worth of sales. In the first half of FY2025 we invested \$113 million. The main investments were into existing holdings including National Australia Bank, Dalrymple Bay Infrastructure, Metcash Limited, Suncorp Group, Telstra Corp, Transurban Group, Woodside Group and Harvey Norman Holdings. BKI established a small position in Johns Lyng Group, a leading provider of building and restoration services across Australia.

BKI sold positions worth \$112 million over the first half of FY2025, including a reweighting of Macquarie Group, Commonwealth Bank, National Australia Bank and Wesfarmers Limited. We also reduced our position in Yancoal Australia as they halted their interim dividend for the six months ending 30 June 2024. BKI sold the position in Nine Entertainment Holdings.

In the second half of FY2025, we invested a further \$53 million, adding further to Dalrymple Bay Infrastructure, Telstra Corporation, Amcor PLC, IPH Limited and we bought back our position in Yancoal Australia. BKI sold our position in glass bottle and aluminium can manufacturer Orora with the proceeds being used to help fund the purchase of Amcor PLC.

As at the end of June 2025, there were 39 stocks within the BKI Portfolio, with the Top 25 holdings and cash accounting for 89.5% of the total Portfolio. The Investment Portfolio (including cash and cash equivalents) was valued at \$1.47 billion, with the cash and cash equivalents representing 6.8%.

Top 25 Investments

	Stock	% of Total
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 Limited	3.4%
10	Dalrymple Bay Infrastructure Limited	3.1%
11	New Hope Corporation	3.0%
12	Suncorp Group	2.4%
13	Woolworths Limited	2.4%

	Stock	% of Total
14	Amcor	2.2%
15	Woodside Energy Group Limited	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 and cash equivalents		7.4%
Total of Top 25 including cash and cash equivalents		89.5%

Outlook

As we navigate through the remainder of 2025, the global economic landscape remains dynamic, characterised by geopolitical complexities, trade tensions, ongoing conflicts and persistent uncertainties regarding inflation and interest rate trajectories. Despite these significant external headwinds the Australian market demonstrated both resilience and caution. The S&P/ASX 300's recent gains, even with a sharp intra-month decline in April 2025, underscore the robust yet volatile environment in which we operate.

In this context BKI continues to prioritise a disciplined investment strategy centered on diversification and yield. Our unwavering objective is to generate a growing stream of dividends for our shareholders, even amidst the prevailing global risks. We maintain a carefully constructed portfolio with a clear focus on long-term growth and sustainable income. Our confidence in allocating capital to developed markets, particularly Australian equities, reflects our belief in the stability and fundamental strength of this market.

BKI benefits from a highly stable Board, Investment Committee, Audit Committee and Investment Management team. This expertise is fully aligned with shareholder interests consistently striving towards the common goal of long-term value creation and the distribution of an increasing income stream to BKI shareholders through fully franked dividends. We are proud of our strong and proven track record. Our portfolio continues to comprise high-quality, dividend-paying stocks. Furthermore, with no debt, a very low operating cost structure and approximately \$110 million in cash or liquid current assets, BKI is once again well-positioned to capitalise on any market opportunities that may emerge in the year ahead.

For further information:

Contact Asset Management

Tom Millner – Portfolio Manager
0408 754 180

Will Culbert – Portfolio Manager
0410 627 378