

Cooper Investors Endowment Fund



QUARTERLY REPORT June 30, 2025

AFS LICENCE NUMBER 221794 ABN 26 100 409 890

Performance Summary

Net of fees/expenses & Gross of Franking Credits	3M	FYTD	1Y	3Y*	5Y*	10Y*	Inception*	FY2024	FY2023	FY2022	FY2021	FY2020
Cooper Investors Endowment Fund %	7.09	15.54	15.54	10.33	10.29	9.03	9.21	4.59	11.14	-0.32	21.87	-1.92
S&P/ASX 200 Accumulation Index, adjusted for franking credits %	9.66	15.06	15.06	15.08	13.30	10.36	9.93	13.55	16.66	-5.13	29.10	-6.56
Relative %	-2.57	0.48	0.48	-4.75	-3.01	-1.33	-0.72	-8.96	-5.52	4.81	-7.23	4.64

Past performance is not a reliable indicator of future performance

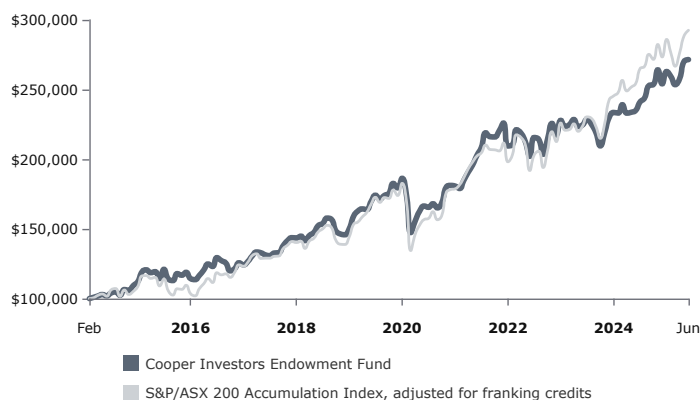
Inception Date: 3 March 2014

[Download Data](#)

Source: Internal CI data reports, June 30, 2025

*Annualised

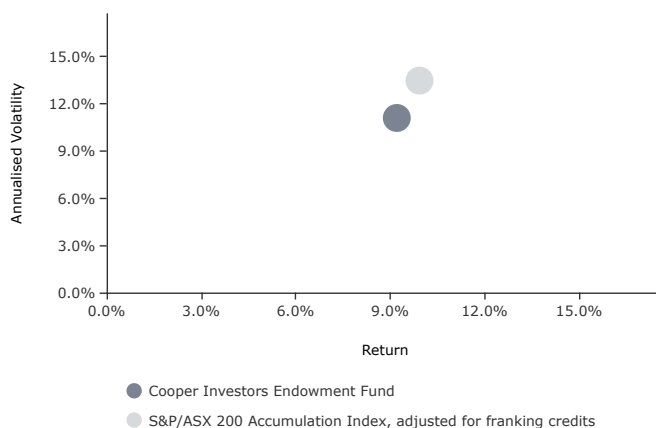
\$100K INVESTED SINCE INCEPTION (NET)



Past performance is not a reliable indicator of future performance

Source: Internal CI data reports, June 30, 2025

RISK/RETURN SINCE INCEPTION (PER ANNUM)



Quarterly Highlights

- The June quarter capped off a volatile but solid FY with the portfolio up 15.5% (net) ¹ for the year ending 30 June 2025 vs the ASX200 Accumulation Index (adjusted for franking credits) (up 15.1%).
- Key contributors to performance in the quarter included **National Australia Bank (NAB)**, **Channel Infrastructure (CHI)**, and **EVT Limited (EVT)**.
- Notable detractors for the quarter included our underweight position in **Commonwealth Bank (CBA)**, and active positions in **CSL Limited (CSL)**.

¹ Past performance is not a reliable indicator of future performance.

Portfolio Insights & Market Observations

June Quarter and FY25 Performance

US exceptionalism and momentum returned in the June quarter, with S&P500 up +10.57% (and +24.53% from its Liberation Day low on 8th April), as the market looked through ongoing macro concerns (tariffs, central bank signalling, and geopolitical/Middle East tensions). Domestic market performance followed this US lead during the June quarter, with S&P/ASX 200 Accumulation Index up 9.50%, and was driven by outperformance across the Information Technology (+28.38%), and Financials (+15.76%). Conversely, Materials declined by -0.65% reflecting weaker commodity prices, while sectors such as Utilities, Healthcare and Staples all lagged the broader index as investors rotated out of defensives in favour of more growth-oriented sectors.

During the Financial Year, our core Subset of Value positioning emphasised active exposure across Asset Plays, Turnarounds, and Cyclical. The Funds’ outperformance reflects our strategic focus on downside protection, including 1) lower downside participation; and 2) a lower maximum drawdown and downside volatility.

Outlook

Post financial year-end, focus turns to the upcoming August reporting season as corporate Australia provides a health check on underlying consumers and businesses alike. To-date, the market has received a number of cautious trading updates suggesting that despite a robust consumer which is buoyed by the likelihood of further rate cuts, sentiment towards expenditure remains subdued. We believe outlook commentary will be the primary market focus as management teams outline how they have (to-date) and will navigate any global supply distributions post the 90-day tariff pause expiry in early July and a rise in geopolitical tensions in the Middle East.

Whilst the market has looked through the initial tariff shock, Portfolio positioning remains aligned to the investment objective of reducing drawdown participation. During the financial year we have actively managed this risk through derivatives via 1) writing covered call positions; and 2) purchasing longer dated Index (ASX200) Puts. As the price of volatility has reduced, we have taken the opportunity to extend the duration of our Index Put buying, which provides a degree of downside protection over the balance of Calendar Year 2025. We will maintain our active approach to risk management during this volatile time for investors.

Stock In Focus

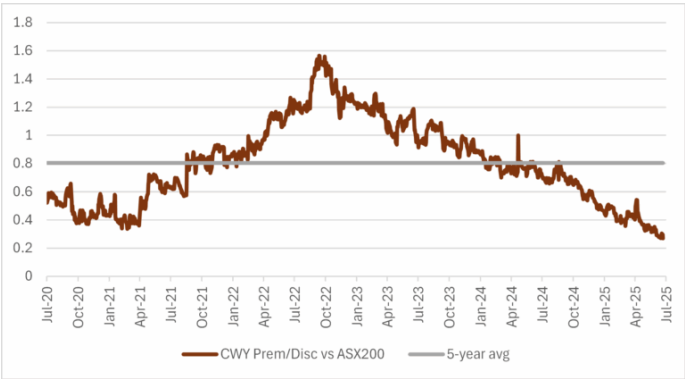
We remain focused on portfolio companies that provide natural hedges to the current market uncertainty, driven by identifiable Value Latency attributes and solid operating industry trends. One such example is **Cleanaway Waste Management (CWY)**; a company which highlights these attributes.

CWY operates in a structurally attractive industry, built on stable waste volumes correlated with GDP growth and the increased processing and recycling waste needs. CWY alongside the industry, benefits from supportive Federal and State government policies that are accelerating investment in circular waste infrastructure, including initiatives such as energy-from-waste, FOGO bins and container deposit schemes. With approximately 40% market share and ownership of post-collection assets, CWY is well-positioned to capitalize on these favourable regulatory developments.

Against a positive operating backdrop, CWY has outlined a credible path to achieve over \$450m in EBIT by FY26, a significant increase from ~\$302m in FY23. The earnings uplift (representing a potential circa +\$150m EBIT uplift) can be attributed to three key drivers including 1) restoring underperforming assets (e.g. New Chum landfill and health services); 2) enhancing operational efficiency through a branch-led model and route optimisation; and 3) deploying growth capital expenditures into accretive circular economy projects (such as landfill gas capture, PFAS processing, VIC CDS). We believe these initiatives will unlock multiple layers of Value Latency and support mid-teens earnings growth over the next three years.

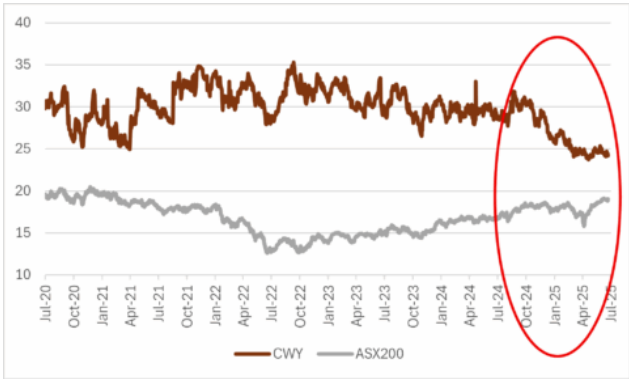
We believe that CWY’s current valuation does not fully reflect the latent value with CWY trading on a next-twelve-months (NTM) PE of 24x; a 53% discount to its 5-year average index relative premium of 80%.

Figure 1: CWY NTM PE Premium/Discount vs the ASX200



Source: FactSet consensus, Cooper Investors.

Figure 2: CWY NTM PE de-rate vs the ASX200 PE



Consistent with our key objectives for downside protection, we added to **Origin Energy (ORG)**, **Soul Pattinsons (SOL)** and **Channel Infrastructure (CHI)** during the period which display attractive VoF attributes (Asset Plays, Improving Operating Trends) in the current economic cycle.

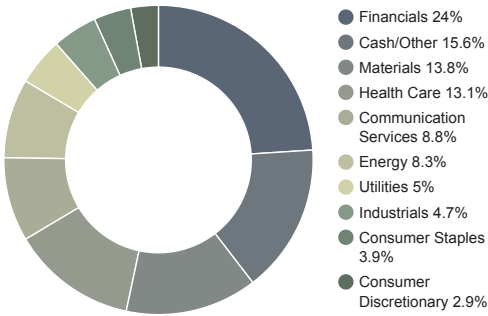
Portfolio Snapshot

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Source: Internal CI data reports, June 30, 2025

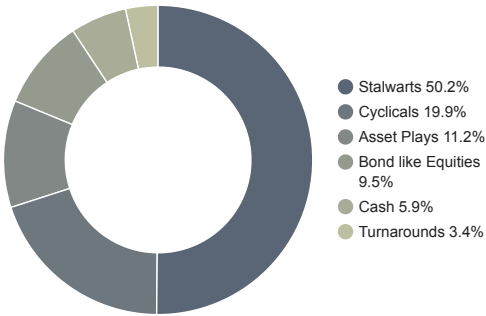
TOP 5 FUND HOLDINGS

NAME	REGION	SUBSET
BHP Group Ltd	Australia	Cyclicals
CSL Limited	Australia	Growth
National Australia Bank Limited	Australia	Stalwarts
Macquarie Group Ltd	Australia	Stalwarts
Westpac Banking Corporation	Australia	Stalwarts

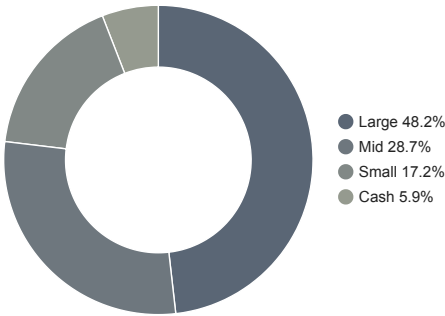
SECTOR EXPOSURE



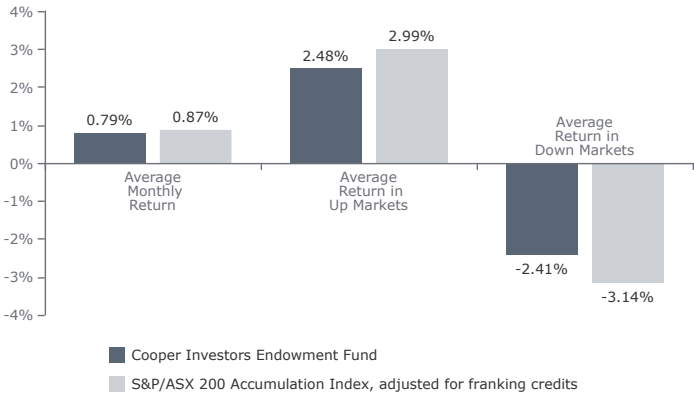
SUBSETS OF VALUE



MARKET CAPITALISATION



SINCE INCEPTION NET RETURNS IN UP/DOWN MARKETS



Further Information

Looking for further information regarding the Fund, please don't hesitate to get in touch:

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Financial product advice contained in this document

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