

Key investment events

- Positive activity continued across all CD Funds, with realisation events contributing to positive valuations uplifts across all Funds, resulting in strong CD Fund returns (CD1 to CD4) of 23.8%, 13.8%, 17.3% and 14.5% respectively, on a post-tax Net Tangible Asset (NTA) basis.
- Significant exits from CD1 and CD2. CD3 and CD4 realising investments ahead of the Manager's expectation. CD4 continues to find attractive investment opportunities.
- As at 30 September 2021 CD1 to CD4 have achieved returns of 2.35x, 2.19x, 1.81x and 1.48x on initial unitholder investment, respectively.

Fund update

The past twelve months has been highly productive for the private equity (PE) market, and our strategy of investing across a diverse range of small to middle market managers continues to deliver strong returns for unitholders. Again, this quarter we have seen exits that have resulted in very strong returns on investment, noting that year-to-date significant returns have been achieved across both service, as well as tech-related companies. Across the Series companies that bore the brunt of the pandemic shut-downs (e.g. food and beverage) continue to recover.

Many of the strong realisation events this quarter have been as a result of digital transformation, forced violently upon business operators as the COVID-19 pandemic swept the world and these companies grasped for greater efficiency and connectivity. One of the largest beneficiaries of this step change has been the providers of cloud computing, with many businesses choosing to adopt and migrate towards a more efficient cloud-based solution and, alongside those, the facilitators helping companies

make these changes, like A Cloud Guru. Similarly, companies that streamline business processes have grown rapidly over the past few years. Conexiom is an excellent example of this, with their SaaS (software as a service) solution offering manufacturing and distribution companies an efficient automated sales order, invoicing and payment system that eliminates the opportunity for human error. Note – not all Funds in the Series have/had exposure to these investments.

A Cloud Guru (CD3 and CD4) – Announced in July that it had entered into an agreement to be acquired by Pluralsight, Inc. for US\$2 billion. Interestingly, Pluralsight was until recently Nasdaq-listed, having been taken private by Vista Equity Partners. The Funds held their exposure to A Cloud Guru through investment in Elephant Partners Fund I, L.P (CD3) and Elephant Partners Fund II, L.P (CD4). Pleasingly, the transaction has resulted in a healthy return on investment for both the underlying LP and the Fund. We note that the Elephant Partners funds were involved in the highly successful listing of Knowbe4 last quarter.

Founded in Melbourne in 2015, A Cloud Guru, is a leading provider in online cloud computing training and talent development. Multiple successful funding rounds allowed the company to accelerate hiring across the globe, expand its content library with specialised courses and continue to build out features to help enterprises drive cloud adoption. Acquisitive on its path to expansion, A Cloud Guru was a successful growth equity investment, which has now been acquired by a complimentary cloud computing technical educator.

Conexiom (CD3) – Announced a US\$130 million investment from Warburg Pincus, a leading global growth investor, who has invested alongside existing investors, including Luminate Capital Partners, L.P. As noted above, the Conexiom SaaS platform delivers automation outcomes across order management and procurement processes, for both smaller regional and global manufacturers and distributors.

Luminate first invested into Conexiom in 2018, and since then the company has experienced substantial growth. It is not uncommon in the growth equity playbook for lower-to-middle market PE funds with successful investments to bring in larger middle-upper market PE funds to support the next leg of growth and provide a liquidity event for early investors. In the case of Conexiom and A Cloud Guru both companies have growth trajectories and scale to make them attractive investments for two of the larger global PE firms.

Market commentary

Global equity returns were somewhat muted in the September quarter (Q3), declining in US dollar (USD) terms by 1.1%. Positive momentum from the prior quarter extended into Q3, a reflection of improving economic conditions across major developed geographies, however, concerns around moderating economic growth due to the spread of the Delta variant, supply disruptions and the prospect of rising inflation resulted in a broad-based sell off in September. In the US, large-cap equities ended the quarter marginally higher, up 0.6% in USD terms with strong results from the June reporting season supporting equities during July and August (+5.5%) only to retrace this path in September. Small-cap equities took a breather, down 4.4% in USD terms, following an extremely strong run (up 94% in the past 12 months).

Supply-side constraints (freight delays and production at capacity), inflationary pressures in the labour market and rising energy costs, which all lead to a possibility that inflation will not be as “transitory” as expected. The US Federal Reserve (**Fed**) announced that it will soon begin to taper asset purchases which are set to complete around the middle of 2022. Treasury yields also rose as data revealed half of the Federal Open Market Committee (**FOMC**) members now expect rates to rise in 2022, driving US 10-year yields above 1.5% towards the end of the quarter. Despite this, equity markets remain close to record highs, interest rates remain at low levels and liquidity in capital markets remains high. Global M&A (mergers and acquisitions) hit record highs in Q3 and following a strong capital raising runway PE firms, who have trillions of US dollars to invest are participating at an increasing deal size and rate. Again, we reiterate that this current market dynamic is highly supportive for the lower-middle market, where the CD Funds have targeted investment, and has driven returns to date above our expectations.

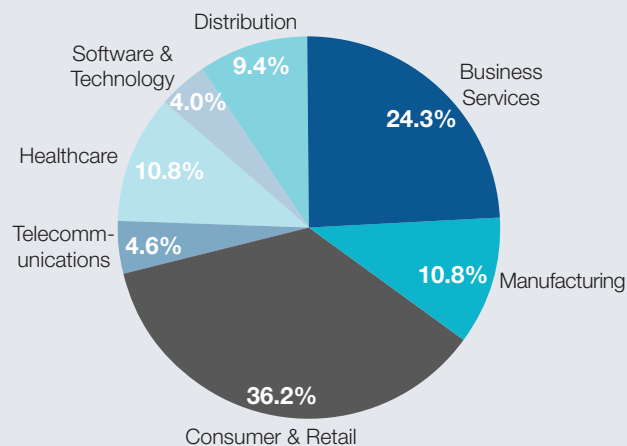
Recent meetings with underlying managers have been universally positive, and momentum from the second half of 2020 continued into 2021. After fees and taxes, Q3 returns for CD1, CD2, CD3 and CD4 were 23.8%, 13.8%, 17.3% and 14.5% respectively. We note that foreign exchange movements were positive for unitholders, with the Australian dollar falling 3.6% during the quarter. CD1 has now returned 1.38x initial investment to unitholders, CD2 has returned 0.86x and CD3 has returned 0.24x; inclusive of the 30 September 2021 NTA for each, these Funds have achieved, to date, a return of 2.35x, 2.19x and 1.81x on initial unitholder investment (CD4 multiple: 1.48x).

Regards
CD Private Equity Team

KEY FUND DETAILS	FUND 1	FUND 2	FUND 3	FUND 4
ASX ticker	CD1	CD2	CD3	n/a
Inception	August 2012	April 2013	July 2016	April 2018
Pre-tax NTA	\$1.59 ¹	\$2.27 ¹	\$2.60 ¹	\$2.02 ¹
Post-tax NTA	\$1.56 ¹	\$2.14 ¹	\$2.51 ¹	\$1.90 ¹
Net Assets	\$61.4 million	\$124.5 million	\$187.5 million	\$238.3 million
Number of managers	8	12	13	12
Total underlying investments (since inception)	96	122	131	101
Investments during the quarter	0	0	0	6
Full realisations	55	60	31	8
Realisations during the quarter	2	3	8	1
Current portfolio companies	41	62	100	93
Average age of remaining companies	5.7 years	4.8 years	3.1 years	2.1 years

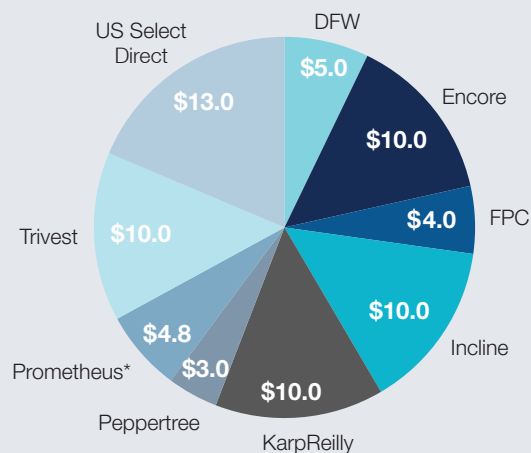
¹ Source: E&P Investments Limited. Historical performance is not a guarantee of the future performance of the Funds. The current NTAs per unit (shown above) are as at 30 September 2021. Note: Underlying investment figures are collected on a lagged basis and may not reflect actual exposures at period end.

CD1 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$69.8m)



Note: The Fund has an 85.5% interest in the LP. Cordish Private Ventures and US Select Private Opportunities Fund GP LLC contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding. *The LP received a final distribution from Prometheus Partners IV, L.P. on 30 September 2016 and has no remaining capital with this fund.

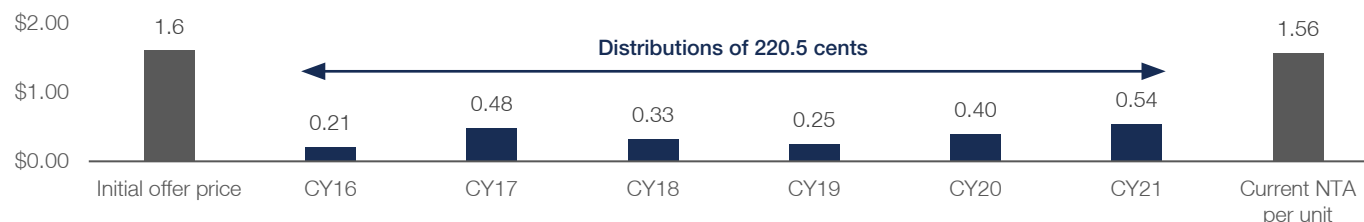
CD1 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	23.8%	23.1%	53.8%	23.1%	19.0%	14.8%

Notes: ¹ Source: E&P Investments Limited. Historical performance is not a guarantee of the future performance of the Fund. ² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date August 2012.

On an NTA/Internal Rate of Return (IRR) basis CD1 has achieved a return of 12.8% per annum since inception.

CD1 unit value and income



Note: The unit price of CD1 was \$1.33 as at 30 September 2021. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

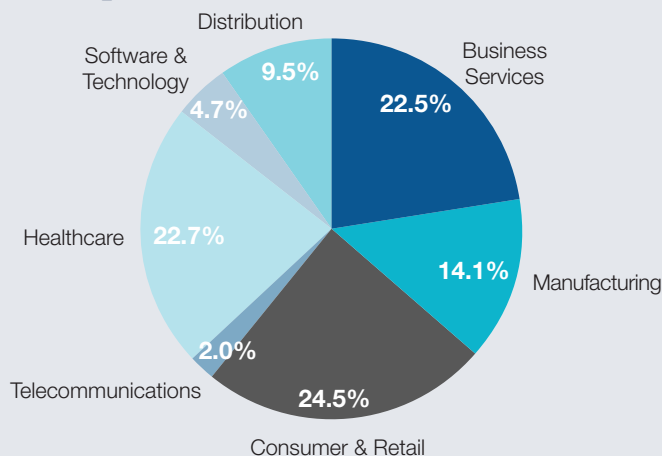
Underlying fund activity

FPC Small Cap Fund I, L.P. (Fort Point) sold Polyphase Elevator Holding Company (3Phase Elevator) resulting in a distribution to the LP of US\$4.5 million. Fort Point also called capital from the LP to fund Sullivan's Inc's add-on acquisition of Woodstock Chimes.

Incline Equity Partners III, L.P. sold P.T. International Corp (PTI, trading as Solve Industrial Motion Group) and received escrow payments related to prior the sale of AFC Holding Company (AFC) resulting in a net distribution to the LP of US\$2.6 million.

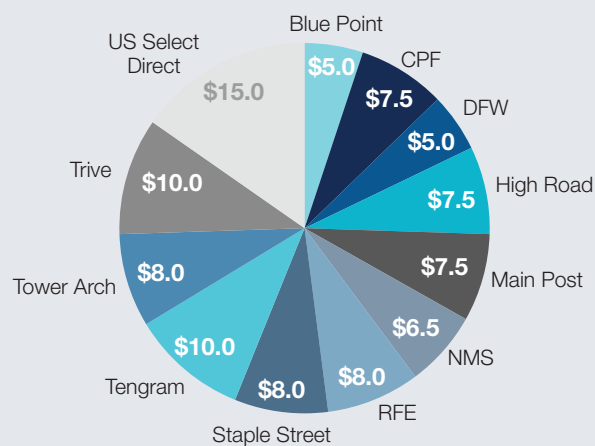
The LP also received a small distribution (net US\$0.2 million) relating to the final cash settlement of a prior sale.

CD2 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$98.0m)



Note: The Fund has an 87.3% interest in the LP. Cordish Private Ventures and US Select Private Opportunities Fund II GP LLC contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding.

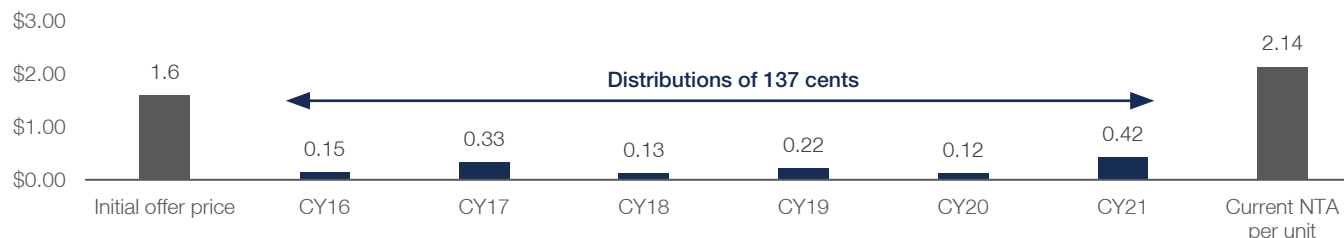
CD2 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	13.8%	13.3%	24.4%	13.7%	14.0%	12.4%

Notes: ¹ Source: E&P Investments Limited. Historical performance is not a guarantee of the future performance of the Fund. ² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date April 2013.

On an NTA/Internal Rate of Return (IRR) basis CD2 has achieved a return of 11.9% per annum since inception.

CD2 unit value and income



Note: The unit price of CD2 was \$1.66 as at 30 September 2021. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

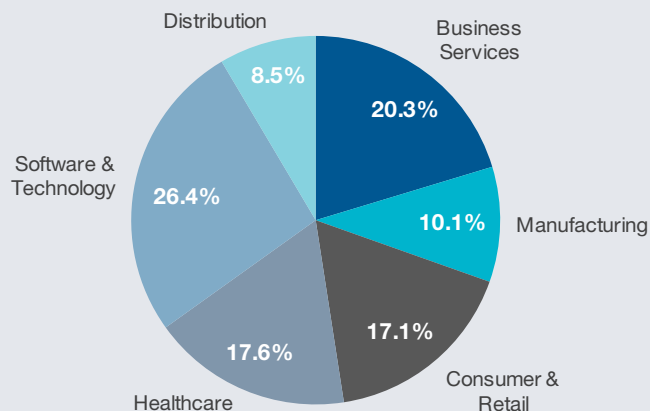
Underlying fund activity

Blue Point Capital Partners III, L.P. sold Perimeter Brands, LLC (Perimeter Brands) resulting in a distribution to the LP of US\$1.1 million.

NMS Fund II, L.P. portfolio company Avaap sold its Infor business unit to NYSE listed ASGN Incorporated, resulting in a distribution of US\$0.5 million to the LP.

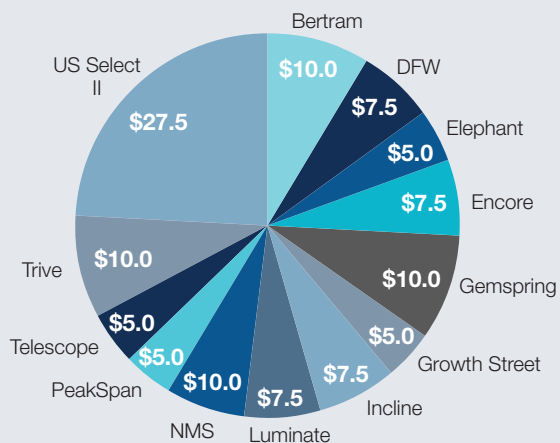
The LP also received distributions from three other managers related to the sale of investments, including escrowed funds from prior sale resulting in a net distribution of US\$1.7 million.

CD3 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$117.5m)



Notes: The Fund has an 71.2% interest in the LP. Cordish Private Ventures, US Select Private Opportunities Fund III GP LLC and its partner contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding.

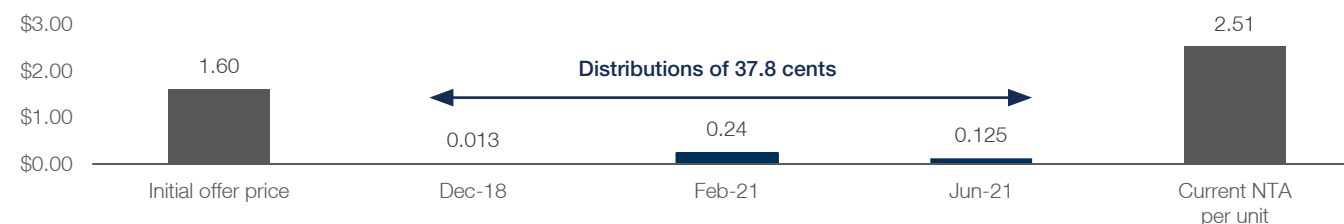
CD3 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	2 YEAR PA	3 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	17.3%	23.6%	53.2%	24.3%	15.4%	14.1%

Notes: ¹ Source: E&P Investments Limited. Historical performance is not a guarantee of the future performance of the Fund. ² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date July 2016.

On an NTA/Internal Rate of Return (IRR) basis CD3 has achieved a return of 12.8% per annum since inception.

CD3 unit value and income



Note: The unit price of CD3 was \$1.88 as at 30 September 2021. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

Underlying fund activity

PeakSpan Capital Fund I, L.P. sold several investments, including MindTouch and Kenna Security resulting in a distribution to the LP of US\$2.6 million.

Elephant Partners Fund I, L.P. realised several investments, including the partial realisation of Knowbe4 resulting in a distribution to the LP of US\$1.4 million.

Bertram Growth Capital III, L.P. completed the sale of Registrar and the recapitalisation of another portfolio company, resulting in distributions totaling US\$4.5 million.

Luminate Capital Partners, L.P. sold two portfolio investments, including AutoQuotes and following the recapitalisation of a third investment paid distributions to the LP totaling US\$7.7 million.

The recapitalisation of an underlying investment from another underlying manager resulted in a distribution to the LP of US\$0.8 million.

Incline Equity Partners IV, L.P. called capital to fund the acquisition of Starwest Botanicals, LLC (Starwest). Starwest is a value-added distributor of high-quality organic botanicals, herbs and spices to specialty retailers, manufacturers and e-commerce sellers.

Encore Consumer Capital Fund III, L.P. called capital for capital management initiatives and to fund follow-on/add-on investments for existing portfolio companies.

Gemspring Capital Fund I, L.P. called capital for investment into existing portfolio companies.

CD Private Equity Fund Series

The CD Private Equity Fund Series, including CD Private Equity Fund I (**CD1**), CD Private Equity Fund II (**CD2**), CD Private Equity Fund III (**CD3**), and CD Private Equity Fund IV (**CD4**) (together, Funds or Fund Series), is a series of private equity funds focused on US small-cap private equity funds and direct company investments. The Fund Series investments are selected by a joint venture between the private investment arm of the Cordish Companies of Baltimore, Maryland, and E&P Funds with underlying investments managed by experienced private equity fund managers.

This venture is anchored in the belief that smaller and nimbler private equity funds materially outperform larger private equity funds. The Fund Series was formed to provide investors with a platform to invest in a portfolio of high quality small to mid-market private equity funds and companies – a strategy that is typically beyond the reach of all but the largest endowment funds and family offices.

The Fund Series also provides investors with the opportunity to benefit from the Cordish Family Office's experience and network in investing in specialist small to mid-market private equity funds and direct equity investments in the US, as well as to invest side-by-side and on equal terms with the Cordish family in these compelling opportunities.

Investment objectives

The General Partner and Investment Manager will seek to meet each Fund's aim of providing Unitholders with exposure to a portfolio of investments in small and mid-market private investment funds and privately held companies predominantly focused in the US; and capital growth over a five to ten-year investment horizon.

CD Private Equity team



Jonathan Cordish

Chairman
Advisory Board



Jonathan Sinex

Managing Director
Cordish Private Ventures

Important information

This Quarterly Update (**Update**) has been prepared by E&P Investments Limited as Responsible Entity (ACN 152 367 649, AFSL 410 433) of the CD Private Equity Fund Series (**Funds or Fund Series**) which includes CD Private Equity Fund I (ARSN 158 625 284) (**CD1**), CD Private Equity Fund II (ARSN 162 057 089) (**CD2**), CD Private Equity Fund III (ARSN 612 132 813) (**CD3**), and CD Private Equity Fund IV (ARSN 624 474 531) (**CD4**). **Investment Manager** for CD1 is E&P Asset Management US Inc; and CD2 is US Select Private Opportunities Fund II, GP; and CD3 is US Select Private Opportunities Fund III, GP; and CD4 is US Select Private Opportunities Fund IV, GP. An investment in any of the Funds is subject to various risks, many of which are beyond the control of the Investment Manager and the Funds. The past performance of the Funds is not a guarantee of the future performance of the Funds. This Update may contain statements, opinions, projections, forecasts and other material (**forward looking statements**), based on various assumptions. Those assumptions may or may not prove to be correct. The Responsible Entity and its advisers (including all of their respective directors, consultants and/or employees, related bodies corporate and the directors, shareholders, managers, employees or agents of them) (Parties) do not make any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and the Parties assume no obligation to update that information. This Update may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs, and consider obtaining advice from a financial advisor. You should obtain a copy of the relevant PDS or offer document before making any decisions to purchase a product. All performance figures, unit prices and distributions are in Australian Dollars, unless otherwise stated.

About E&P Funds

E&P Funds is a multibillion-dollar global funds management firm founded in 2007, with assets under management across global equities, residential and commercial property, private equity, fixed income, and sustainable and social investments.

It provides access to unique investment strategies not readily accessible to investors and focuses on building high quality, diversified portfolios.

E&P Investments Limited is the Responsible Entity of the Funds and is a wholly-owned subsidiary of E&P Financial Group Limited (EP1.ASX).

Risks

Like all investments, an investment in any of the Funds carries risks which may result in the loss of income or principal invested. In addition to the general risks of investing, specific risks associated with investing in the Funds include, but are not limited to, private investments risk, illiquidity risk and foreign exchange risk. For further information about the risks of investing in any of the Funds, please see the relevant Product Disclosure Statements available on the website cdfunds.com.au.

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