

2025 Q1

QUARTERLY UPDATE

CD4

RELEASE DATE: 7 MAY 2025



The first quarter of 2025 began with renewed enthusiasm for dealmaking across US private equity (PE) markets, with ample credit available, the valuation gap between buyers and sellers beginning to close, as well as the burgeoning secondary market (which included continuation vehicles). Markets had originally anticipated a pro-business administration, though there was low-level caution reflected in sentiment indicators (CNBC's CFO Council survey shows that [60% of CFO's](#) expect a recession in the second half of 2025).

During the quarter, PE markets largely moved sideways with Managers continuing to demonstrate their ability to adapt and wait for more favourable conditions, or where possible, to take advantage of strategic opportunities. Fortunately, we're no strangers to market volatility and macroeconomic challenges - evidenced just years ago throughout the pandemic - and it is the Manager's opinion that talented partners (like ours) tend to excel in these periods of dislocation. Over-leveraged companies will struggle in these periods, with a lack of liquid assets to weather the storm, whereas PE-backed companies have the capital to assist and the expertise to execute. As it relates to the CD Fund Series, our underlying managers will work to implement company specific changes as required to offset any cost increases or supply chain disruptions, strategically adjusting and renegotiating vendor contracts, finding alternative non-tariff suppliers and monitoring balance sheet or financing concerns. Of course, the full effects of tariffs remain to be seen, though at this stage exposure across the CD Fund Series portfolios is anticipated to be relatively minimal. As always, we will keep Investors apprised.

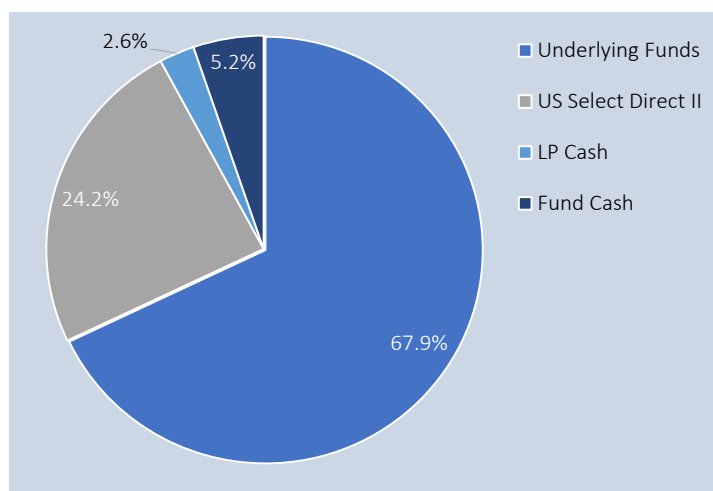
FUND 4: QUARTERLY UPDATE & PORTFOLIO COMPOSITION^{1,5,6,7}

Inception Date	April 2018
CD4 Called Capital per Unit	\$1.60 per Unit
CD4 Distributions Paid Since Inception ⁹	\$0.715 per Unit
CD4 31 March 2025 NTA (post-tax)	\$2.16 per Unit
Q1 2025 Portfolio Realisations	1

CD4 Interest in LP4	88.37%
Total Underlying Funds (since inception)	12
Total Underlying Portfolio Companies (since inception)	145
Total Portfolio Company Realisations	33
Median Gross MOIC on Realisations	2.90x
Remaining Portfolio Companies (<i>see below</i>)	102
Hold Period of Remaining Active Investments	3.7 years

Fund Cash Balance	A\$14.28m
Fund's Interest in LP Cash Balance	US\$4.47m
Fund's Interest in Underlying Funds	US\$115.80m
Fund's Interest in US Select Direct 2 (USD2)	US\$41.25m

CD4 31 MARCH 2025: KEY STATISTICS ^{1,2}		
NTA per unit	Gross assets	Quarterly NTA Return
\$2.16	A\$262.2 million	2.4%



As at 31 March 2025, the Fund had 112 portfolio companies, with 10 of those deemed inactive and unlikely to have significant value extracted.

Of the remaining 102 portfolio companies, it is considered that 83 of these are active earners, and 19 have been impaired from their cost base in prior periods. Though these 19 have been impaired, they do still continue to hold value in the portfolio and continue to be reflected as active portfolio companies.

LP4 QUARTERLY CAPITAL CALLS & DISTRIBUTIONS¹

	MONTH	AMOUNT*	FUND	PRIMARY REASON
Capital Call	January	-US\$0.16m	Wavecrest Growth Partner	Follow-on investment: Impel Management fees & partnership expenses
Capital Call	March	-US\$0.11m	Tower Arch Partners	Follow-on investment: TAC Syracuse Holdings Management fees & partnership expenses

Note: This table does not account for all cash flow movements of the LP during the quarter.

*Amount of distributions may include simultaneous capital calls for minor follow-on investments, tax withholdings or payments, management fees & partnership expenses and/or carried interest payments.

LP4 UNDERLYING PORTFOLIO^{1,5,6,7}

	TOTAL COMPANIES	TOTAL REALISATIONS	MEDIAN MOIC (REALISATIONS)	ACTIVE PORTFOLIO COMPANIES	AVERAGE HOLD PERIOD ON ACTIVE COMPANIES	UNDERLYING FUND VALUE (\$USD millions)	QUARTERLY MOVEMENT (EXCLUDING REALISATIONS)
Fund 1	4	2	1.0x	2	5.2 years	\$9.53m	-
Fund 2	6	3	3.3x	2	3.8 years	\$12.91m	+6.4%
Fund 3	9	4	2.8x	5	4.8 years	\$17.32m	+7.9%
Fund 4	6	1	5.0x	4	6.1 years	\$14.42m	-
Fund 5	10	3	8.5x	7	2.4 years	\$11.38m	+8.5%
Fund 6	10	3	0.0x	7	4.0 years	\$15.91m	-
Fund 7	10	6	2.8x	4	4.3 years	\$2.30m	+3.7%
Fund 8	34	1	-	27	2.4 years	\$3.68m	+14.5%
Fund 9	9	0	-	9	3.6 years	\$11.76m	-
Fund 10	12	4	3.6x	8	3.9 years	\$6.07m	-
Fund 11	10	1	2.4x	9	4.7 years	\$25.75m	+6.8%
Fund 12	25	5	2.0x	18	4.3 years	\$46.68m	+5.4%
Total	145	33	2.9x	102	3.7 years	\$177.72m	+4.4%

Note: Remaining value is at the LP level. LP cash as at 31 March 2025 (US\$5.06 million) is excluded from the above.

Fund 8 has added seven portfolio companies to their count, alongside [one realisation](#) with details outstanding from the underlying Manager. We understand that this did not have any cash-flow impact.

LP4 TOP 10 PORTFOLIO COMPANIES^{1,7}



<p>Industry Business/Productivity Software</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP4 8.8%</p>	<p>Industry Internet Retail</p> <p>Employee Count 200-300</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP4 7.4%</p>	<p>Industry Health & Beauty</p> <p>Employee Count 500-1,000</p> <p>Initial Investment Date 2020</p> <p>Representative Value of LP4 6.0%</p>	<p>Industry Marine</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2021</p> <p>Representative Value of LP4 5.2%</p>
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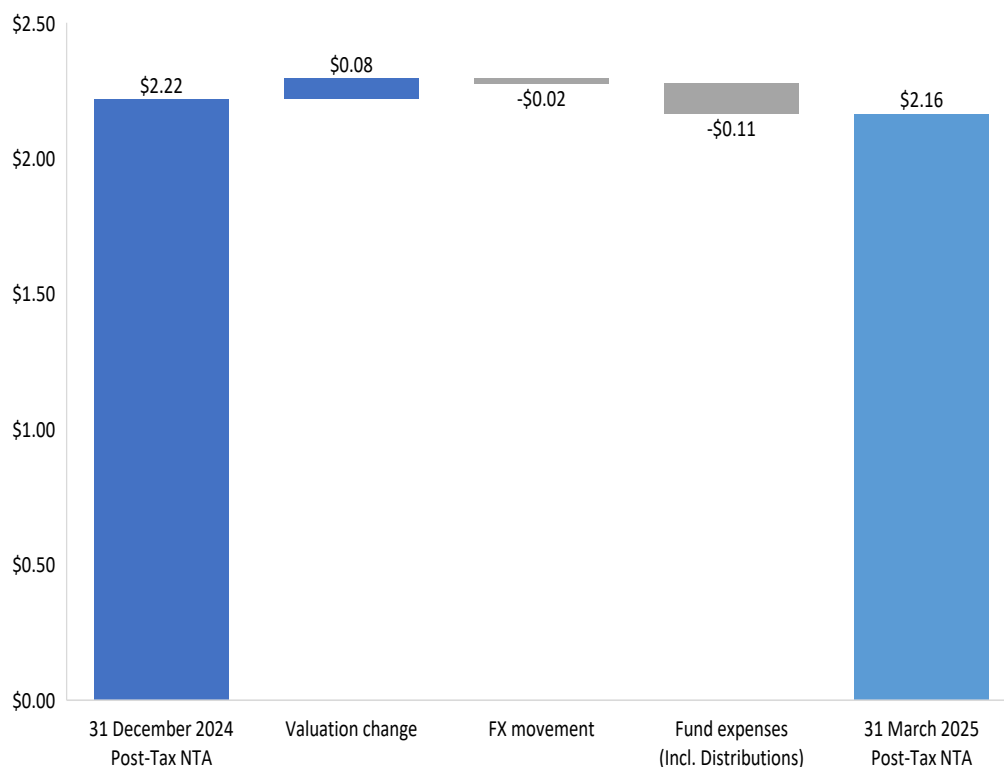


<p>Industry Business/Productivity Software</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP4 4.2%</p>	<p>Industry Brand Management Services</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2020</p> <p>Representative Value of LP4 3.6%</p>	<p>Industry Business/Productivity Software</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP4 3.0%</p>	<p>Industry Entertainment Software</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP4 2.8%</p>
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<p>Industry Fitness Equipment Manufacturing</p> <p>Employee Count 1,500+</p> <p>Initial Investment Date 2020</p> <p>Representative Value of LP4 2.7%</p>	<p>Industry Financial Software</p> <p>Employee Count 500-1,000</p> <p>Initial Investment Date 2020</p> <p>Representative Value of LP4 2.3%</p>
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CD4 QUARTERLY NTA MOVEMENT (PER UNIT)¹



CD4 DISTRIBUTION HISTORY (PER UNIT)^{1, 2}

	Distributions Declared	Cumulative Distributions	NTA as of 31 March	DPI	TVPI
2022	\$0.160	\$0.160	\$2.18	0.10x	1.46x
2023	\$0.225	\$0.385	\$2.41	0.24x	1.75x
2024	\$0.220	\$0.605	\$2.07	0.38x	1.67x
2025	\$0.110	\$0.715	\$2.16	0.45x	1.80x

CD4 PERFORMANCE SUMMARY^{1, 2, 3, 4}

	3 MONTHS	6 MONTHS	12 MONTHS	3 YEARS	5 YEARS	SINCE INCEPTION	IRR
NTA RETURN	2.4 %	17.2%	11.5%	10.8% p.a.	16.5% p.a.	14.8% p.a.	13.3% p.a.

The Fund's NTA return is net of fees (including initial issuer or product fees) and is inclusive of distributions paid. Movement from 31 December 2024 includes payment of a \$0.11 per unit distribution in February 2025, as well as the adoption of positive valuation movements following the receipt of the underlying fund valuations. This can be seen in the NTA quarterly waterfall graph above.

Historical performance is not a guarantee of the future performance of the Fund.

GLOSSARY AND NOTES

Source: E&P Investments Limited (for data before 4 July 2023) and K2 Asset Management Ltd (for data after 4 July 2023).

All figures are in AUD unless otherwise noted. Figures throughout the document may not sum due to rounding. AUD:USD 31 March 2025 spot rate of 0.6247 used.

1. Data is unaudited and is as at 31 March 2025. The Fund is in the process of finalising its 31 March 2025 full-year financial report, with release expected by the end of May 2025. Accordingly, this quarterly report is unaudited and does not take into account any adjustments that may come as a result of this process.
2. NTA and total returns are inclusive of distributions and are based on post tax NTA, net of fees and costs.
3. Inception date of CD4 was April 2018.
4. CD4 total capital called per unit was \$1.60 per Unit, with the Fund calling the final instalment in June 2022.
5. MOIC returns are as at 31 March 2025 and represent all underlying portfolio company sales since inception. MOIC returns are net of all underlying fees and expenses of the individual fund managers, but before fees and expenses of the LP and the Australian Unit Trust. MOIC returns are based on US dollar denominated investments and include US Select Direct II (USD2).
6. Age of portfolio companies refers to the average duration of time that the LP has been invested in the remaining underlying portfolio companies.
7. LP investments values are based on the 31 December 2024 valuations provided by the underlying GP's before 31 March 2025. The valuations have also been adjusted for capital calls, distributions and foreign exchange movements over the period, where required.

DEFINED TERMS

Portfolio Company:	A company that is an investment of the LP.
MOIC:	Multiple on Invested Capital. MOIC is calculated by dividing the fund's cumulative distributions and residual value by the paid-in capital.
IRR:	Internal Rate of Return. Performance of the fund(s) by taking into account the size and timing of its cash flows (capital calls and distributions) and the Fund's net asset value at the time of the calculation.
DPI:	Distribution to Paid-in Capital (total distributions divided by original investment).
TVPI:	Total Value to Paid-in Capital. (total distributions + current NTA divided by original investment).
M&A:	Mergers & Acquisitions. Transactions in which the ownership of companies or their operating units – including all associated assets and liabilities – is transferred to another entity.
VINTAGE:	The year in which a private equity fund makes its first investment in the portfolio company.

INVESTMENT OBJECTIVES

The CD Private Equity Fund Series, including CD Private Equity Fund I (ASX: CD1), CD Private Equity Fund II (ASX: CD2), CD Private Equity Fund III (ASX: 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.

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 the medium to long term.

CORDISH EQUITY PARTNERS TEAM



Jonathan Cordish
President
Cordish Equity Partners



Jonathan Sinex
Managing Director
Cordish Equity Partners

RESPONSIBLE ENTITY



K2 Asset Management Ltd (K2) is the Responsible Entity of the Funds. K2 is a listed Australian diversified financial services firm with three core pillars:

- Responsible Entity (RE) and Trustee Services
- Exchange Traded Funds (ETFs); and
- Funds Management.

Established in 1999, K2 is the main operating subsidiary of K2 Asset Management Holdings Ltd which is listed on the Australian Securities Exchange (ASX Code: KAM).

HISTORICAL PERFORMANCE IS NOT A GUARANTEE OF THE FUTURE PERFORMANCE OF THE FUNDS.

DISCLOSURES

This Quarterly Update (Update) has been prepared and is authorised for release by K2 Asset Management Ltd (K2) as Responsible Entity (ACN 085 445 094, AFSL 244 393) 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). K2 and the Manager have taken reasonable care to ensure that the information contained in this document is accurate at the date of publication. However, no warranty or guarantee (express or implied) is given by either party as to the accuracy of the information in this document, and to the extent permitted by applicable law, K2 and the Manager specifically disclaim any liability for errors, inaccuracies or omissions in this document and for any loss or damage resulting from its use.

The general partner of each of the Limited Partnerships (LPs) in the series has engaged either E&P Funds Management Pty Limited (ACN 159 902 708)(LP1) ("E&P FM") or the Investment Manager (LPs II, III, IV) to act as investment manager and/or investment advisor for each respective underlying LP. 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. 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.