CD PRIVATE EQUITY FUND IV

K2 Asset Management

RESPONSIBLE ENTITY
K2 ASSET MANAGEMENT LTD
(ACN 085 445 094)
(AFSL 244 393)

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
31 MARCH 2025

ARSN 624 474 531

CD
PRIVATE
EQUITY
FUND IV

DIRECTORY

CD PRIVATE EQUITY FUND IV

(ARSN 624 474 531)

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DIRECTORS

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SECRETARY

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CD
PRIVATE
EQUITY
FUND IV

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REPORT TO UNITHOLDERS
FOR THE YEAR ENDED 31 MARCH 2025

Dear Unitholders,

We are pleased to present the full-year report for the CD Private Equityy Fund IV (**CD4** or **Fund**), for the year ended 31 March 2025 (**FY25**).

FINANCIAL PERFORMANCE

During the year ended 31 March 2025, the U.S. private equity (**PE**) market demonstrated a strong rebound in deal value and strategic investment activity, despite a modest decline in overall deal volume. Investor appetite returned with a clear focus on high-quality transactions—particularly in resilient sectors like technology and healthcare. Megadeals and public-to-private transactions surged, supported by robust deployment from major sponsors. Exit conditions also improved in early 2025, reflecting increased seller flexibility and stronger pricing. However, fundraising remained a challenge, with limited partners (**LPs**) remaining cautious and fund closures in the US declining for the third consecutive year.

Geopolitical uncertainty, particularly the imposition of widespread tariffs in early 2025, introduced significant headwinds. While the impact has seemed less severe than expected as we begin FY26, these developments certainly stalled some exit plans and increased uncertainty across all markets. While these challenges always have the potential to temper short-term outlooks, PE Managers continued to demonstrate their ability to adapt and wait for more favourable conditions, or where possible, to take advantage of strategic opportunities.

FY25 RESULTS

For the year ended 31 March 2025, the Fund generated a total return of 10.4% on a post-tax net tangible asset (**NTA**) basis, resulting in net profit of $24.42 million or 20.71 cents per Unit, compared to $0.64 million or 0.55 cents per Unit for the previous financial year (**FY24**). The key components of the FY25 result included a $24.42 million fair value movement gain on the Fund's investment in the LP, which included an unrealised foreign currency translation gain of $10.55 million, as well as positive asset valuation movements on the underlying portfolio of $13.87 million.

During the year, the Fund paid distributions of $16.46 million, or $0.14 per Unit, to Unitholders, following the receipt of proceeds from the successful realisations of six underlying portfolio companies (more information on the following page). Following these distributions being paid (which reduces the Fund's net assets), the Fund ended FY25 with pre-tax net assets of $258.78 million (equivalent to $2.19 per Unit) and post-tax net assets of $252.39 million (equivalent to $2.14 per Unit).

On a longer-term basis, inclusive of these distributions and net of all fees, the Fund has generated a post-tax annual return of 14.7% p.a. since inception, generated an Internal Rate of Return (**IRR**) of 13.1% p.a., and the Total Value to Paid-In (**TVPI**) multiple is 1.78 times[1].

[1] The TVPI is calculated as the total distributions to Unitholders since inception plus the current net tangible asset value, divided by the original unitholder investment of $1.60 per Unit.

FUND ACTIVITY & CAPITAL MANAGEMENT

The turbulence in the first quarter of 2025 appeared to take most equity markets by surprise, however fortunately for PE investors, deals that were underway continued to be executed, new transactions negotiated, and the valuation gap between buyers and sellers continued to narrow. During FY25, the LP (which the Fund has an 88.4% interest in), received notice of seven underlying portfolio company sales, as outlined below. More detail regarding the successful realisations can be found on page 6, with the resulting cash flow movements outlined in the tables below. As a reminder, distributions from the Fund will continue to be primarily funded through the realisation of underlying portfolio companies.

REALISATIONS			
Company name	Manager	Date	Cash flow impact to LP at exit
Shorecal Limited	US Select Direct II (**USD2**)	Apr-24	US$0.85 million^
Searchlight Cyber	Astra Capital	Apr-24	US$0.64 million
Total PowerGen Solutions	Trivest	Jul-24	US$2.45 million
ASP Global	Incline Equity	Aug-24	US$2.08 million
Front Row	Trivest	Aug-24	US$1.98 million
Allbirds	Elephant II	Oct-24	N/A
BCC Engineering	Trivest	Nov-24	US$1.73 million

^There was no direct cash flow impact to the LP at this time; however, on a look-through basis, as the LP is a 54.1% owner in USD2 it has been included for completeness.

In addition to the realisation of the underlying assets within the portfolio, several companies were deemed to require additional capital for add-on acquisitions, working capital or additional cash-flow runway.

<table>
<tr><th colspan="4">INVESTMENT ACTIVITY</th></tr>
<tr><th>Company name</th><th>Manager</th><th>Date</th><th>Cash flow impact to LP</th></tr>
<tr><td>Amplio Learning Technologies</td><td>Quad Partners</td><td>Jun-24</td><td>US$0.04 million</td></tr>
<tr><td>Accelerate Learning</td><td>Quad Partners</td><td>Jun-24</td><td>US$0.01 million</td></tr>
<tr><td>Login VSI</td><td>Wavecrest</td><td>Jun-24</td><td rowspan="2">US$0.06 million</td></tr>
<tr><td>MikMak</td><td>Wavecrest</td><td>Jun-24</td></tr>
<tr><td>TD&I Cable</td><td>Tower Arch</td><td>Jun-24</td><td>US$0.15 million</td></tr>
<tr><td>Total Sanitation Services</td><td>Trivest</td><td>Jul-24</td><td rowspan="3">US$0.22 million</td></tr>
<tr><td>LMC Landscape Partners</td><td>Trivest</td><td>Jul-24</td></tr>
<tr><td>PCRK Group (Massage Envy)</td><td>Trivest</td><td>Jul-24</td></tr>
<tr><td>Fathom Digital Topco</td><td>Core Industrial</td><td>Oct-24</td><td>US$0.90 million</td></tr>
<tr><td>Amplio Learning Technologies</td><td>Quad Partners</td><td>Sept-24</td><td>US$0.009 million</td></tr>
<tr><td>Road Tested Parts</td><td>Incline Equity</td><td>Dec-24</td><td>US$0.15 million</td></tr>
<tr><td>Amplio Learning Technologies</td><td>Quad Partners</td><td>Dec-24</td><td>US$0.03 million</td></tr>
<tr><td>Impel</td><td>Wavecrest</td><td>Jan-25</td><td>US$0.04 million</td></tr>
<tr><td>Snugz</td><td>Tower Arch</td><td>Dec-24</td><td>US$0.04 million</td></tr>
</table>

Outside of the investment activity noted above, capital calls for partnership expenses & management fees (non-investment activity) totalled US$1.57 million.

DISTRIBUTIONS AND CAPITAL MANAGEMENT

The realisations that occurred during FY25 facilitated the Fund in paying total distributions of $0.14 per Unit to investors (announced July 2024 & January 2025). As always, our goal is to manage the Fund's capital structure as effectively as possible, allowing for the maximum amount of excess capital to be distributed to Unitholders. While we will continue to evaluate the ability to make a distribution on a six-monthly basis, the Manager and RE have an ongoing dialogue about the combined cash flow positions of the Fund and LP and willing and able to distribute out of cycle if the circumstances allow. We are forever conscious that this is your capital, and our commitment to returning this to you as Investors guides our decisions each day.

The Fund closed out the fiscal year with A$14.3 million in cash and the Fund's share in the LP cash balance being US$4.5 million. The Manager continues to manage the LP's cash flow for unforeseen events and market uncertainties as seen in previous years along with meeting its outstanding capital commitment obligations. We continue to believe that this is prudent for the anticipated expenses of the Fund, however the distribution methodology and cash holding at the LP (which is not managed by the RE) is continually reviewed to ensure that the Fund is not retaining excess cash.

UNDERLYING PORTFOLIO & OUTLOOK

While it can begin to feel like uncertainty is the only certainty, particularly the last few years being riddled with high inflation, rising interest rates, and geopolitical uncertainty, we are encouraged by 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. Following a turbulent year, we believe that the strong financial result which the Fund recorded (exclusive of FX movements) reflect exactly that sentiment, and we are excited for the underlying portfolio companies to continue to mature.

As was referenced in the *March 2025 Quarterly report*, the Fund had a total of 112 portfolio companies (83 of these of significant value), which are at any average age of 3.7 years, and that underpin the Fund's NTA as of 31 March 2025 of $2.14 per Unit. The age of the underlying portfolio companies in the portfolio is of relevance during these periods of turbulence, and fortunately these slower exit years have not significantly impacted the liquidity for the Fund. The portfolio companies have continued to grow, with many evolving into significant businesses, and the underlying managers continue to demonstrate their ability to take advantage of opportunities to realise their position as the companies reach maturity and markets permit.

As we have said in prior periods, we appreciate the opportunity to represent you as Unitholders. We remain committed to providing transparent updates for Unitholders and encourage you to reach out to us with any questions, suggestions or comments. Our Investor Relations team are available at cdfunds@k2am.com.au or on +61 3 9691 6110.

We look forward to updating you on the Fund's progress throughout FY26.

Yours faithfully,

HOLLIE WIGHT
Managing Director, Head of RE & Trustee Services
30 May 2025

FY25 REALISATIONS

Total PowerGen Solutions (TPGS), an underlying portfolio company of Trivest Fund VI, LP **(Trivest).**

TPGS provides customers with integrated power solutions for both back-up and prime power applications. GAL Power was first acquired by Trivest in 2018, and during the hold period Trivest worked with the business to complete transformative acquisitions as well as drive organic growth. The business grew from 7 to 17 facilities in North America, all commencing with the transformative merger and acquisition of Total Power and in 2019, which more than doubled the size of the platform, provided a coast-to-coast presence in Canada and created TPGS. Trivest transformed the business to become the clear leader in a highly fragmented market and the realisation in July was successful for investors (+0.94x uplift on pre-sale valuation).

ASP Global (ASP), an underlying portfolio company of Incline Elevate Fund, LP **(Incline).**

ASP develop, source and distribute consumable medical products for healthcare providers and distributors. The company's capabilities give customers control over the design and functionality of their products, helping them meet patient experience goals in a cost-effective manner. Incline first invested in the company in 2020, and during the partnership they were able to assist the company complete four add-on acquisitions, enabling them to add new product categories and expand the breadth of their existing portfolio. This ultimately led to the company doubling revenue and a successful exit for Incline (+1.28x uplift on pre-sale valuation).

Front Row, an underlying portfolio company of Trivest Fund VI, LP **(Trivest).**

Front Row is a global full-service e-commerce catalyst that drives growth and actionable insights for its consumer-packaged goods (**CPG**) brand partners through an integrated suite of marketplace partnership and digital marketing services that are enabled by a proprietary technology stack. Front Row was first acquired by Trivest in 2020, and during the hold period Trivest worked with the business to complete four add-on acquisitions to diversify the companies' earnings and support growth. During the hold, Trivest also built out a top-class executive management team, executed a full rebrand and helped to transform the business into a global business which was supporting the needs of over 800 brands worldwide. The transformed business led to a successful outcome for Trivest (+2.59x uplift on pre-sale valuation).

BCC Engineering, an underlying portfolio company of Trivest Fund VI, L.P. **(Trivest).**

BCC Engineering (**BCC**) was founded in 1994 and is a full-service engineering contractor. They provide planning, design and construction services for civil, structural and transportation projects in the Southeastern United States. Trivest first invested in BCC in 2019, and during the hold period they were able to complete two add-on acquisitions, enhancing BCC's service offering and expanding their geographic footprint into other markets. The company was acquired by Parsons Corporation (**NYSE: PSN**) for a reported US$230 million.

Searchlight Cyber (Searchlight), an underlying portfolio company of Astra Partners I, LP **(Astra).**

Searchlight is a UK based company founded to help solve a major problem: criminals acting with impunity on the dark web, and during the 3.5-year hold period, the Company was involved in some of the world's largest dark web investigations helping to prevent cybercrime. Since it was founded in 2017, Searchlight has supported some of the world's largest dark web investigations and helped prevent cyberattacks before they occur. During the hold period of 3.5 years, the Astra team successfully partnered with Searchlight's founders to bring innovative dark web intelligence software to market and build a foundation for sustainable growth.

Shorecal Limited, a portfolio company of US Select Direct Private Equity II, LP **(USD2).**

Shorecal Limited is the largest Domino's franchise, operating 34 of the 99 stores in the Republic of Ireland and Northern Ireland. USD2 first invested in the company in 2018, when the company operated 26 stores. The original investment premise was to continue to increase operations with a plan for up to 10 stores over the first five years as well as to increase the profitability of the existing stores. In March 2024, the company entered into a binding sale agreement with Domino's Pizza Group (**DPG**) for a total consideration of €72m (which was closed in April 2024). Shorecal's reported book value as of December 2022 was €54.3m.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors of K2 Asset Management Ltd, the Responsible Entity of the CD Private Equity Fund IV (**Fund**), present their report together with the annual financial statements of the Fund for the financial year ended 31 March 2025.

DIRECTORS

The directors of the Responsible Entity at any time during or since the end of the financial year are listed below:

Campbell Neal
Hollie Wight
George Boubouras
Neil Sheather

Directors were in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN NATURE OF ACTIVITIES

The principal activity of the Fund during the financial year was investing in small-to-mid-market private investment funds and privately held companies with a predominate focus in the United States (**US**). There were no significant changes in the nature of these activities.

DISTRIBUTIONS

Distributions paid during the financial year were as follows:

	2025	2024
	$	$
Distribution - 8.5 cents per unit paid on 22 June 2023	-	9,996,167
Distribution - 7 cents per unit paid on 3 November 2023	-	8,232,133
Distribution - 19 cents per unit paid on 23 February 2024	-	22,344,362
Distribution - 3 cents per unit paid on 5 August 2024	3,528,057	-
Distribution - 11 cents per unit paid on 24 February 2025	12,936,209	-
	16,464,266	**40,572,662**

REVIEW AND RESULTS OF OPERATIONS

The profit for the Fund after providing for income tax amounted to $24,422,824 (31 March 2024: $644,060).

The Fund has invested in a limited partnership, US Select Private Opportunities Fund IV, L.P. (**LP**) which, in turn, invests in small-to-mid market private investment funds. The LP has committed capital across 12 underlying private investment funds which focus on a range of industries including health care, business services, software businesses, and food and consumer products. For the year ended 31 March 2025, these underlying private investment funds made drawdown requests on the LP to fund their investments, management fees and operating expenses. Net drawdown requests made by the underlying private investment funds since inception to the end of the year totalled US$120.6 million.

In February 2025, the Fund's capital commitment was reduced from US$102.2 million to US$97.7 million, representing an interest of 88.4% in the LP. The Fund's proportionate share of the total capital called as at 31 March 2025 was US$93.3 million (or $149.4 million).

Total comprehensive income for the year was $24,422,824 (2024: $644,060). The key components of this result included a $24,417,964 fair value movement gain (2024: $983,765 gain) on the Fund's investment in the LP and a $344,213 foreign exchange movement gain (2024: $1,076,732) during the year. As at 31 March 2025, the Fund had net assets of $252,393,083 (2024: $244,434,525), representing $2.14 per unit (2024: $2.07 per unit), after paying distributions of $0.14 per unit (2024: $0.345 per unit). To balance date, the Responsible Entity has called $1.60 (100%) per partly paid unit from the Australian investors.

The Fund had a basic and diluted earnings per unit of 20.71 cents for the year ended 31 March 2025 (2024: 0.55 cents per unit).

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

No matter or circumstance has arisen since 31 March 2025 that has significantly affected, or may significantly affect the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

FUTURE DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Fund has committed capital to the LP to fund 12 underlying private investment funds and expects to complete its investments as the committed capital is called by the LP. The objective of the Fund is to achieve capital growth over a medium to long-term investment horizon from its exposure to a portfolio of investments in small and mid-market private investment funds and privately held companies predominately focused in the US.

BUSINESS RISKS

The Board recognises the importance of continual monitoring of business risks. As part of this ongoing assessment, the Board has identified the following as significant business risks facing the Fund.

Risk	Summary
Foreign currency risk	The Fund's investments through its interest in the LP will be primarily in US small-to-mid sized private investment funds with assets and liabilities being denominated in US dollars. Changes in the value of the US dollar relative to the Australian dollar will impact the value, in Australian dollars, of the Fund's investments, and any distributions by the Fund, as the Fund does not hedge its foreign currency exposure.
Private investments risk	The underlying investments of private investment funds are typically unlisted investments such as private operating companies whose shares do not trade on established exchanges. While it is expected that these companies may pursue initial public offerings, trade sales, or other liquidation events, there are generally no public markets for these investments at the current time. Therefore, the LP's ability to liquidate its portfolio and realise value is subject to significant limitations and uncertainties.
Macroeconomic risks	Changes in various macroeconomic conditions including the economic, political and regulatory environments, as well as inflation and market sentiment may impact the value of the Fund's investment in the LP. This may include the following: - The price at which the LP is able to realise its underlying investments - The time taken for the LP to withdraw or realise its underlying investments
Taxation risk	Changes to the taxation laws in Australia, the US, or the double tax treaty that applies between Australia and the US may impact the value of returns to Unitholders.
Key personnel risk	There is a risk that the departure of key staff who have particular expertise in funds and private investments will impact the performance of the Fund.
Litigation risk	In the course of its operations, the Fund may become involved in disputes and litigation that may adversely affect the financial performance of the Fund.
Global event risk	A global event could negatively impact the global economy, disrupt financial markets and cause varying levels of employment, all of which could negatively impact the performance of the Fund.

ENVIRONMENTAL REGULATION

The Fund is not subject to any particular and significant environmental regulations under a law of the Commonwealth or a State or Territory.

OTHER RELEVANT INFORMATION

The following lists other relevant information required under the *Corporations Act 2001:*

- details of fees paid to the Responsible Entity during the financial year – refer to note 16 to the financial statements
- details of number of units in the Fund held by the Responsible Entity, their related parties and Directors at the end of the financial year - refer to note 16 to the financial statements
- details of issued interests in the Fund during the financial year – refer to note 6 to the financial statements.

OPTIONS

No options were granted over issued or unissued units in the Fund during, or since, the end of the year.

INDEMNITY AND INSURANCE

Under the Fund's constitution, the Responsible Entity, including its officers and employees, is indemnified out of the Fund's assets for any loss, damage expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

Insurance premiums have been paid, during or since the end of the financial year, for all of the directors of the Responsible Entity of the Fund. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for the auditor of the Fund.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor, Deloitte Touche Tohmatsu, for non-audit services are outlined in note 17 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in note 17 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services are reviewed and approved prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES110: Code of Ethics for Professional Accountants set by the Accounting Professionals Ethical Standards Board.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors,

HOLLIE WIGHT
Director of K2 Asset Management Ltd, Responsible Entity
30 May 2025

AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 31 MARCH 2025

Deloitte.

Deloitte Touche Tohmatsu
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Sydney, NSW, 2000
Australia

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www.deloitte.com.au

30 May 2025

The Board of Directors
K2 Asset Management Ltd as Responsible Entity for:
CD Private Equity Fund IV
Level 44, 101 Collins Street
Melbourne VIC, 3000

Dear Board Members

Auditor's Independence Declaration to CD Private Equity Fund IV

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of the Responsible Entity of CD Private Equity Fund IV.

As lead audit partner for the audit of the financial report of CD Private Equity Fund IV for the year ended 31 March 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Carlo Pasqualini
Partner
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	NOTE	$	$
Investment income			
Interest income		145,126	308,393
Foreign exchange gain		344,213	1,076,732
Fair value movements of equity investments	***10***	24,417,964	983,765
Total investment income		**24,907,303**	**2,368,890**
Expenses			
Management and administration fees	***16***	(787,016)	(909,918)
Custody fees		(45,826)	(52,350)
Registry fees		(64,410)	(84,179)
Legal and professional fees		(422,748)	(451,575)
Transaction costs		-	(117,367)
Other expenses		(13,093)	(37,574)
Total expenses		**(1,333,093)**	**(1,652,963)**
Profit before income tax (benefit)/expense		23,574,210	715,927
Income tax (benefit)/expense	***4***	848,614	(71,867)
Profit after income tax (benefit)/expense for the year		**24,422,824**	**644,060**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**24,422,824**	**644,060**

	NOTE	Cents	Cents
Basic earnings per unit	***5***	20.71	0.55
Diluted earnings per unit	***5***	20.71	0.55

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

		2025	2024
	NOTE	$	$
Assets			
Current assets			
Cash and cash equivalents	*7*	14,283,263	24,512,249
Receivables	*9*	24,802	35,041
Current tax assets		592,694	-
Total current assets		14,900,759	24,547,290
Non-current assets			
Other financial assets	*10*	244,744,169	227,736,532
Total non-current assets		244,744,169	227,736,532
Total assets		**259,644,928**	**252,283,822**
Liabilities			
Current liabilities			
Trade and other payables	*11*	268,194	287,821
Current tax liabilities		-	364,592
Total current liabilities		268,194	652,413
Non-current liabilities			
Deferred tax	*12*	6,983,651	7,196,884
Total non-current liabilities		6,983,651	7,196,884
Total liabilities		**7,251,845**	**7,849,297**
Net assets		**252,393,083**	**244,434,525**
Equity			
Unit capital	*6*	182,588,452	182,588,452
Retained earnings		69,804,631	61,846,073
Total equity		**252,393,083**	**244,434,525**

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Unit capital	Retained earnings	Total equity
	$	$	$
Balance at 1 April 2023	182,584,432	101,774,675	284,359,107
Profit after income tax expense for the year	-	644,060	644,060
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	**-**	**644,060**	**644,060**
Transactions with unitholders in their capacity as unitholders:			
Issued capital (note 6)	4,020	-	4,020
Distributions paid (note 13)	-	(40,572,662)	(40,572,662)
Balance at 31 March 2024	**182,588,452**	**61,846,073**	**244,434,525**

	Unit capital	Retained earnings	Total equity
	$	$	$
Balance at 1 April 2024	182,588,452	61,846,073	244,434,525
Profit after income tax benefit for the year	-	24,422,824	24,422,824
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	**-**	**24,422,824**	**24,422,824**
Transactions with unitholders in their capacity as unitholders:			
Distributions paid (note 13)	-	(16,464,266)	(16,464,266)
Balance at 31 March 2025	**182,588,452**	**69,804,631**	**252,393,083**

The above statement of changes in equity should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	NOTE	$	$
Cash flows from operating activities			
Interest income received		153,384	314,208
Net payments to suppliers		(1,350,740)	(2,059,578)
Net cash used in operating activities	*8*	**(1,197,356)**	**(1,745,370)**
Cash flows from investing activities			
Receipts from distribution		6,898,807	26,317,825
Net cash from investing activities		**6,898,807**	**26,317,825**
Cash flows from financing activities			
Proceeds from issue of units	***6***	-	4,020
Distributions paid	***13***	(16,464,266)	(40,572,662)
Net cash used in financing activities		**(16,464,266)**	**(40,568,642)**
Net decrease in cash and cash equivalents		(10,762,815)	(15,996,187)
Cash and cash equivalents at the beginning of the financial year		24,512,249	39,276,958
Effects of exchange rate changes on cash and cash equivalents		533,829	1,231,478
Cash and cash equivalents at the end of the financial year	7	**14,283,263**	**24,512,249**

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

1. GENERAL INFORMATION

CD Private Equity Fund IV (**Fund**) is a Managed Investment Scheme registered and domiciled in Australia. The principal activities of the Fund are to invest in small-to-mid-market private investment opportunities in the United States (**US**), through its capacity as a Limited Partner of the US Select Private Opportunities Fund IV, L.P. (**LP**) registered in the Cayman Islands.

Pursuant to a resolution approved on 27 June 2023, K2 Asset Management Ltd (**Responsible Entity**) replaced E&P Investments Limited (**former Responsible Entity**) as responsible entity of the Fund effective 4 July 2023.

(i) Basis of preparation

The financial statements have been prepared on an accrual basis and are based on historical cost with the exception of financial assets, which are measured at fair value. All amounts are presented in Australian dollars unless otherwise noted.

(ii) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001*. Compliance with Australian Accounting Standards ensures the financial statements and notes to the financial statements of the Fund comply with the International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board (**IASB**).

The financial statements were authorised for issue by the directors on 30 May 2025. For the purposes of preparing the financial statements, the Fund is a for-profit entity.

(iii) Adoption of new and revised Accounting Standards

The Fund has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current year. No new or revised Standards and Interpretations effective for the current year are considered to materially impact the Fund.

(iv) Accounting Standards and Interpretations issued but not yet effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. The potential impact of the new or revised Standards and Interpretations for reporting periods on or after 1 April 2025 is not expected to be material to the Fund. The potential impact of the new or revised Standards and Interpretations for reporting periods on or after 1 April 2026 is yet to be determined.

AASB 2023-5 'Amendments to Australian Accounting Standards - Lack of Exchangeability'
This standard is applicable to annual reporting periods beginning on or after 1 April 2025.

AASB 2024-2 'Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments'
AASB 2024-3 'Amendments to Australian Accounting Standards – Annual Improvements Volume 11'
These standards are applicable to annual reporting periods beginning on or after 1 April 2026.

AASB 18 'Presentation and Disclosure in Financial Statements (Appendix D)'.
This standard is applicable to annual reporting periods beginning on or after 1 April 2027.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies that are material to the Fund are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

a) Foreign currencies

The functional and presentation currency of the Fund is Australian dollars. This is based on an assessment that the primary economic environment in which the Fund operates is Australia.

Transactions in foreign currencies are initially recorded in Australian dollars by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies that are outstanding at the reporting date are retranslated at the rate of exchange ruling at the Statement of Financial Position date. The AUD:USD year-end exchange rate used is 0.6247. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences arising on translation are recognised in profit or loss in the period in which they arise.

b) Financial instruments

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Fund becomes a party to the contractual provisions of the instrument.

(i) Financial assets

The Fund's financial assets comprise of cash and cash equivalents, receivables and equity instrument at fair value (an interest in a Limited Partnership).

Financial assets are initially measured at fair value, except for trade receivables with no significant financing component which are measured at transaction price.

All recognised financial assets are measured subsequently in their entirety either at amortised cost or fair value.

The interest held by the Fund in the Limited Partnership (refer to (c) below) does not meet the conditions to satisfy subsequent measurement at amortised cost, and is therefore measured on an ongoing basis at fair value through profit and loss.

Gains and losses on all other financial assets at fair value are recognised in profit or loss.

(ii) Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged or cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(iii) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in the principal (or most advantageous) market at balance date under current market conditions. Fair value is determined based on the bid price for all quoted investments in an active market. Valuation techniques are applied to determine the fair value for all unlisted securities and securities in markets that are not active. The interest in the Limited Partnership held by the Fund is valued using a 'proportionate' value method based on the proportion of the total net asset value (determined on a fair value basis) of the limited partnership in which the Fund has an interest at each balance date. The fair value will be net of distribution receipts from the Limited Partnership.

c) Interest in Limited Partnership

The Fund has entered into a partnership arrangement with Cordish Private Ventures with a primary strategy of investing in US small-to-mid-market private investment funds. The partnership has been structured through a limited partnership vehicle – US Select Private Opportunities Fund IV, L.P. (**LP**), in which the Fund has an 88.4% interest. The interest held by the Fund is regarded as a financial asset which is recorded at fair value (refer to note 2(b)(iii) for the fair value valuation basis adopted in respect of the partnership interest held). Subsequent changes in fair value are recognised in profit or loss.

Distributions of capital or income received from the LP are recorded against the investment account, reflecting the fact that such amounts would previously have been included in the investment account either through capital contributions made or through fair value movements recognised in respect of unrealised capital or operating profits relating to the underlying investments.

d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

e) Taxes

(i) Income tax

Under current Australian income tax laws, the Fund is not liable to pay income tax provided it is not a corporate unit trust or public trading trust and its distributable income for each income year is fully distributed to unitholders, by way of cash or reinvestment.

The Fund may be liable to pay income tax in the US dependent on the structure of private investment funds in which the Limited Partnership invests and in turn the structure of the underlying investments made by the private investment funds. Rates of tax will vary dependent on the source of income derived.

A deferred tax liability is recognised (at the likely rate of tax in the US) based on the difference between the fair value and tax cost base of certain underlying investments in respect of which an economic interest is held by the Fund and on which income tax will likely be payable in the US on realisation of such investments.

(ii) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Where fees are stated to be exclusive of GST and GST is payable on any fee, the fee will be increased by an amount equal to the GST payable.

Cash flows are included in the Statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which are disclosed as operating cash flows.

The Fund qualifies for reduced input tax credits at a minimum rate of 55%.

f) Unit capital

(i) Ordinary units

Ordinary units are classified as equity. Issued capital is recognised at the fair value of the consideration received by the Fund. Incremental costs directly attributable to the issue of ordinary units are recognised as a deduction from equity.

(ii) Distributions to unitholders

Distributions payable are recognised in the reporting period in which the distributions are declared, determined, or publicly recommended by the board of the Responsible Entity on or before the end of the financial period, but not distributed at balance date.

g) Critical accounting estimates and judgements

In the application of the Fund's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies which are subject to significant accounting estimates and judgements include fair value determination of the interest held by the Fund in the Limited Partnership (refer note 10 (iv)), recognition of a deferred tax liability in respect of likely US tax obligations which will arise from underlying fund investment realisations (refer note 12), and selection of Australian dollars as the functional currency of the Fund (refer note 2 (a)).

3. OPERATING SEGMENT

The Fund operates a single reportable segment, that being the business of investing in small-to-mid-market private investment funds and privately held companies in the US through its interest in a Limited Partnership.

The Responsible Entity of the Fund is the Chief Operating Decision Maker (**CODM**) for the purpose of resource allocation and assessing performance of the operating segment.

Revenue, profit or loss, assets, liabilities and other financial information reported and monitored by the CODM of the single identified segment are reflected in the financial statements and notes to the financial statements of the Fund.

4. INCOME TAX (EXPENSE)/BENEFIT

	2025	2024
	$	$
Income tax (benefit)/expense		
Deferred tax:		
- In respect of current year	(848,614)	71,867
Aggregate income tax (benefit)/expense	(848,614)	71,867
Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate		
Profit before income tax (benefit)/expense	23,574,210	715,927
Tax at the statutory tax rate of 30%	7,072,263	214,778
Tax effect of differences between accounting profit and taxable income:		
- Income and expenditure of Australian trust not subject to tax in Australia	(7,072,263)	(214,778)
- Fair value movement likely to be subject to US taxation	(848,614)	71,867
Income tax (benefit)/expense	**(848,614)**	**71,867**

5. EARNINGS PER UNIT

	2025	2024
	$	$
Profit after income tax	**24,422,824**	**644,060**

	Number	Number
Weighted average number of ordinary units used in calculating basic earnings per unit	117,939,153	117,939,153
Weighted average number of ordinary units used in calculating diluted earnings per unit	117,939,153	117,939,153

	Cents	Cents
Basic earnings per unit	**20.71**	**0.55**
Diluted earnings per unit	**20.71**	**0.55**

There are no adjustments on the basic earnings per unit for the calculation of diluted earnings per unit and there are no transactions that would significantly change the number of ordinary units at the end of the reporting period.

6. EQUITY - UNIT CAPITAL

	2025	2024	2025	2024
	Units	Units	$	$
Ordinary units - fully paid	**117,939,153**	**117,939,153**	**182,588,452**	**182,588,452**

Movements in ordinary unit capital

Details	Date	Units	$
Balance	1 April 2023	117,939,153	182,584,432
Partly paid units - forfeiture of units		-	4,020
Balance	**31 March 2024**	**117,939,153**	**182,588,452**
Balance	**31 March 2025**	**117,939,153**	**182,588,452**

Ordinary units - fully paid

Ordinary units are issued on a partly paid basis, up to a fully paid amount of $1.60 per unit. The partly paid ordinary units are called on in accordance with the Constitution and as required by the Responsible Entity of the Fund. Partly paid ordinary units carry the same rights and entitlements on a fractional basis, as fully paid ordinary units, with such fractions being the equivalent to the proportion which the amount paid is of the fully paid amount of the units.

117,939,153 ordinary units were issued on 6 April 2018. Following the fifth and final instalment of $0.32 per partly paid unit, due on 2 August 2022, 100% of the issue price has now been called. Capital call proceeds of $4,020 were received in the prior year due to a cancellation of forfeiture of units. Units were subsequently reinstated and transferred from the former Responsible Entity on behalf of the Fund to the unitholder.

Capital management

The Fund manages its capital to ensure it will be able to continue as a going concern while maximising the return to unitholders. The capital structure of the Fund consists of issued capital amounting to $182,588,452. The Fund is not subject to any externally imposed capital requirements.

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2025	2024
	$	$
Cash at bank	14,283,263	24,512,249

The exposure to interest rate risk and a sensitivity analysis is disclosed in note 14 to the financial statements.

8. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	2025	2024
	$	$
Profit after income tax (benefit)/expense for the year	24,422,824	644,060
Adjustments for:		
Fair value movements of equity investments	(24,417,964)	(983,765)
Net foreign exchange (gain)	(533,829)	(1,231,477)
US tax withholding	511,520	377,847
Change in operating assets and liabilities:		
Decrease in receivables	10,239	13,998
(Decrease) in payables	(19,627)	(414,798)
(Decrease) in deferred tax liabilities	(213,233)	(313,378)
(Decrease)/increase in current tax liabilities	(957,286)	162,143
Net cash used in operating activities	**(1,197,356)**	**(1,745,370)**

9. CURRENT ASSETS - RECEIVABLES

	2025	2024
	$	$
Interest receivable	7,136	15,394
GST receivable	17,666	19,647
	24,802	**35,041**

There are no balances included in receivables that contain assets that are impaired. All receivables are non interest bearing. No receivable amounts are overdue. The receivables are recorded at carrying amounts that are reasonable approximations of fair value.

10. NON-CURRENT ASSETS - OTHER FINANCIAL ASSETS

(i) Equity investment constituting interest in Limited Partnership (LP) - at fair value:

	2025	2024
	$	$
US Select Private Opportunities Fund IV, LP (LP)	**244,744,169**	**227,736,532**

	2025	2024
	$	$
(ii) Reconciliation:		
Balance at the beginning of the year	227,736,532	253,448,439
Movement in fair value through profit or loss*	24,417,964	983,765
Distributions received from LP^	(7,410,327)	(26,695,672)
Balance at the end of the year	**244,744,169**	**227,736,532**

*Included in the 'movement in fair value' amount of $24,417,964 (2024: $983,765) is an unrealised foreign exchange translation gain component of $10,551,262 (2024: $5,598,276 gain). This amount is also net of the Fund's 88.4% share of management fees paid by the LP to the General Partner of the LP, totalling $1,546,198 (2024: $1,566,967) and performance fees accrued by the LP to the GP, totalling $11,911,522 (2024: $10,615,473) (refer to note 16).

^Net distribution received from the LP include offsetting of the Fund's US tax obligations of $511,520 (US$353,614) (2024: $377,847 (US$253,251)) on behalf of the Fund, contributing to a reduction in the Fund's current tax liability, resulting in a net current tax asset at balance date.

(iii) Fund's interest in assets and liabilities of LP

The 88.4% economic interest held by the Fund is not represented by voting rights or other power vested in the Fund to make decisions relating to the assets and liabilities of the LP. As is common practice with Limited Partnership arrangements, the General Partner of the LP is considered to be the party who holds the existing rights to direct the relevant activities of the LP, including the acquisition and disposal of investments.

The Fund's 88.4% interest in US Select Private Opportunities Fund IV, L.P. at 31 March 2025 is represented by its proportionate interest in the LP's assets and liabilities as follows:

	2025	2024
	$	$
Cash	7,160,966	6,106,629
Investment in US private investment funds recorded at fair value:		
Astra Partners I, LP	10,478,180	13,454,096
CORE Industrial Partners Fund I, LP	18,262,343	15,841,632
Elephant Partners II, LP	24,514,650	23,166,306
Gainline Equity Fund, LP	20,758,764	17,851,984
Nosara Capital Fund I, LP	22,030,932	21,824,610
Quad Partners V, LP	3,248,208	3,400,639
Trivest Fund VI, LP	8,688,253	14,868,776
US Select Direct Private Equity II, LP	66,055,619	54,952,356
Wavecrest Growth Partners I, LP	36,433,586	27,687,705
Incline Elevate Fund, LP	16,108,381	16,016,047
Tower Arch Partners II, LP	16,977,936	18,426,645
Rucker Park Capital Fund, LP	5,212,305	3,963,229
Prepaid Investment management fees	118,768	113,748
Prepaid taxes	710,059	677,603
Due to Tower Arch Partners II, LP	(103,259)	-
Accrued performance fees	(11,911,522)	(10,615,473)
Net assets*	**244,744,169**	**227,736,532**

*Included in net assets of $244,744,169 (2024: $227,736,532) are investments in US private investment funds of $248,769,157 (2024: $231,454,025).

(iv) Valuation

The Fund has adopted its established valuation basis as described below to determine fair value of the Fund's equity investment in the LP.

Valuation technique adopted

The fair value of the Fund's interest in the LP is determined using a proportionate value method based on the Fund's 88.4% interest held in the total net asset value of the LP.

The LP holds investments predominately in US private investment funds, and the LP adopts a similar fair value measurement basis, based on the proportionate interest it holds in the most recent reported total net asset values of the respective investment funds. There is up to a three month difference between the Fund's reporting date and the date of the most recent reported net assets of the underlying investment funds. The underlying investment funds typically invest in US unlisted equity investments with fair values determined periodically based on market or income-based valuation techniques, which may involve the use of unobservable inputs such as discount rate and earnings multiple.

The valuation of the Fund's equity investment in the LP are based on the fair values of the underlying investment funds at 31 December 2024 adjusted for any material changes to those valuations to reflect movements to 31 March 2025, including foreign exchange translation impacts arising from translating the USD denominated interest in the LP to AUD at each balance date.

Refer to note 14 for Market Risk sensitivity analysis.

Investment risks

As noted above, the LP has invested in underlying private investment funds in the US market who have in turn invested in a portfolio of private equity investments. Because of the absence of any liquid trading market for these types of investments, it may take longer to liquidate these investments than would be the case for marketable securities and accordingly the value obtained on realisation may differ to the estimated fair values at balance date. As there are no directly observable prices, the fair values assigned by the investment funds to each investment are based upon a range of factors including, but not limited to, the initial purchase price, market trading multiples and observed transaction metrics. The resulting valuations may differ significantly from the values that would have been realised had a transaction taken place at balance date. The differences would directly impact the value of the interest held by the LP in the underlying investment funds and consequently the value of the interest held by the Fund in the LP. Estimation uncertainty also arises in relation to likely US tax obligations the Fund will incur in connection with realisation of recorded fair value movements (refer note 12).

(v) Capital commitments

As at 31 March 2025, the Fund has made capital commitments totalling US$97.7 million to the LP, of which US$93.3 million has been called at balance date.

As at 31 March 2025, the Fund has uncalled capital commitments of US$4.4 million (or $7.1 million) outstanding to the LP. The capital commitments can be called at any time in the future.

The uncalled capital commitments referred to above were converted at the AUD:USD year-end exchange rate of 0.6247.

11. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	2025	2024
	$	$
Trade creditors	78,698	78,697
Accrued liabilities	189,496	209,124
	268,194	**287,821**

Refer to note 14 for further information on financial instruments.

The average credit period for trade creditors is generally 30 days. No interest is charged on trade creditors from the date of the invoice. The Fund has risk management policies in place to ensure invoices are paid within credit terms.

12. NON-CURRENT LIABILITIES - DEFERRED TAX

	2025	2024
	$	$
Deferred tax liability	**6,983,651**	**7,196,884**

The deferred tax liability has been assessed based on an estimate of likely US tax obligations the Fund will incur upon realisation of recorded fair value movements in connection with certain underlying private equity investments.

Through the Fund's investment in the LP, it is anticipated that the Fund will be treated as directly or indirectly engaged in a trade or business in the US and will likely generate income that is effectively connected with the US. The Fund will be required to file a US federal corporate income tax return and pay US federal income tax on a net basis (at the same rates that are generally applicable to US corporations, currently 21%) in respect of its share of Effectively Connected Income (**ECI**) derived from that trade or business. Additionally, the Fund may also be required to pay Branch Profits Tax at a rate of 5% pursuant to the Double Tax Treaty for certain qualified tax residents.

As at 31 March 2025, the deferred tax liability has been measured at an effective rate on estimated ECI of 24.95% incorporating both corporate and branch profit taxes. This estimate is subject to estimation uncertainty as a result of limitations in the availability of information pertaining to the tax structure of the underlying investments in respect of which the Fund has an interest.

13. EQUITY - DISTRIBUTIONS

Distributions paid during the financial year were as follows:

	2024	2023
	$	$
Distribution - 8.5 cents per unit paid on 22 June 2023	-	9,996,167
Distribution - 7 cents per unit paid on 3 November 2023	-	8,232,133
Distribution - 19 cents per unit paid on 23 February 2024	-	22,344,362
Distribution - 3 cents per unit paid on 5 August 2024	3,528,057	-
Distribution - 11 cents per unit paid on 24 February 2025	12,936,209	-
	16,464,266	**40,572,662**

14. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Fund is exposed to the following risks from its use of financial instruments:

- market risk (foreign exchange risk, market price risk and interest rate risk)
- credit risk
- liquidity risk.

The Responsible Entity has overall responsibility for the establishment and oversight of the risk management framework, including developing and monitoring risk management policies.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices. The Fund is primarily exposed to market risks arising from fluctuations in market price risk, foreign currency and interest rates. Refer to note 10(iv) for further details of risks relating to equity prices.

(i) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency. Foreign exchange rate movements will impact on the Australian dollar (**AUD**) value of the Fund's financial assets and liabilities denominated in a currency that is not the Fund's functional currency.

The Fund is exposed to US dollar (**USD**) foreign exchange risk through its USD denominated cash balances, its investment activities and income derived from these activities.

The table below details the carrying amounts of the Fund's foreign exchange risk as at the end of the reporting period. This represents the AUD exposure, converted at an exchange rate of 0.6247.

	Assets		Liabilities	
	2025	2024	2025	2024
	$	$	$	$
Cash and cash equivalents	12,315,099	20,939,928	-	-
Receivables	205	349	-	-
Financial assets (equity investments)	244,744,169	227,736,532	-	-
Trade and other payables	-	-	(27,002)	-
	257,059,473	**248,676,809**	**(27,002)**	**-**

Sensitivity analysis

The effect of the foreign exchange risk relating to equity investments (investment in Limited Partnership) is recorded in profit or loss as part of the overall fair value movement in the investment (refer to note 10(ii)). The effect of foreign exchange risk relating to cash and cash equivalents is recorded in profit or loss as a foreign exchange gain or loss.

The Fund considers a 15% movement (2024: 10% movement) in the AUD against USD as at 31 March 2025 to be a reasonable possibility at the end of the reporting period. The impact of the strengthening and weakening of AUD against USD in profit or loss and equity is shown by the amounts below as it relates to cash and cash equivalents, equity investments and trade and other payables. This analysis assumes that all other variables remain constant.

	AUD strengthened			AUD weakened		
2025	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	15%	(1,606,317)	(1,606,317)	(15%)	2,173,253	2,173,253
Receivables	15%	(27)	(27)	(15%)	36	36
Equity investments	15%	(31,923,152)	(31,923,152)	(15%)	43,190,147	43,190,147
Trade and other payables	15%	3,522	3,522	(15%)	(4,765)	(4,765)
		(33,525,974)	**(33,525,974)**		**45,358,671**	**45,358,671**

	AUD strengthened			AUD weakened		
2024	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	10%	(1,903,630)	(1,903,630)	(10%)	2,326,659	2,326,659
Receivables	10%	(32)	(32)	(10%)	39	39
Equity investments	10%	(20,703,321)	(20,703,321)	(10%)	25,304,059	25,304,059
		(22,606,983)	**(22,606,983)**		**27,630,757**	**27,630,757**

(ii) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to individual investments or factors affecting all instruments traded in the market.

Sensitivity analysis

The Fund considers a 10% increase or decrease to be a reasonably possible change in market prices at the reporting date. The sensitivity analysis below reflects the Fund's proportionate exposure to market price risk of the underlying equity investments of the private investment partnership excluding any foreign exchange impact. The impact of a 10% movement in market prices (excluding foreign exchange impact) on profit or loss and equity is shown in the table below:

	Average price increase			Average price decrease		
2025	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Equity investments (refer note 10 (iii))	**10%**	**24,876,916**	**24,876,916**	**(10%)**	**(24,876,916)**	**(24,876,916)**

	Average price increase			Average price decrease		
2024	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Equity investments (refer note 10 (iii))	**10%**	**23,145,403**	**23,145,403**	**(10%)**	**(23,145,403)**	**(23,145,403)**

(iii) Interest rate risk

The Fund is exposed to interest rate risk on its variable rate bank deposits. The Fund currently does not hedge against this exposure.

Sensitivity analysis

The Fund considers a 100 basis point (2024: 100 basis point) increase or decrease to be a reasonably possible change in interest rates. The impact of a 100 basis point movement in interest rates on profit or loss and equity is shown in the table below.

	Basis points increase			Basis points decrease		
2025	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Variable rate bank deposits	**100**	**142,833**	**142,833**	**(100)**	**(142,833)**	**(142,833)**
	Basis points increase			**Basis points decrease**		
2024	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Variable rate bank deposits	**100**	**245,122**	**245,122**	**(100)**	**(245,122)**	**(245,122)**

(b) Credit risk

Credit risk is the risk that contracting parties to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund manages credit risk by ensuring deposits are made with reputable financial institutions. The majority of funds at year end were deposited with Macquarie Bank Limited (Australia).

The carrying amount of financial assets that represents the maximum credit risk exposure at the end of reporting period are detailed below:

	2025	2024
	$	$
Summary of exposure		
Cash and cash equivalents	14,283,263	24,512,249
GST receivable	17,666	19,647
Interest receivable	7,136	15,394
	14,308,065	**24,547,290**

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's liquidity primarily comprises cash at bank totalling $14,283,263 at 31 March 2025 which is held to cover the Fund's day-to-day running costs and expenditures and to fund its capital commitments to the LP which total $7,073,166 at balance date.

The following is the contractual maturity of financial liabilities and capital commitments. The table has been drawn based on the undiscounted cash flows of liabilities based on the earliest date on which the Fund can be required to settle the liability.

2025	Less than 12 months	At call	Remaining contractual maturities
	$	$	$
Non-derivatives			
Non-interest bearing			
Trade and other payables	268,194	-	268,194
Capital commitments*	-	7,073,166	7,073,166
Total non-derivatives	**268,194**	**7,073,166**	**7,341,360**

2024	Less than 12 months	At call	Remaining contractual maturities
	$	$	$
Non-derivatives			
Non-interest bearing			
Trade and other payables	287,821	-	287,821
Capital commitments*	-	13,551,930	13,551,930
Total non-derivatives	**287,821**	**13,551,930**	**13,839,751**

*LP commitments may be called at any time in the future up until the first to occur of the date the aggregate commitments have been invested, the fifth anniversary date after the first call or certain other specified termination events.

15. FAIR VALUE MEASUREMENT

Fair value

The fair value of financial assets and financial liabilities approximate their carrying values at the reporting date.

The table below analyses recurring fair value measurements for financial assets and financial liabilities. The fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation techniques used. The different levels are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
2025	$	$	$	$
Financial assets carried at fair value				
Other financial assets - equity investment constituting interest in US Select Private Opportunities Fund IV, LP	-	-	244,744,169	244,744,169
Total assets	**-**	**-**	**244,744,169**	**244,744,169**

	Level 1	Level 2	Level 3	Total
2024	$	$	$	$
Financial assets carried at fair value				
Other financial assets - equity investment constituting interest in US Select Private Opportunities Fund IV, LP	-	-	227,736,532	227,736,532
Total assets	**-**	**-**	**227,736,532**	**227,736,532**

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the transfer has occurred. There were no transfers between levels during the financial year.

Details of the determination of level 3 fair value measurements including the valuation technique adopted and the key underlying unobservable inputs used are set out in note 10(iv).

The Fund has established a control framework with respect to measurement and assessment of fair values. This framework includes a sub-investment committee that has overall responsibility for analysing the performance and fair value movements of underlying US investment fund holdings during each reporting period.

16. RELATED PARTY DISCLOSURES

Key management personnel

Campbell Neal, Hollie Wight, George Boubouras, Neil Sheather are directors of the Responsible Entity, K2 Asset Management Ltd, and are deemed to be key management personnel.

The key management personnel do not receive compensation from the Fund or from the Responsible Entity directly for their management function performed for the Fund.

As at reporting date, no directors held units for their own benefit or had an interest in holdings through a third party.

Related party investments in the scheme

At at 31 March 2025, K2 Asset Management Ltd in its capacity as the Responsible Entity of the Fund held 337,250 partly paid ordinary units, representing a 0.29% interest in the Fund. In accordance with the Fund's Constitution, forfeited units held by the Responsible Entity are not entitled to distributions paid by the Fund.

Management fees

The Responsible Entity's duties include establishing the Fund's compliance plan and procedures and monitoring against regulatory and legislative requirements, the issuance of disclosure documents, the appointment and monitoring of external service providers to the Fund and overall administration of the Fund.

For these services, K2 Asset Management Ltd, as Responsible Entity of the Fund, charged management fees of 0.275% per annum (exclusive of GST) on the gross asset value of the Fund, plus uncalled amounts on the Units. This is comprised of the Responsible Entity Fee of 0.05% per annum and Administration Fee 0.225% per annum. Management fees are paid to the Responsible Entity monthly in arrears.

The total management fees paid or payable to the Responsible Entity for the year ended 31 March 2025 was $694,265, exclusive of GST (2024: $811,823, exclusive of GST, which comprised of $562,338 paid or payable to the Responsible Entity and $249,485 paid to the former Responsible Entity based on management fees totalling 0.33% per annum). There were outstanding management fees of $61,239, exclusive of GST.

Fund administration fee

K2 Asset Management Ltd provides fund administration services to the Fund under an agreement with the Responsible Entity. These services include net asset valuation, management accounting, statutory reporting, capital management and taxation.

Total fund administration fees paid or payable to K2 Asset Management Ltd for the year ended 31 March 2025 were $60,000, exclusive of GST. (2024: $60,000, exclusive of GST, which comprised of $45,000 paid to K2 Asset Management Ltd and $15,000 paid to Australian Fund Accounting Services Pty Limited, a wholly-owned subsidiary of E&P Financial Group Limited, the parent of the former Responsible Entity under a service agreement which ceased on 3 July 2023).

Investment manager fee

US Select Private Opportunities Fund IV, L.P. (**LP**), in which the Fund holds an 88.4% interest, is required to pay its Investment Manager, US Select Private Opportunities Fund IV, GP, being an entity associated with the former Responsible Entity, for acting on behalf of the limited partnership to acquire, manage and transact on partnership interests within the scope of the limited partnership agreement, a fee equivalent to 1.0% per annum of the total funds committed by the partners to the LP. The fee is payable quarterly in advance from the funds of the LP. The total fee paid or payable during the year amounted to $1,749,093 (US$1,141,300) (2024: $1,772,587 (US$1,166,300)). The Fund's 88.4% interest equates to $1,546,198 (2024: $1,566,967). In addition, prepaid expenses to the GP totalling $134,359 remain outstanding at balance date. This fee is recorded in the books of the LP.

The GP is also entitled to a performance fee of 10% of the return achieved by the LP above invested capital once a cumulative, non-compounded, pre-tax return of 8% per annum (**Hurdle Rate**) on all capital contributed to the LP and not yet returned by distribution to the limited partners. The Hurdle Rate references to the LP, not the Fund level, and is denominated in US dollars. The performance fees will only be paid following the limited partners' actual receipt of invested capital and once the Hurdle Rate is achieved, through distribution of income and capital by the LP. For the year ended 31 March 2025, US$8,407,521 (2024: US$7,822,405) was accrued as performance fees. The Fund's interest equates to $11,911,522 (US$7,441,128) (2024: $10,615,473 (US$6,922,350)). This fee is accrued in the books of the LP.

US Select Direct Private Equity Fund II, LP

At balance date, the Fund's share of the LP's investment in US Select Direct Private Equity II, L.P. was $66,055,619 (US$41,264,945) (2024: $54,952,356 (US$35,834,431)). The General Partner of this investment is associated with the former Responsible Entity of the Fund.

Recharges paid to a related entity

To avoid suppliers receiving multiple payments, K2 Asset Management Ltd, makes a single payment to certain suppliers, and recharges the Fund its share at cost. There is no mark-up or charge to the Fund for being provided this service. The Fund only incurs the costs directly attributable to the work performed for it by the supplier, as if it had contracted with that provider individually.

17. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Fund, and its network firms:

	2025	2024
	$	$
Audit services - Deloitte Touche Tohmatsu		
Audit or review of the financial statements	75,300	72,200
Other services - Deloitte Touche Tohmatsu		
Taxation services	8,500	8,500
	83,800	**80,700**
Other Audit Firms - Deloitte Tax LLP		
Taxation services	100,973	73,918

18. CAPITAL COMMITMENTS

Other than the capital commitments disclosed in note 10(v) to the financial statements, the Fund does not have any other capital commitments outstanding for the year ended 31 March 2025.

19. CONTINGENT LIABILITIES

The directors of the Responsible Entity are not aware of any potential liabilities or claims against the Fund as at balance date.

20. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 31 March 2025 that has significantly affected, or may significantly affect the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

CD
PRIVATE
EQUITY
FUND IV

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 MARCH 2025

The directors of the Responsible Entity declare that, in the directors' opinion:

- the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and the Corporations Regulations 2001;
- the attached financial statements are in compliance with International Financial Reporting Standards, as stated in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the Fund's financial position as at 31 March 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- the Fund does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the Fund.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the directors of the Responsible Entity,

HOLLIE WIGHT
Director of K2 Asset Management Ltd, Responsible Entity
30 May 2025

Deloitte.

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Independent Auditor's Report to the Unitholders of CD Private Equity Fund IV

Opinion

We have audited the financial report of CD Private Equity Fund IV, (the "Fund") which comprises the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Fund is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Fund's financial position as at 31 March 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of K2 Asset Management Ltd, the Responsible Entity of the Fund ("the directors"), would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Fund's annual report for the year ended 31 March 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Deloitte.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Fund in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Fund, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Partner
Chartered Accountants
Sydney, 30 May 2025

CD PRIVATE EQUITY FUND IV

ARSN 624 474 531

K2 Asset Management