

CD1.ASX / CD2.ASX: Market Update on Secondary Sale Process

K2 Asset Management Ltd (ACN 085 445 094, AFSL 244 393) (**K2**), as Responsible Entity (**RE**) for CD Private Equity Fund I (ARSN 158 625 284) (**CD1.ASX**) and CD Private Equity Fund II (ARSN 162 057 089) (**CD2.ASX**) (together, the **Funds**), would like to provide the following update regarding the ongoing strategic review and consideration of liquidity options for investors.

As part of the ongoing consideration of liquidity options for investors, in mid-2025 the Manager of the Funds¹ initiated a process to explore a potential GP-led secondary sale of the underlying limited partnerships (**the LPs**), which represent the principal assets of each Fund. The Manager engaged a US-based global independent external advisor to run an extensive process, where the opportunity was marketed to over 50 qualified parties, with just under 30 non-disclosure agreements executed and several final-round offers received.

Following detailed evaluation, the indicative offers did not satisfy the Manager's required parameters, as they excluded certain assets and/or Funds and included deferred settlement terms that would have delayed liquidity for investors. After significant consideration, in mid-November, the Manager determined not to proceed with a sale of the LPs or their portfolios, assessing that the inherent value of the underlying investments is expected to be better realised through the ongoing asset-by-asset realisation process already underway.

The RE and Manager recognise that some unitholders have expressed frustration regarding the duration of the realisation period and the limited on-market liquidity available. We acknowledge these concerns and confirm that the orderly return of capital remains a key focus as underlying assets continue to be realised.

Although this exit strategy was not pursued, the Manager and RE remain open to liquidity options and will continue to assess opportunities for improving liquidity and capital management, ensuring that any action taken remains consistent with unitholders' best interests and all applicable regulatory obligations.

PORTFOLIO PERFORMANCE TO DATE (PER UNIT)

	Inception price	Cumulative Distributions	NTA (Oct 2025)	Total Value (Dist+NTA)	TVPI ²	IRR p.a.
CD1	\$1.60	\$3.035	\$0.77	\$3.805	2.38x	11.5%
CD2	\$1.60	\$2.650	\$1.13	\$3.780	2.36x	10.7%

1. For CD1, the Investment Manager is E&P Funds Management Pty Ltd (ABN 89 159 902 708, AFSL 450 257) and for CD2, the Investment Manager is US Select Asset Management, Inc. Jonathan Sinex, an employee of Cordish Private Ventures, has been appointed as the representative of each of the Investment Managers

2. TVPI: Total Value to Paid-in Capital. Total distributions + current NTA divided by original investment.

On a long-term basis, the Funds have delivered strong cumulative outcomes since inception. Unitholders who have been invested throughout the life of the Funds have already received back more than the original \$1.60 per unit investment through distributions alone, with additional value retained in the current NTA of each Fund.

As of 31 October 2025, CD1 has generated total value of \$3.81 per unit (TVPI of 2.38x) and an IRR of 11.5% p.a., while CD2 has delivered \$3.78 per unit (TVPI of 2.36x) and an IRR of 10.7% p.a., supported by underlying portfolio company realisations, valuation growth and sustained distributions over the life of the Funds.

Delivering the return of capital in a consistent manner has been a key focus of the RE and the Manager, and we are pleased to have delivered tangible progress over the past 12 months, with CD1 distributing \$0.215 per unit and CD2 distributing \$0.27 per unit to unitholders. These distributions represent a total of 23% and 21% (CD1 and CD2, respectively) of NTA returned to investors since 30 September 2024.

OUTLOOK

As the Funds progress through the latter stages of the harvest period, the top ten portfolio companies within each Fund continue to represent approximately 75% of the remaining portfolio value, and the 31 October 2025 NTA now represents approximately 20% (CD1) and 30% (CD2) of total value delivered to investors since inception.

Based on information available at this time, the Manager currently expects that the majority of remaining distributions from the Funds will occur progressively as the underlying managers sell down assets and return proceeds to investors, with timing expected to occur between HY2 2025 and HY2 2027. While there is a potential for some tail-end investments not to be realised until 2030, it is expected (though not guaranteed) that the majority of capital will have been returned well before this point. This expectation reflects the current status of underlying exit processes and indicative timeframes communicated by the managers of the portfolio investments. Distributions may occur sooner if transactions progress more quickly, or may take longer if market conditions, buyer activity or escrow releases extend beyond current indications.

Importantly, the Funds continue to receive distributions from underlying managers, reinforcing the Manager's assessment that ongoing realisations remain the most appropriate pathway to maximise value for unitholders.

While the strategy ultimately remains unchanged, if opportunities arise that are in the best interests of unitholders, the Manager and RE will ensure these are assessed accordingly.

Investors may contact the Investor Relations team with any queries at cdfunds@k2am.com.au or on (03) 9691 6110.

This communication has been prepared and authorised for release by K2 Asset Management Ltd (ACN 085 445 094, AFSL 244 393), the responsible entity of CD Private Equity Fund I and CD Private Equity Fund II.

The Funds confirm that they continue to comply with their obligations under ASX Listing Rule 3.1. The RE is not aware of any information concerning the Funds which has not been disclosed to the market and which a reasonable person would expect to have a material effect on the price or value of their securities.

This update includes forward-looking statements which are not guarantees of future performance and should not be relied upon as financial guidance. The Manager does not have control over the timing or pricing of underlying exit processes, and the ultimate realisation values cannot be guaranteed. Actual results may differ from those expressed or implied. The RE disclaim any obligation to update forward-looking statements except as required under the Corporations Act or ASX Listing Rules.