



2026 Q1

QUARTERLY UPDATE

ASX.CD2

ASX RELEASE DATE: 8 MAY 2026



CD2 31 March 2026: Key Statistics^{1, 2}

31 March 2026 NTA per unit	Gross assets (total Fund)	Distributions Last 12 months	Distributions Since Inception	Total Value to Paid-In Capital (TVPI)	Quarterly Portfolio Realisations
\$0.65 per unit	A\$37.6 million	\$0.56 per unit	\$3.03 per unit	2.3x	0

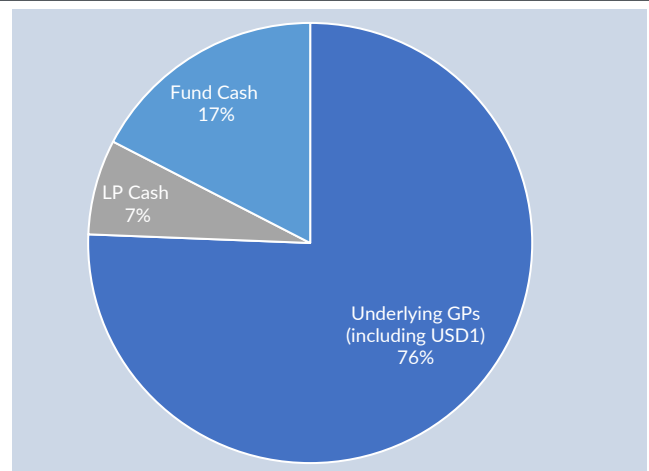
US middle market private equity activity in Q1 2026 reflected a period of recalibration, with deal and exit volumes moderating from the elevated levels seen in late 2025. Market conditions remain supported by substantial [dry powder](#) and more constructive financing markets, signalling improving investor confidence. As we are also observing within the CD2 portfolio, transactions are occurring selectively as buyers stay disciplined, though the valuation gap between buyers and sellers continues to narrow. Across the market, assets are being held beyond traditional hold periods as managers wait for improved conditions rather than transact at discounted valuations. This has weighed on near-term liquidity and reported returns across the asset class, including CD2, underscoring the importance of market normalisation for future realisations.

During the quarter, we were pleased to be able to speak with Unitholders (webinar [here](#)), where the Manager discussed portfolio positioning and reiterated that CD2 is designed to return capital progressively as assets are realised. The Manager continues to believe that an asset-by-asset realisation strategy is most likely to deliver the strongest outcomes for CD2 Unitholders, even if this extends the timing of certain exits, as it allows each asset to be sold into the most favourable market conditions. Importantly, the Manager does not consider AI to represent an existential risk to the remaining CD2 portfolio. The Fund's holdings span established consumer, industrial and services businesses, where underlying managers are incorporating AI-enabled tools to enhance productivity and competitive positioning, rather than facing displacement risk.

As of 31 March 2026, CD2 reported a post tax NTA of \$0.65 per unit. The quarterly decline was driven primarily by the \$0.38 per unit distribution paid to Unitholders, alongside material FX headwinds and updated valuations across underlying assets. While currency movements have weighed on short-term performance, these impacts are expected to be largely transitory, with underlying asset performance and realised exit values being the primary drivers of long-term outcomes. The Manager, together with all underlying GPs, remains focused on progressing realisations and returning capital to Unitholders.

FUND 2: QUARTERLY UPDATE & PORTFOLIO COMPOSITION^{1,5,6,7}

Inception Date	April 2013
CD2 Original Unit Price	\$1.60 per unit
CD2 Distributions Paid Since Inception	\$3.03 per unit
CD2 31 March 2026 NTA (post-tax)	\$0.65 per unit
Q1 2026 Portfolio Realisations	0
CD2 Interest in LP2	87.28%
Total Underlying Funds (since inception)	12
Underlying Fund Vintages	2012 - 2016
Total Underlying Portfolio Companies (since inception)	122
Remaining Portfolio Companies (excluding inactive investments)	24
Median Gross MOIC on Realisations	2.60x
Hold Period of Remaining Active Investments	9.3 years



Fund Cash Balance ⁹	A\$6.45m
Uncalled Capital to LP	US\$1.7m
Fund's Interest in LP Cash Balance	US\$1.79m
Fund's Interest in Underlying Funds	US\$16.04m
Fund's Interest in US Select Direct I (USD1)	US\$3.33m

LP2 QUARTERLY CAPITAL CALLS & DISTRIBUTIONS¹

	MONTH	AMOUNT*	FUND	PRIMARY REASON
Distribution	January	US\$0.55m	Staple Street Capital II, LP	Escrow proceeds from realisations in earlier periods
Capital Call	March	-US\$0.04m	Main Post Growth Capital, LP	Withholding taxes
Capital Call	March	-US\$0.01m	Tower Arch Partners I, LP	Management Fees and 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.

LP2 UNDERLYING PORTFOLIO^{1,5,6,7,8}

	TOTAL COMPANIES SINCE INCEPTION	TOTAL REALISATIONS SINCE INCEPTION	MOIC ON REALISATIONS (MEDIAN + AVERAGE)	31 MARCH ACTIVE PORTFOLIO COMPANIES	31 MARCH UNDERLYING FUND VALUE (\$USD)	COMPANIES IN SALES PIPELINE (2026)	31 MARCH VALUE OF SALES PIPELINE (\$USD)
Fund 1	12	8	2.8x 3.5x	4	\$1.09m	0	-
Fund 2	10	8	3.0x 2.6x	2	\$1.89m	2	\$1.88m
Fund 3	10	5	2.6x 3.2x	5	\$4.06m	2	\$3.29m
Fund 4	6	3	2.6x 2.1x	2	\$2.46m	1	\$1.47m
Fund 5	9	7	2.2x 4.3x	3	\$1.83m	2	\$1.14m
Fund 6	10	9	1.1x 1.9x	1	\$4.88m	1	\$4.71m
Fund 7	11	7	4.0x 3.6x	4	\$1.62m	2	\$1.06m
USD1	15	11	1.7x 2.7x	3	\$3.81m	1	\$0.42m
Total	83	58	2.6x 3.3x	24	\$21.63m	11	\$13.97m
Cash & Residual Interests					\$2.60m		
Grand Total LP Value					\$24.24m		

The LP2 underlying portfolio is highly mature with a modest number of remaining active investments, most of which are in the sales pipeline for 2026. While exit timelines across the portfolio have lengthened, underlying managers have chosen to defer sales where pricing or market conditions are not yet optimal. This approach is consistent with broader market trends and is intended to maximise value rather than crystallise outcomes prematurely. The LP's sales pipeline is an estimate only, and is subject to change based on market conditions. Value of sales pipeline does not include any escrows (existing or future) and is unaudited.

Note: Total remaining value is at the LP level. Table excludes four funds which have no remaining assets but represent 39 portfolio company realisations (or write-offs).

LP2 TOP 10 PORTFOLIO COMPANIES^{1,7}



<p>Industry Clothing</p> <p>Employee Count 0-50</p> <p>Initial Investment Date 2014</p> <p>Representative Value of LP2 21.6%</p>	<p>Industry Financial Services</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2017</p> <p>Representative Value of LP2 8.8%</p>	<p>Industry Haircare</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP2 8.2%</p>	<p>Industry Leisure Facilities</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2015</p> <p>Representative Value of LP2 6.8%</p>
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<p>Industry IT Consulting and Outsourcing</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2016</p> <p>Representative Value of LP2 6.8%</p>	<p>Industry Healthcare</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2017</p> <p>Representative Value of LP2 5.2%</p>	<p>Industry Industrial Supplies and Parts</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP2 4.9%</p>	<p>Industry Specialty Chemicals</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP2 4.6%</p>
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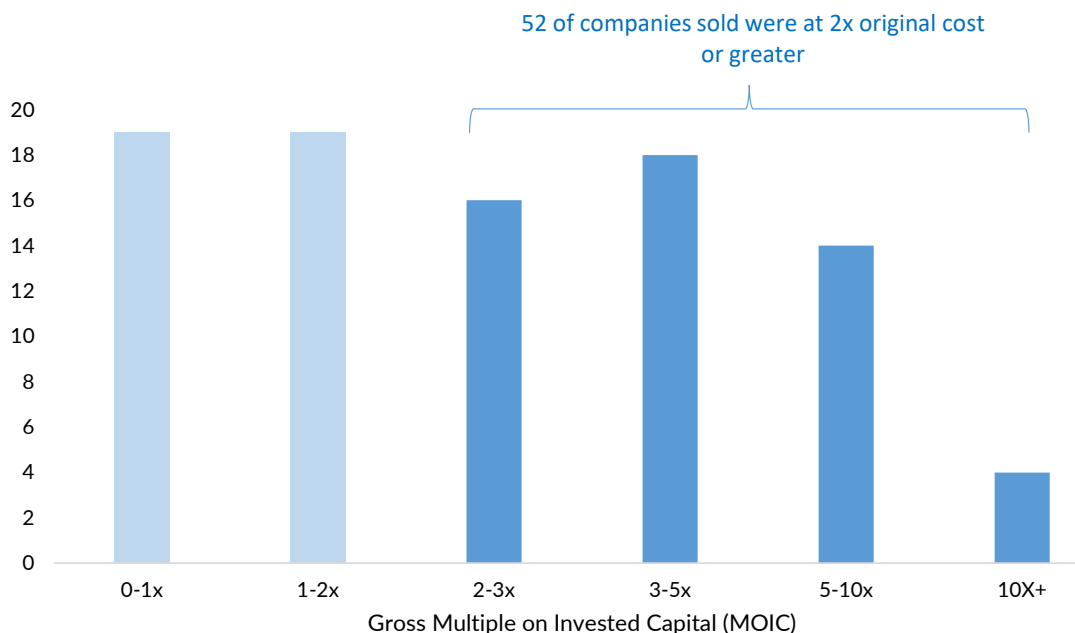


<p>Industry Government</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP2 4.6%</p>	<p>Industry Electrical Equipment</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2017</p> <p>Representative Value of LP2 4.0%</p>
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LP2 REALISED INVESTMENT PERFORMANCE⁵

While there were no portfolio company realisations during the quarter, LP2's realised portfolio continues to demonstrate strong underlying value creation. Of the companies exited since inception, 52 have generated returns of 2x invested capital or greater, including a broad spread of outcomes across the 2–3x, 3–5x and 5–10x ranges, with several exceptional realisations exceeding 10x.

These realised outcomes underpin CD2's long-term performance to date and reinforce confidence in the value embedded in the remaining portfolio as the Fund continues to realise the underlying positions.

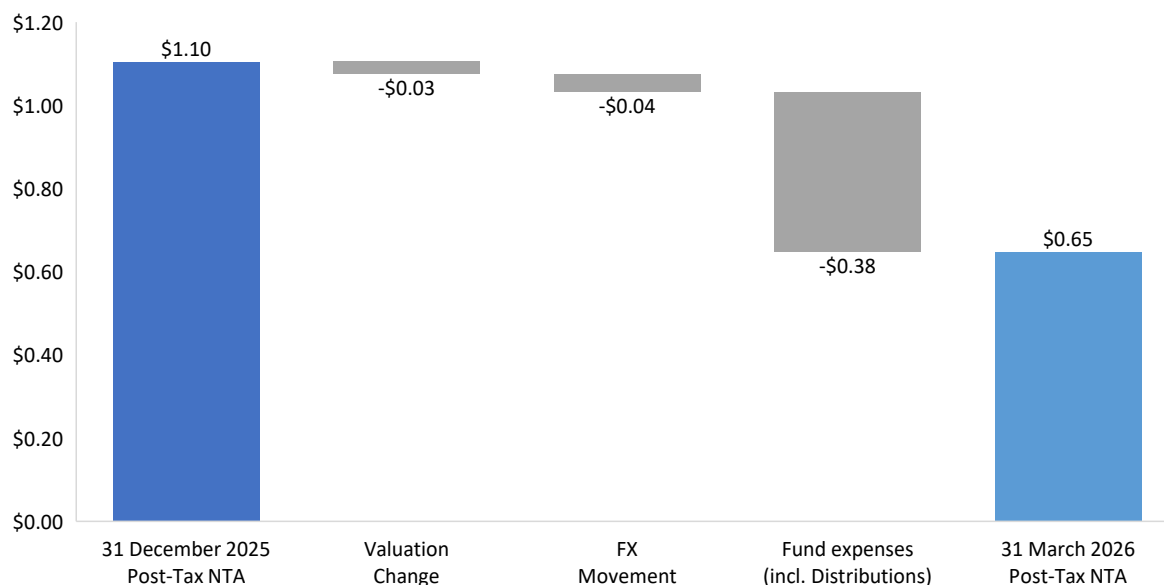


CD2 DISTRIBUTION HISTORY (PER UNIT)^{1, 2}

	Distributions Declared	Cumulative Distributions	NTA per unit as of 31 March	DPI	TVPI
2016	\$0.070	\$0.070	\$2.10	0.04x	1.36x
2017	\$0.080	\$0.150	\$2.03	0.09x	1.36x
2018	\$0.330	\$0.480	\$1.97	0.30x	1.53x
2019	\$0.130	\$0.610	\$2.29	0.38x	1.81x
2020	\$0.340	\$0.950	\$2.33	0.59x	2.05x
2021	\$0.080	\$1.030	\$2.23	0.64x	2.04x
2022	\$0.695	\$1.725	\$1.97	1.08x	2.31x
2023	\$0.340	\$2.065	\$1.59	1.29x	2.28x
2024	\$0.245	\$2.310	\$1.54	1.44x	2.41x
2025	\$0.160	\$2.470	\$1.38	1.54x	2.41x
2026	\$0.560	\$3.030	\$0.65	1.89x	2.30x

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

CD2 QUARTERLY NTA MOVEMENT (PER UNIT)¹



As can be seen in the above, aside from the payment of a \$0.38 per unit distribution, portfolio movement from 31 December 2025 reflects a combination of FX translation impacts as well as material revaluation of a single portfolio company during the quarter.

In 2025, the portfolio company entered into a new European market, where costs were higher than initially anticipated and required additional funding at a revised valuation level. Despite this, the underlying business continues to demonstrate strong revenue growth in its core market, and the Manager believes the long-term opportunity in the new market remains attractive despite near-term execution costs. The valuation adjustment is considered to be driven primarily by valuation and audit process considerations rather than a deterioration in underlying business fundamentals, with poten-

CD2 PERFORMANCE SUMMARY^{1, 2, 3, 4}

	3 MONTHS	6 MONTHS	12 MONTHS	3 YEARS	5 YEARS	SINCE INCEPTION	IRR
NTA RETURN	-7.4%	-12.2%	-14.6%	-1.5% p.a.	2.7% p.a.	8.0% p.a.	10.3%

The Fund's NTA return is net of fees (including initial issuer or product fees) and is inclusive of distributions paid.

Over the past 12 months, the strengthening of the Australian dollar against the US dollar detracted approximately 9.5% from returns through FX translation. This impact, together with a one-off revaluation of a portfolio investment (approximately -\$0.03 per unit), clarifies the majority of the 12-month performance.

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

GLOSSARY AND NOTES

Source: E&P Investments Limited (for data before 24 June 2023) and K2 Asset Management Ltd (for data after 24 June 2023).

All figures are in AUD unless otherwise noted. Figures throughout the document may not sum due to rounding. AUD:USD 31 March 2026 spot rate of 0.6900 used. The Unit price of CD2 was \$0.42 as at 31 March 2026, the last trading day of the quarter.

1. Data is unaudited as at 31 March 2026.
2. NTA and total returns are inclusive of distributions and are based on post tax NTA, net of fees and costs. Distribution table references distributions to 31 March of that year.
3. Inception date of CD2 was April 2013.
4. CD2 original Unitholder investment was \$1.60 per Unit.
5. MOIC returns are as at 31 March 2026 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 I (USD1).
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 either the 30 September 2025 or 31 December 2025 valuations provided by the underlying GP's. The valuations have been adjusted for capital calls, distributions and foreign exchange movements over the period, where required.
8. The information regarding the pacing of underlying LP realisations is based on communications from underlying managers, portfolio company reporting and the Manager's Internal modelling. These expectations relate to the underlying LP portfolios, not the Australian unit trusts, and do not constitute guidance, forecasts or forward-looking promises. The timing, quantum and sequence of exit events remain subject to market conditions, buyer activity, operational milestones and external factors outside the control of the Manager or the Responsible Entity. Actual outcomes may differ materially.

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.
NTA RETURN:	NTA Return represents the change in post-tax Net Tangible Assets per unit over the period, with distributions added back. It is calculated on a simple point-to-point basis using the post-tax NTA at the start and end of the measurement period.

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

DISCLOSURES

This Quarterly Update (Update) has been prepared and 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.

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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.

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).