

2026 Q1

QUARTERLY UPDATE

ASX.CD3

ASX RELEASE DATE: 8 MAY 2026



CD3 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
\$1.62 per unit	A\$120.8 million	\$0.14 per unit	\$2.179 per unit	2.37x	1

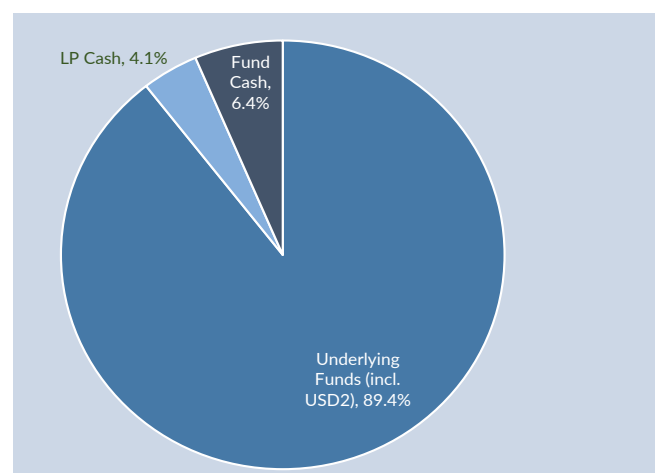
US middle market private equity activity in Q1 2026 reflected a period of recalibration, with deal and exit volumes moderating from the elevated levels seen in late 2025. Market conditions remain supported by substantial [dry powder](#) and more constructive financing markets, signalling improving investor confidence. As we are also observing within the CD3 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 CD3, 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 highlighted CD3's continued exposure to assets previously exited through rollover positions. In addition to KnowBe4, which remains the largest single holding, the portfolio retains exposure to 11 companies sold in prior periods, allowing the Fund to benefit from any future realisations despite these positions no longer being directly managed by the underlying GPs. On the whole, the Fund's meaningful exposure to technology-enabled businesses positions CD3 to benefit from AI-driven tailwinds, as these companies actively embed AI into their product development and go-to-market strategies.

As of 31 March 2026, CD3 reported a post-tax NTA of \$1.62 per unit. Recent NTA movements reflect distributions paid to Unitholders (\$0.14 per unit over the past 12 months) and material FX headwinds, partially offset by updated valuations across underlying assets. While the Fund approaches its 10-year anniversary, underlying managers continued investing through to 2022, resulting in an average portfolio company age of 6.6 years. In this context, we will continue to evaluate liquidity opportunities; however, portfolio-level sales are unlikely in the near term, as an asset-by-asset realisation strategy remains the most effective way to maximise value for Unitholders as the Fund enters the wind-down phase. The remaining portfolio continues to demonstrate resilience in a turbulent market environment, with the Fund's technology exposure providing a meaningful source of potential upside as conditions normalise.

FUND 3: QUARTERLY UPDATE & PORTFOLIO COMPOSITION^{1,5,6,7}

Inception Date	July 2016
CD3 Original Unit Price	\$1.60 per unit
CD3 Distributions Paid Since Inception	\$2.179 per unit
CD3 31 March 2026 NTA (post-tax)	\$1.62 per unit
Q1 2026 Portfolio Realisations	1
CD3 Interest in LP3	71.22%
Total Underlying Funds (since inception)	13
Underlying Fund Vintages	2015 - 2018
Total Underlying Portfolio Companies (since inception)	144
Remaining Portfolio Companies (excluding inactive investments)	57
Median Gross MOIC on Realisations	2.90x
Average Hold Period of Remaining Active Investments	6.6 years



Fund Cash Balance ⁸	A\$8.28m
Uncalled Capital to LP	US\$3.6m
Fund's Interest in LP Cash Balance	US\$3.66m
Fund's Interest in Underlying Funds	US\$49.36m
Fund's Interest in US Select Direct 2 (USD2)	US\$30.00m

LP3 QUARTERLY CAPITAL CALLS & DISTRIBUTIONS¹

	MONTH	AMOUNT*	FUND	PRIMARY REASON
Capital Call	January	-US\$0.04m	Growth Street Partners I, L.P.	-
Capital Call	January	-US\$0.55m	Trive Capital Fund II, L.P.	Additional investments, management fees and fund expenses.
Capital Call	January	-US\$0.04m	Incline Equity Partners IV, L.P.	Additional investments, management fees and partnership expenses
Distribution	February	US\$2.34m	DFW Capital Partners V, L.P.	Realisation: Sev1Tech
Capital Call	March	-US\$0.01m	DFW Capital Partners V, L.P.	Management fees and partnership expenses
Capital Call	March	-US\$0.05m	Telescope Partners I, L.P.	-

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.

LP3 QUARTERLY PORTFOLIO REALISATIONS¹



Status

Realised (Q1 2026)

Initial Investment Date

February 2019

Underlying Fund

DFW Capital Partners V, L.P.

During the quarter, the LP received notice of the successful [realisation](#) of Sev1Tech, a digital modernisation and IT transformation company providing cloud, cybersecurity, engineering and program support services to U.S. government agencies across defence, intelligence, homeland security, space and health markets.

During DFW's ownership, Sev1Tech expanded its capabilities through strategic acquisitions, broadening its technology offerings and securing significant government contract wins across the U.S. Sev1Tech was acquired by ERT, a Macquarie Capital-backed digital engineering and mission services company, with the acquisition expanding its footprint across both civilian and defence agencies, including the U.S. Space Force. The purchase price was not publicly disclosed.

LP3 UNDERLYING PORTFOLIO^{1,5,6,7}

	TOTAL COMPANIES SINCE INCEPTION	TOTAL REALISATIONS SINCE INCEPTION	MOIC ON REALISATIONS (MEDIAN + AVERAGE)	31 MARCH ACTIVE PORTFOLIO COMPANIES	AVERAGE HOLD PERIOD ON ACTIVE COMPANIES	31 MARCH UNDERLYING FUND VALUE (\$USD)
Fund 1	9	7	4.9x 4.2x	1	7.5 years	\$1.81m
Fund 2	7	4	2.7x 2.6x	3	7.9 years	\$3.04m
Fund 3	11	9	3.0x 7.6x	2	8.8 years	\$7.42m
Fund 4	12	6	3.0x 5.4x	6	7.4 years	\$6.96m
Fund 5	12	9	3.8x 6.2x	3	7.1 years	\$2.57m
Fund 6	9	6	7.0x 7.0x	3	6.2 years	\$4.41m
Fund 7	10	6	3.2x 3.8x	2	5.3 years	\$1.99m
Fund 8	7	7	2.2x 3.4x	-	-	\$4.51m
Fund 9	8	3	2.1x 2.1x	4	6.0 years	\$7.14m
Fund 10	12	6	1.7x 2.4x	6	8.1 years	\$5.34m
Fund 11	7	2	4.3x 4.3x	5	6.0 years	\$16.81m
Fund 12	15	11	1.2x 2.1x	3	6.8 years	\$7.30m
USD2	25	5	2.0x 2.7x	19	5.5 years	\$42.13m
Total	144	81	2.9x 4.3x	57	6.6 years	\$111.44m
Cash & Residual Interests						\$5.13m
Grand Total LP Value						\$116.57m

*Remaining value is at the LP level. Fund 8 has had all underlying portfolio companies substantially exited, with two realisations having approximately 1/3 of the exit proceeds retained as rollover equity.

LP3 TOP 10 PORTFOLIO COMPANIES^{1,7}






<p>Industry Educational Software</p> <p>Employee Count 2000+</p> <p>Initial Investment Date 2016 (realised: 2023)</p> <p>Representative Value of LP3* 8.1%</p>	<p>Industry Business/Productivity Software</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP3 6.5%</p>	<p>Industry Business/Productivity Software</p> <p>Employee Count 500-1000</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP3 6.4%</p>	<p>Industry Aerospace & Defense</p> <p>Employee Count 250-500</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP3 5.0%</p>
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<p>Industry Marine</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2021</p> <p>Representative Value of LP3 4.6%</p>	<p>Industry Financial Software</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2021</p> <p>Representative Value of LP3 4.2%</p>	<p>Industry Pet Food/Consumer</p> <p>Employee Count 100-200</p> <p>Initial Investment Date 2017</p> <p>Representative Value of LP3 4.1%</p>	<p>Industry Business/Productivity Software</p> <p>Employee Count 50-100</p> <p>Initial Investment Date 2018</p> <p>Representative Value of LP3 3.7%</p>
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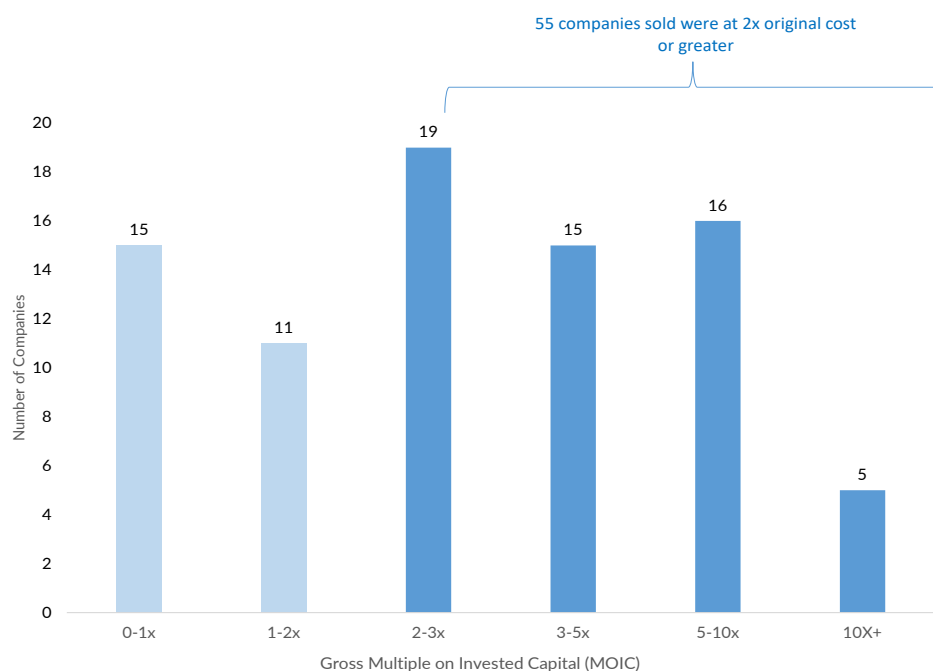



<p>Industry Media and Information Services (B2B)</p> <p>Employee Count 2000+</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP3 3.6%</p>	<p>Industry Healthcare Technology</p> <p>Employee Count 200-500</p> <p>Initial Investment Date 2019</p> <p>Representative Value of LP3 3.0%</p>
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*KnowBe4 was a successful portfolio company [realisation](#) in 2023. As part of the realisation, a portion of the proceeds were taken as a rollover equity investment. The underlying manager is no longer the main private equity partner to the business, however it remains a substantial investment of the LP and has been included above for completeness.

LP3 REALISED INVESTMENT PERFORMANCE^{1,5,6,7}

LP3's historical realised portfolio continues to demonstrate strong underlying value creation, with the majority of exited investments generating returns above cost. Of the companies realised since inception, 55 have achieved returns of 2x invested capital or greater, including a meaningful cohort in the 5–10x range and several exceptional outcomes above 10x.



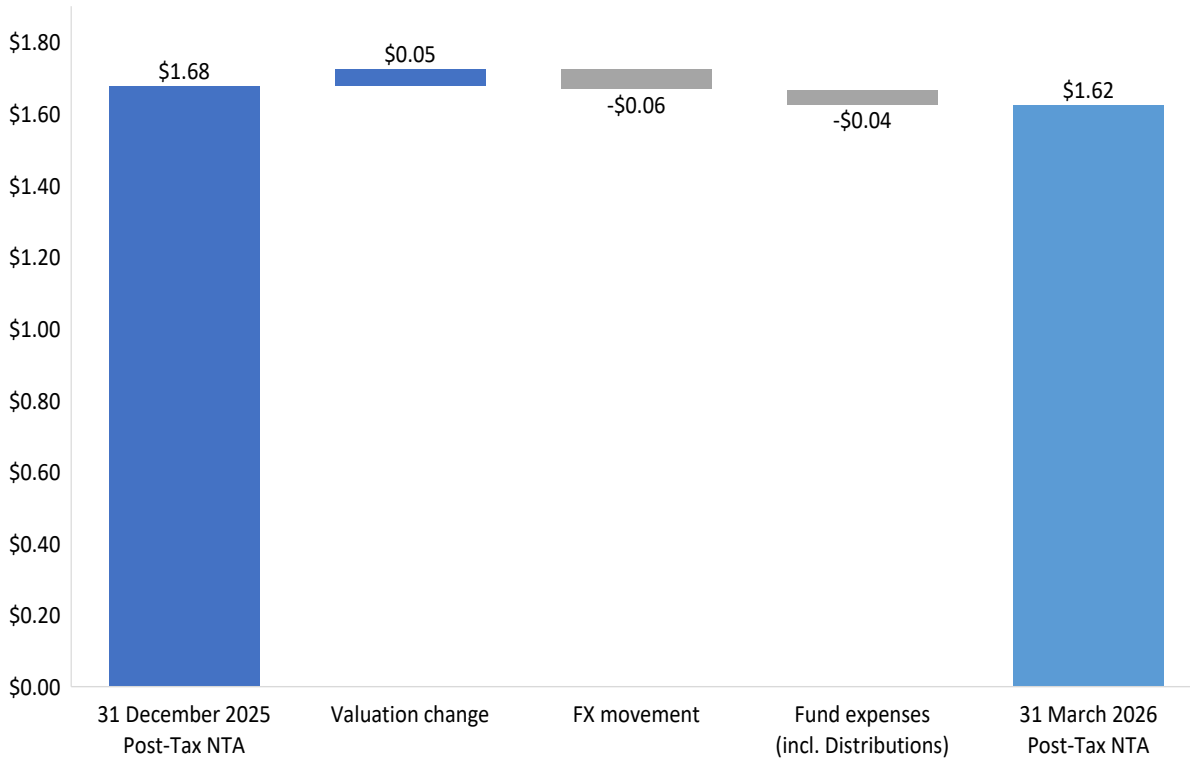
This pattern is consistent with the return profile typically observed in mature U.S. middle-market private equity portfolios, as highlighted in industry research (Bain & Company and PitchBook), where a concentrated group of top-performing assets tends to drive the majority of total fund value. These realised outcomes underpin CD3's historical performance and reinforce confidence in the value embedded within the remaining portfolio as the Fund progresses through its core harvest period.

CD3 DISTRIBUTION HISTORY (PER UNIT)^{1, 2}

	Distributions Declared	Cumulative Distributions	NTA as of 31 March	DPI	TVPI
2018	\$0.000	\$0.000	\$1.50	-	0.94x
2019	\$0.013	\$0.013	\$1.74	0.01x	1.09x
2020	\$0.000	\$0.013	\$2.08	0.01x	1.31x
2021	\$0.240	\$0.253	\$2.15	0.16x	1.50x
2022	\$0.655	\$0.908	\$2.31	0.57x	2.01x
2023	\$0.561	\$1.469	\$2.15	0.92x	2.26x
2024	\$0.370	\$1.839	\$1.82	1.15x	2.29x
2025	\$0.200	\$2.039	\$1.87	1.27x	2.44x
2026	\$0.140	\$2.179	\$1.62	1.36x	2.37x

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

CD3 QUARTERLY NTA MOVEMENT (PER UNIT)¹



CD3 PERFORMANCE SUMMARY^{1, 2, 3, 4}

	3 MONTHS	6 MONTHS	12 MONTHS	3 YEARS	5 YEARS	SINCE INCEPTION	IRR
NTA RETURN	-1.1%	-4.0%	-6.0%	3.3% p.a.	13.3% p.a.	12.0% p.a.	12.6% p.a.

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

While shorter-term performance reflects the same market-wide headwinds affecting US middle-market private equity, the 12-month result has been materially impacted by the strengthening of the Australian dollar against the US dollar, which detracted approximately 9.5% through FX translation. Fortunately, positive fair value movements across the broader portfolio helped offset a portion of these FX impacts.

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 CD3 was \$0.92 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 CD3 was July 2016.
4. CD3 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 II (USD2).
6. Age of portfolio companies refers to the average duration of time that the LP has been invested in the remaining underlying portfolio companies.
7. LP investments values are based on the 31 December 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.

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).