

Market update

Global equity markets were broadly flat over the September quarter following a strong first half of 2019. The broader global macro narrative continues to be dominated by US-China trade tensions and central bank reaction to concerns over global growth, interspersed with the political machinations of Brexit and the oilfield drone strikes in September which significantly limited Saudi oil production in the near term. US-China trade negotiations continued to be a large driver of equity market volatility, with announcements from the Trump and Xi administrations in August to increase tariffs, followed by positive negotiation outcomes in September including an agreement to suspend the imposition of some tariffs.

The policy stance of key central banks remains supportive, with the US Federal Reserve responding to weakening economic activity and low inflation, cutting rates by 0.25%, first in July and then by another 25bps in September in line with market expectations. The European Central Bank September meeting buoyed European indices with the ECB president further cutting deposit rates and launching a stimulus package of an additional €20 billion of asset repurchases per month. The US 10-year Government bond yield declined to a new low of 1.46% in early September ending the quarter at 1.67% – again below the lower end of the US Federal Reserve's (Fed) target range (1.75% to 2.00%). The Federal Open Market Committee voted to further reduce their target rate range at their October meeting to 1.50% to 1.75%, with the market anticipating a further possible cut in the second half of 2020.

US equity markets followed a similar pattern to global equities, with the S&P 500 Index appreciating 1.7% (near all-time highs), supported by interest rate cuts from the Fed, and broadly positive earnings momentum. In the US, real GDP growth has continued to decelerate, declining to 2.3% year-on-year from above 3% this time last year, and unemployment continues to hover at record lows. Despite a positive earnings outlook for most large corporates, economic indicators have been softening and the US Purchasing Managers Index (PMI) dipped below 50 for the first time since 2016.

Despite some economic uncertainty, private equity markets continue to be buoyant. Several strong years of capital raisings have kept levels of dry powder high, resulting in continued strong levels of deal flow in the lower middle-market. This current dynamic has created investment opportunities for our underlying managers, who typically invest in the space.

Consistent with the investment cycle for the earlier Funds in the series, investments in CD1 and CD2 continue to be realised, with portfolio companies managed by underlying partners KarpReilly Capital Partners (CD1), US Select Direct (CD1 and CD2), Trive Capital (CD2), Blue Point Capital (CD2) and NMS (CD2) sold during the quarter. CD3 and CD4 partners continue to deploy capital with Incline Equity Partners (CD3), Wavecrest Growth Partners (CD4) and Incline Elevate all making new platform investments in the quarter.

On 14 October, following the end of the quarter, the Responsible Entity of CD1 and CD2 announced that both Funds had entered into sale agreements to sell the underlying US Limited Partnerships (US Select Private Opportunities Fund, L.P (CD1) and US Select Private Opportunities Fund II, L.P (CD2) to an entity controlled by Whitehorse Liquidity Partners, a Canadian private equity firm. The sale of assets for each Fund was subject to Unitholder approval, by poll, at respective General Meetings held on 26 November 2019. The resolutions to approve the sales were not carried and the Funds will continue to operate in line with their existing strategies.

The proposed sales were undertaken in response to feedback from investors seeking liquidity options and in response to the recent discount to net tangible assets at which the Fund was, and continues, to trade. The Responsible Entity is very pleased with the resounding endorsement of the strategy and the investments held by the Fund.

All four Funds made positive gains on a Net Tangible Asset (NTA) basis over the quarter, assisted by the depreciation of the Australian dollar (3.9%).

Regards
Cordish Dixon Team

About the funds

The Cordish Dixon Private Equity Fund Series, including Cordish Dixon Private Equity Fund I (**CD1**), Cordish Dixon Private Equity Fund II (**CD2**), Cordish Dixon Private Equity Fund III (**CD3**), and Cordish Dixon 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 Walsh & Company with underlying investments managed by experienced private equity fund managers.

This venture is anchored in the belief that smaller and nimbler private equity funds materially outperform larger private equity funds. The Fund Series was formed to provide investors with a platform to invest in a portfolio of high quality small to mid-market private equity funds and companies – a strategy that is typically beyond the reach of all but the largest endowment funds and family offices.

The Fund Series also provides investors with the opportunity to benefit from the Cordish Family Office's experience and network in investing in specialist small to mid-market private equity funds and direct equity investments in the US, as well as to invest side-by-side and on equal terms with the Cordish family in these compelling opportunities.

Investment objectives

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 a five to ten-year investment horizon.

Key investment team members

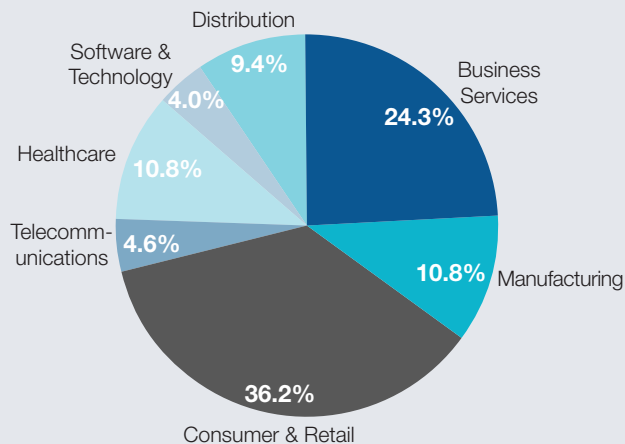


Jonathan Cordish
Chairman of the Advisory Board



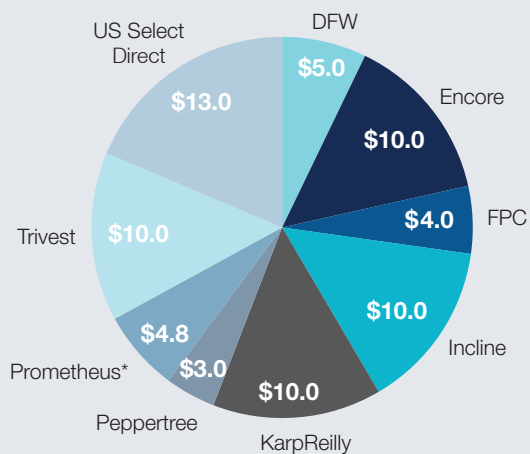
Jonathan Sinex
Managing Director, Cordish Private Ventures

CD1 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$69.8m)



Note: The Fund has an 85.5% interest in the LP. Cordish Private Ventures and US Select Private Opportunities Fund GP LLC contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding. *The LP received a final distribution from Prometheus Partners IV, L.P. on 30 September 2016 and has no remaining capital with this fund.

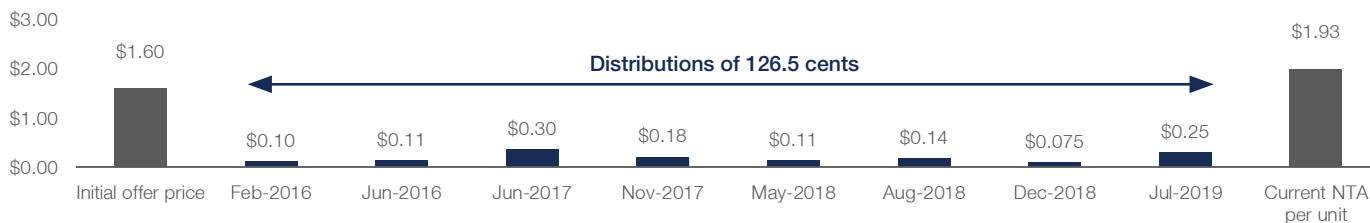
CD1 Fund performance

| | 3 MONTHS | 6 MONTHS | 1 YEAR | 2 YEARS PA | 3 YEARS PA | SINCE INCEPTION PA ³ |
|---------------------------|----------|----------|--------|------------|------------|---------------------------------|
| NTA return ^{1,2} | 11.8% | 13.0% | 28.3% | 24.5% | 18.0% | 13.2% |

Notes: ¹ Source: Walsh & Company Investments Limited. Historical performance is not a guarantee of the future performance of the Fund. ² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date August 2012.

On an NTA/Internal Rate of Return (IRR) basis CD1 has achieved a return of 12.2% per annum since inception.

CD1 unit value and income



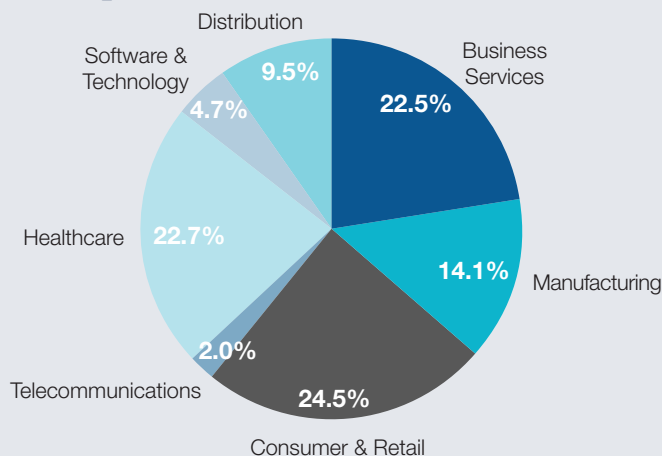
Note: The unit price of CD1 was \$1.65 as of 30 September 2019. Historical performance is not a guarantee of the future performance of the Fund. Source: Walsh & Company Investments Limited. Current NTA per unit (shown above) is post-tax.

Underlying fund activity

KarpReilly Capital Partners II, L.P. sold portfolio company Cooper's Hawk, resulting in a \$2,567,048 distribution.

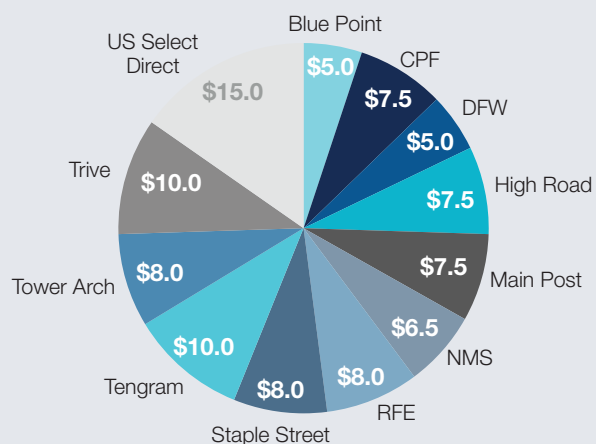
US Select Direct Private Equity, L.P. sold portfolio company ettain, resulting in a \$2,597,403 distribution.

CD2 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$98.0m)



Note: The Fund has an 87.3% interest in the LP. Cordish Private Ventures and US Select Private Opportunities Fund II GP LLC contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding.

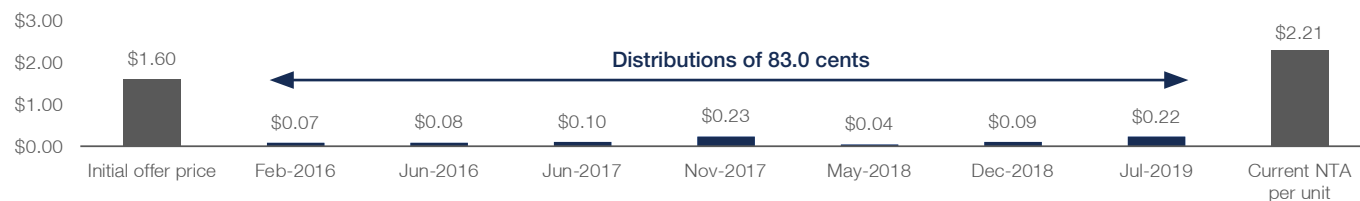
CD2 Fund performance

| | 3 MONTHS | 6 MONTHS | 1 YEAR | 2 YEARS PA | 3 YEARS PA | SINCE INCEPTION PA ³ |
|---------------------------|----------|----------|--------|------------|------------|---------------------------------|
| NTA return ^{1,2} | 7.1% | 6.6% | 17.2% | 20.7% | 15.4% | 12.5% |

Notes: ¹ Source: Walsh & Company Investments Limited. Historical performance is not a guarantee of the future performance of the Fund. ² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date April 2013.

On an NTA/Internal Rate of Return (IRR) basis CD2 has achieved a return of 12.0% per annum since inception.

CD2 unit value and income



Note: The unit price of CD2 was \$2.01 as of 30 September 2019. Historical performance is not a guarantee of the future performance of the Fund. Source: Walsh & Company Investments Limited. Current NTA per unit (shown above) is post-tax.

Underlying fund activity

Trive Capital Fund I, L.P. sold portfolio company Valence, resulting in a \$8,904,404 distribution.

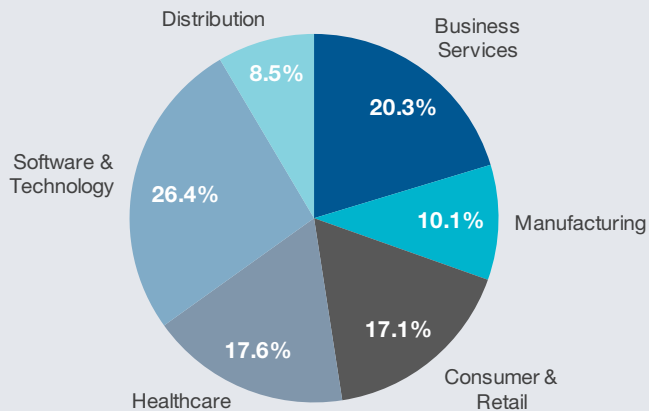
Blue Point Capital Partners III, L.P. sold portfolio company Hilsinger, resulting in a \$994,848 distribution.

NMS Fund II, L.P. sold portfolio company ettain, resulting in a \$1,648,318 distribution.

US Select Direct Private Equity, L.P. sold portfolio company ettain, resulting in a \$2,996,997 distribution.

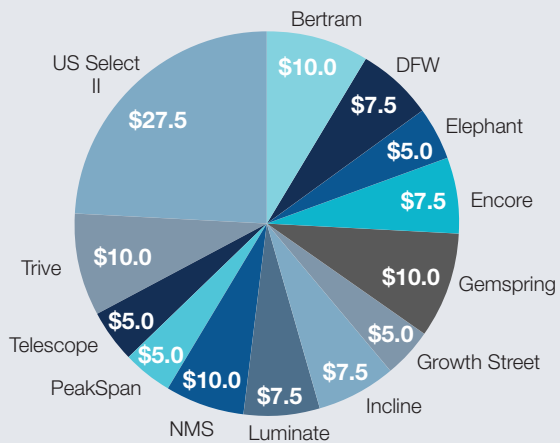


CD3 portfolio asset allocation



Note: Numbers may not add to 100% due to rounding.

LP commitments to underlying managers (US\$117.5m)



Notes: The Fund has an 71.2% interest in the LP. Cordish Private Ventures, US Select Private Opportunities Fund III GP LLC and its partner contributed the remaining amount based on their proportional shares. Numbers may not add due to rounding.

CD3 Fund performance

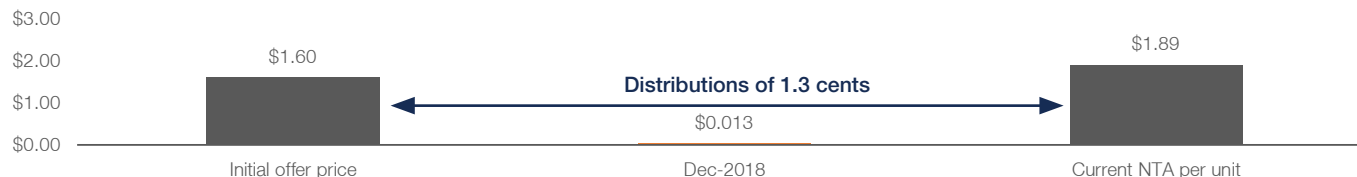
| | 3 MONTHS | 6 MONTHS | 1 YEAR | 2 YEARS PA | 3 YEARS PA | SINCE INCEPTION PA ³ |
|---------------------------|----------|----------|--------|------------|------------|---------------------------------|
| NTA return ^{1,2} | 6.8% | 8.9% | 19.1% | 13.5% | 8.3% | 6.7% |

Notes: ¹ Source: Walsh & Company Investments Limited. Historical performance is not a guarantee of the future performance of the Fund.

² Total returns are inclusive of distributions. NTA return is based on post-tax NTA and is net of fees and costs. ³ Inception date July 2016.

On an NTA/Internal Rate of Return (IRR) basis CD3 has achieved a return of 6.5% per annum since inception.

CD3 unit value and income



Note: The unit price of CD3 was \$1.57 as of 30 September 2019. Historical performance is not a guarantee of the future performance of the Fund.

Source: Walsh & Company Investments Limited. Current NTA per unit (shown above) is post-tax.

Underlying fund activity

Incline Equity Partners IV, L.P. invested in Brown & Joseph in the third quarter. Brown & Joseph is a leading provider of commercial accounts receivable management services primarily focused on insurance end markets.

Fund facts

| KEY FUND DETAILS | FUND 1 | FUND 2 | FUND 3 |
|------------------------------------|---------------------|---------------------|---------------------|
| ASX ticker | CD1 | CD2 | CD3 |
| Inception | August 2012 | April 2013 | July 2016 |
| Pre-tax NTA | \$1.95 ¹ | \$2.37 ¹ | \$1.91 ¹ |
| Post-tax NTA | \$1.93 ¹ | \$2.21 ¹ | \$1.89 ¹ |
| Net Assets | \$77.0 million | \$125.8 million | \$136.3 million |
| Number of managers | 8 | 12 | 13 |
| Total underlying investments | 96 | 117 | 102 |
| Investments during the quarter | 0 | 1 | 4 |
| Full realisations | 31 | 24 | 3 |
| Realisations during the quarter | 4 | 5 | 0 |
| Current portfolio companies | 65 | 93 | 99 |
| Average age of remaining companies | 3.8 years | 3.6 years | 1.5 years |

¹ Source: Walsh & Company Investments Limited. Historical performance is not a guarantee of the future performance of the Funds. The current NTAs per unit (shown above) are as at 30 September 2019.

Note: Underlying investment figures are collected on a lagged basis and may not reflect actual exposures at period end.

Important information

This report has been authorised for release by the Board of Walsh & Company Investments Limited (ACN 152 367 649, AFSL 410 433), as responsible entity for Cordish Dixon Private Equity Fund I (ARSN 158 625 284), Cordish Dixon Private Equity Fund II (ARSN 162 057 089) and, Cordish Dixon Private Equity Fund III (ARSN 612 132 813) (**CD3**).

This Quarterly Update (**Update**) has been prepared by Walsh & Company Investments Limited as Responsible Entity (ACN 152 367 649, AFSL 410 433) of the Cordish Dixon Private Equity Fund Series (**Funds** or **Fund Series**) which includes Cordish Dixon Private Equity Fund I (ARSN 158 625 284) (**CD1**), Cordish Dixon Private Equity Fund II (ARSN 162 057 089) (**CD2**), Cordish Dixon Private Equity Fund III (ARSN 612 132 813) (**CD3**), and Cordish Dixon Private Equity Fund IV (ARSN 624 474 531) (**CD4**). **Investment Manager** for CD1 is US Select Private Opportunities Fund GP, LLC, and for CD2, CD3, and CD4 is Dixon Asset Management USA Inc. An investment in any of the Funds is subject to various risks, many of which are beyond the control of the Investment Manager and the Funds. The past performance of the Funds is not a guarantee of the future performance of the Funds. This Update may contain statements, opinions, projections, forecasts and other material (**forward looking statements**), based on various assumptions. Those assumptions may or may not prove to be correct. The Responsible Entity and its advisers (including all of their respective directors, consultants and/or employees, related bodies corporate and the directors, shareholders, managers, employees or agents of them) (**Parties**) do not make any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and the Parties assume no obligation to update that information. This Update may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs, and consider obtaining advice from a financial advisor. You should obtain a copy of the relevant PDS or offer document before making any decisions to purchase a product. All performance figures, unit prices and distributions are in Australian Dollars, unless otherwise stated.

About Walsh & Company

Walsh & Company is a multibillion-dollar global funds management firm founded in 2007, with assets under management across global equities, residential and commercial property, private equity, fixed income, and sustainable and social investments.

It provides access to unique investment strategies not readily accessible to investors and focuses on building high quality, diversified portfolios.

Walsh & Company Investments Limited is the Responsible Entity of the Funds and is a wholly-owned subsidiary of Evans Dixon Limited (ED1.ASX).

Risks

Like all investments, an investment in any of the Funds carries risks which may result in the loss of income or principal invested. In addition to the general risks of investing, specific risks associated with investing in the Funds include, but are not limited to, private investments risk, illiquidity risk and foreign exchange risk. For further information about the risks of investing in any of the Funds, please see the relevant Product Disclosure Statements available on the website cordishdixonfunds.com.au.

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