

Market update

The second quarter of 2020 was the first full quarter in which global economies had to grapple with the COVID-19 pandemic and its consequences. Following the extremely volatile March quarter, where markets sold off and oil prices collapsed, the June quarter has seen a rapid rebound in global markets, with indices recovering much of their losses from the prior quarter. The MSCI World Index was up 19.6% in US dollar (USD) terms but only up 5.9% from an Australian investor perspective due to the appreciating Australian dollar (AUD). This market rebound can be broadly attributed to the spread of COVID-19 in many regions and disruption to economic activity being less severe than many anticipated, coupled with a strong global response from governments and central banks.

In the US this ongoing government and central bank support, including comprehensive action to prevent companies and individuals defaulting on payments for rent, interest, and mortgages has cushioned the full impact of the recession thus far. The US unemployment rate remains historically high, declining to 11.1% in June, following a peak in April of 14.7% and US Gross Domestic Product was down 9.5% for the quarter. Broad ranging shutdowns early in the quarter and a large contraction in consumer spending took its toll. At quarter end, a number of US states were moving to reverse or had paused reopening plans in an attempt to slow the spread of the virus. Balancing public health outcomes and the economic impact of the virus will mean that restrictions will continue to vary from state to state and over time.

Significant uncertainty regarding the longevity and impact of the COVID-19 pandemic remains, and economic activity may remain subdued over the medium term. We are hopeful however that one, or several of the vaccines currently in stage three trials will prove effective and anticipate that there will be a continued positive transformation in business and consumer activity. Both of these factors, in concert with low interest rates and continued government support should result in asset price support and an eventual turnaround in broader economic activity.

Private equity deal flow slowed through the first half of 2020, with deal value down approximately 20% compared to the first half of 2019. Figures for the June quarter show a further drop, with deal value down approximately one third from the second quarter of 2019. As noted in prior quarterlies, dry powder remains high and, in some areas, where fundamentals have been less affected, or even improved with the onset

of the pandemic, deal flow has been encouraging, particularly in areas encompassing technology, digital media and telecommunications. Buyout activity at the smaller end also appears to remain robust, possibly as larger leveraged buyout deals are more difficult to complete in the current environment.

The pandemic has forced a rapid transformation in the use of technology for personal and business use, and the sector has fared well both year-to-date and this quarter, with the MSCI Information Technology Index up 31.3% for the quarter, compared to the MSCI World Index which was up 19.6% (in USD terms). Over the first half of 2020 these indices have returned 14.1% and -5.5% respectively (in USD terms), highlighting the positive business activity and outlook for technology related companies relative to the broader market. Across the Funds there is a varying degree of exposure to these types of businesses, lower for CD1 and CD2 but significantly higher for CD3 and CD4 – we anticipate that exposure to these types of businesses may offset exposure to businesses that are more negatively impacted by shutdowns and subdued economic activity.

As noted previously, the AUD rallied strongly against the USD over the quarter, up 12.6%, recovering most of the ground lost in the prior quarter (down 12.7%). The AUD appreciation was the significant driver of performance for the quarter, being the major contributor to the Funds declining 11.2%, 11.6%, 11.4% and 10.8% respectively, for CD1 to CD4 on a net tangible asset (NTA) basis. Despite this, and the adjustments that resulted in NTA reductions of 5% to 7.3% as at 31 March 2020, returns for the year to 30 June 2020 remain positive for the CD1, CD2 and CD3 Funds, on an NTA basis.

Consistent with PE industry trends, underlying partner funds continued to be active over the quarter. For CD2, CD3 and CD4 new investments were made and there were a number of follow on investments and for CD2, there was one realisation, Corbett Technology Solutions.

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

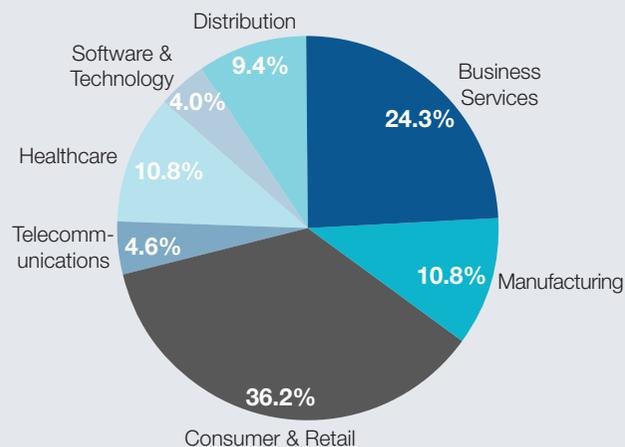


Jonathan Cordish
Chairman of the Advisory Board



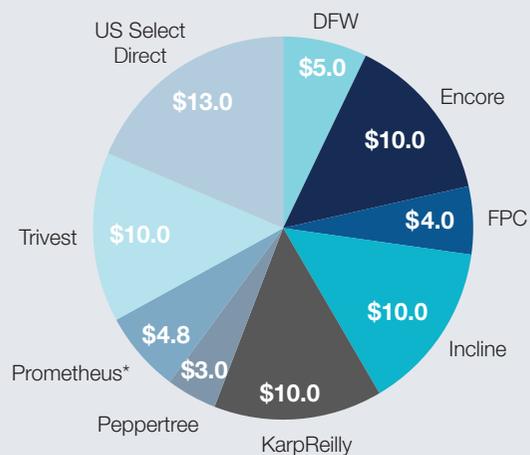
Jonathan Sinex
Managing Director, Cordish Private Ventures

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.

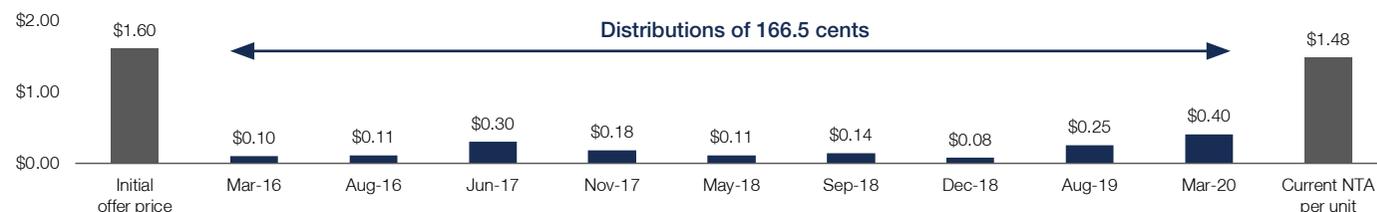
CD1 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-11.2%	-2.9%	6.3%	14.2%	11.5%	11.3%

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 11.3% per annum since inception.

CD1 unit value and income



Note: The unit price of CD1 was \$0.93 as at 30 June 2020. 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.

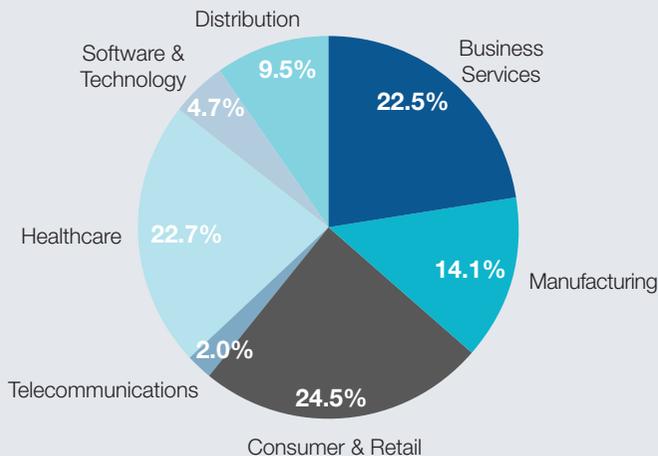
Underlying fund activity

During the quarter the Fund paid a capital call to the LP, and has now paid 100% of funds committed.

There was no meaningful underlying activity, resulting in a distribution or call of capital to or from the LP during the quarter.

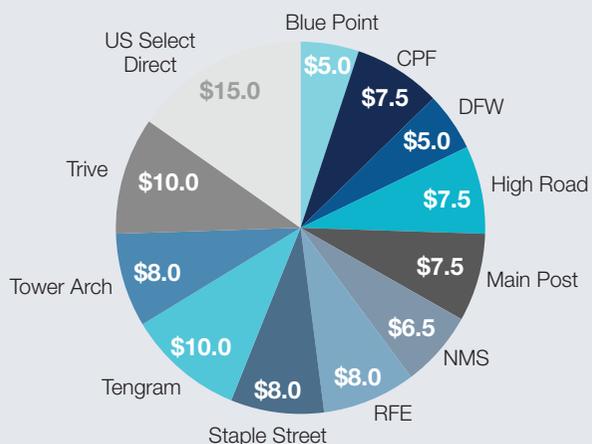


CD2 portfolio asset allocation



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.

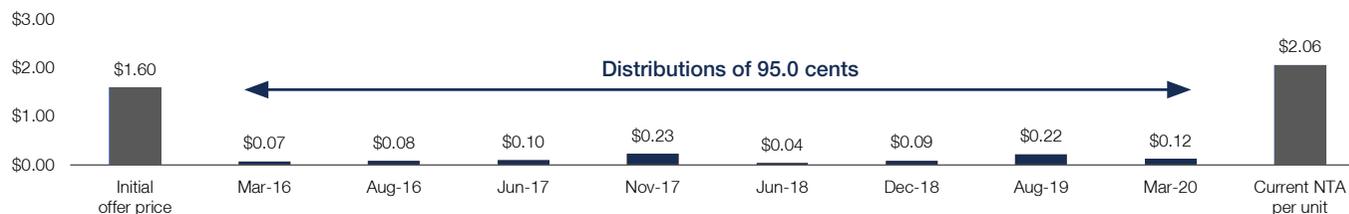
CD2 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-11.6%	-1.5%	4.6%	13.5%	9.5%	11.5%

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 11.0% per annum since inception.

CD2 unit value and income

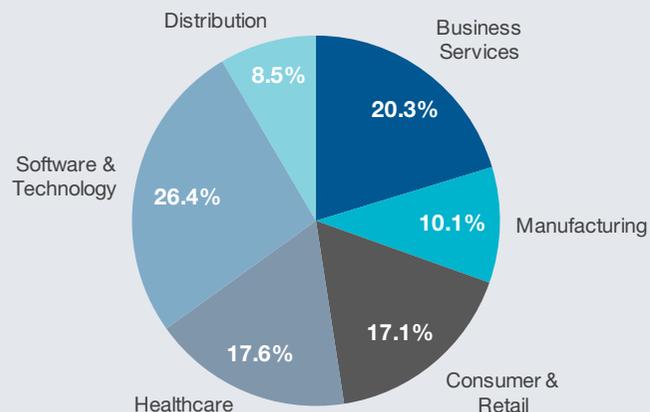


Note: The unit price of CD2 was \$1.05 as at 30 June 2020. Historical performance is not a guarantee of the future performance of the Fund. Source: Walsh & Company Investments Limited. Current NTA per unit (shown above) is post-tax.

Underlying fund activity

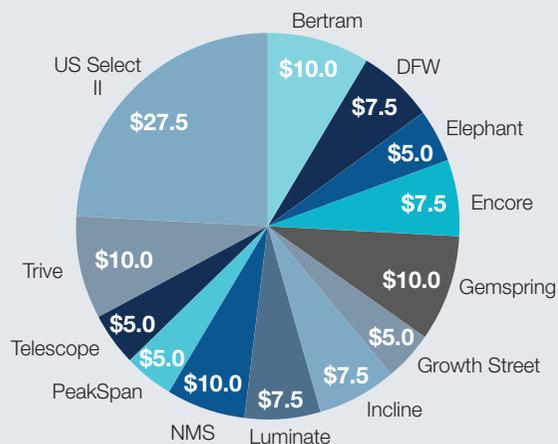
Tower Arch Partners I, L.P. sold Corbett Technology Solutions, Inc (CTSI), resulting in a distribution of \$1,677,316 to the LP.

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 YEAR PA	3 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-11.4%	-1.1%	3.9%	9.6%	8.2%	5.0%

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 4.6% per annum since inception.

CD3 unit value and income



Note: The unit price of CD3 was \$0.95 as at 30 June 2020. 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

NMS Fund III, L.P. called capital to fund an investment in DCM Services. DCM Services is a leading provider of tech-enabled estate receivables management solutions to multiple end markets, including, but not limited to, financial services, healthcare, utilities and telecom services.

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	\$1.50 ¹	\$2.20 ¹	\$1.86 ¹
Post-tax NTA	\$1.48 ¹	\$2.06 ¹	\$1.84 ¹
Net Assets	\$57.5 million	\$113.7 million	\$132.8 million
Number of managers	8	12	13
Total underlying investments (since inception)	96	120	115
Investments during the quarter	0	1	1
Full realisations	36	29	4
Realisations during the quarter	0	1	0
Current underlying investments	60	91	111
Average age of remaining companies	4.7 years	4.2 years	2.1 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 June 2020.

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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