

Key investment events

- CD Fund returns (CD1 to CD4) of 4.8%, 2.3%, 6.2% and 2.1% for the quarter and 14.5%, 20.9%, 33.1% and 26.9% over the past twelve months (respectively). Noting that the Australian dollar weakness has provided a strong tailwind this year.
- Activity was mixed across the Funds. Exits/liquidity events occurred across CD2, CD3 and CD4. In CD3 and CD4 LPs continued to invest in new (CD4 only) and existing portfolio companies.
- As at 30 September 2022, CD1 to CD4 have achieved returns of 2.43x, 2.41x, 2.14x and 1.84x on initial unitholder investment, respectively.

Fund update

Capital activity continued through the quarter with several significant transactions including the majority exit of Radancy (underlying investment in **CD3**) following an investment from New Mountain Capital and the investment in NovaVision by Incline Elevate Fund, L.P. (held via **CD4**).

Radancy (CD3) – a global leader in enterprise software and services solutions, held via Gemspring Capital Fund I L.P. (**Gemspring**), received an investment from New Mountain Capital in July 2022. Radancy is a cloud-based technology platform that automates the talent acquisition process, enabling employers to find the talent they need to support business objectives. The transaction will allow Radancy to expand its suite of technology services aimed at optimising employers' ability to identify, engage, and hire talent. Gemspring remains a minority investor in Radancy.

NovaVision (CD4) – a leading manufacturer of consumable security and authentication products, received an investment from Incline Elevate Fund, L.P. (**Incline**). NovaVision's products help prevent counterfeiting and product tampering in markets such as electronics, government, pharmaceutical, retail, transportation and logistics.

The investment plans to leverage NovaVision's established platform to expand the company's offering, meanwhile enhance sales and digital marketing strategies to accelerate new customer acquisition and drive brand awareness, according to Incline Partner Evan Weinstein.

Market comment

Global equities (MSCI World Index, Net) have now declined for the third straight quarter, returning -4.4% in local currency terms, but +0.8% in Australian dollar (AUD) terms as the AUD also weakened. In the US, the S&P 500 Index was down 4.9% for the quarter and is down 23.9% year-to-date (USD terms). Markets remained under pressure during the quarter with central banks continuing to raise interest rates while investors evaluated companies' resilience through earnings season. Geopolitical headwinds were persistent and tightening financial conditions contributed to increasing uncertainty, market volatility and added to recessionary risks. In Europe the FTSE 100 Index declined 4.5% following high inflation prints and a squeeze in energy supply, resulting in two 50 basis point (bp) hikes over the quarter from The Bank of England (BoE).

Inflationary pressures, including a tight labour market, led the US Federal Reserve (Fed) to continue on their tightening path – with the benchmark Fed funds rate lifted to a range of 3.00% to 3.25% at quarter end.

A further seven 0.25% hikes are priced into rates markets, peaking in March 2023, with the possibility that the benchmark rate may begin to be lowered prior to the end of 2023.

High inflation, rising interest rates and the potential for a recession has played out through public market movements this year. PE markets often react in a more measured way, however we do acknowledge that future negative valuation movements across private markets are possible. Offsetting this is the existing "dry powder" in the PE system, that may continue to provide support for deals across the spectrum – noting recent trends including: quality companies continue to achieve strong exits; larger deals have slowed, add-ons more likely to take up a greater proportion of the deal flow; and IPOs and SPAC deals have ceased, with a number of listed entities recently taken private. Periods of increased uncertainty, like we are currently in, tend to result in increased hold periods for private investments and a higher rate of failure, particularly for those companies that are not well funded.

There were a number of liquidity events across the Series in Q3, with the most notable being the majority exit of Randancy (CD Fund 3, Gemspring Capital Fund I L.P.), with some underlying LP investments revalued down due to equity market exposure. Potential for negative revaluation impacts is a real risk across the portfolios, however, again, we reiterate that the CD Funds have targeted investments with lower-middle market managers with strong track records, where entry multiples are lower and management teams have historically generated strong returns. Exits are often to larger players within the same industry, or larger PE funds, and while we anticipate that the exit cadence will continue to be slow over the coming months, especially with a back-drop of 2020 and 2022 (exceptional years for the industry), we expect these types of deals, along with the potential for secondaries to result in a continuation of realisations across the CD Series, and anticipate that the majority of investments will continue to perform.

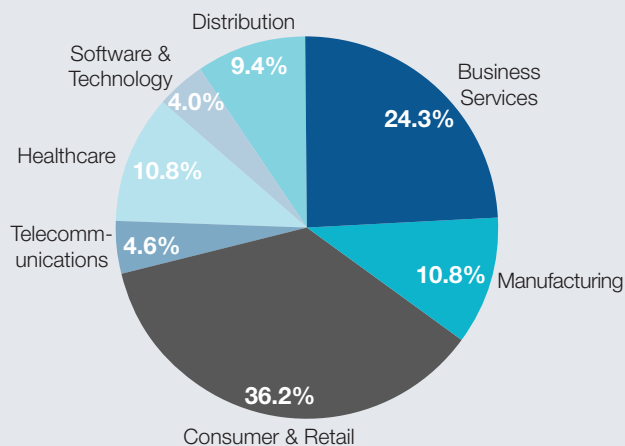
After fees and taxes, Q3 returns for CD1, CD2, CD3 and CD4 were 4.8%, 2.3%, 6.2% and 2.1% respectively, with the depreciating AUD (against the USD) adding approximately 8% to Fund returns, with some reduction in underlying asset value across the Funds during the quarter. CD1 to CD4 have now returned via distributions 1.53x, 1.08x, 0.72x and 0.10x, respectively, of their initial investment to unitholders – including distributions paid by CD3 and CD4 in August. Inclusive of the 30 September 2022 NTA for each, these Funds have achieved, to date, a return of 2.48x, 2.44x, 2.22x and 1.71x (noting that the final CD4 Unit capital call was due in August, partially netted against the distribution) based on initial unitholder investment.

Regards
CD Private Equity Team

KEY FUND DETAILS	FUND 1	FUND 2	FUND 3	FUND 4
ASX ticker	CD1	CD2	CD3	n/a
Inception	August 2012	April 2013	July 2016	April 2018
Pre-tax NTA	\$1.53 ¹	\$2.32 ¹	\$2.54 ¹	\$2.69 ¹
Post-tax NTA	\$1.52 ¹	\$2.18 ¹	\$2.41 ¹	\$2.58 ¹
Gross Assets	\$56.8 million	\$122.1 million	\$183.3 million	\$318 million
Number of managers	8 ²	12 ³	13	12
Total underlying investments (since inception)	96	122	140	122
Investments during the quarter	0	0	0	1
Full realisations	64	73	44	16
Realisations during the quarter	1	1	2	0
Current portfolio companies	32	49	96	106
Average age of remaining companies	6.8 years	5.5 years	3.6 years	2.6 years

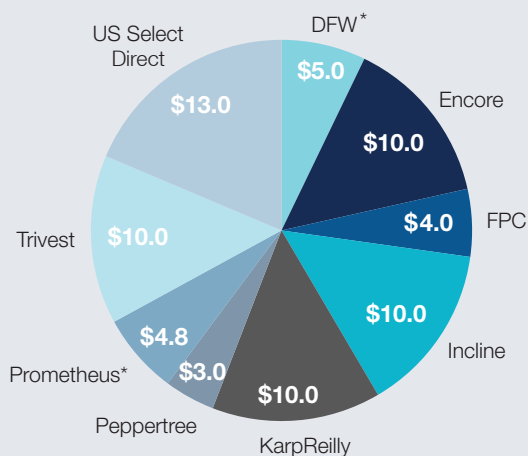
¹ Source: E&P Investments Limited. Historical performance is not a guarantee of the future performance of the Funds. The current NTAs per unit (shown above) are as at 30 September 2022. Note: Underlying investment figures are collected on a lagged basis and may not reflect actual exposures at period end. ² Number of managers is inclusive of Prometheus Partners IV, L.P. and DFW Capital Partners IV, L.P. which the LP has no remaining capital with. ³ Number of managers is inclusive of DFW Capital Partners IV, L.P. and RFE Investment Partners VIII, L.P. which the LP has no remaining capital with.

CD1 commitment 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 distributions from Prometheus Partners IV, L.P. in 2016 and DFW Capital Partners IV, L.P. in December 2021 and has no remaining capital with these funds.

CD1 Fund performance

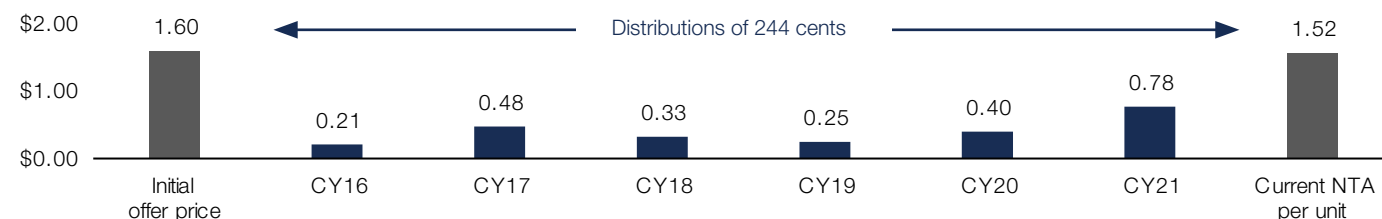
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	4.8%	16.0%	14.5%	17.7%	20.9%	14.7%

Notes: ¹ Source: E&P 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 12.9% per annum since inception.

CD1 unit value and income



Note: The Unit price of CD1 was \$0.925 on 30 September 2022. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

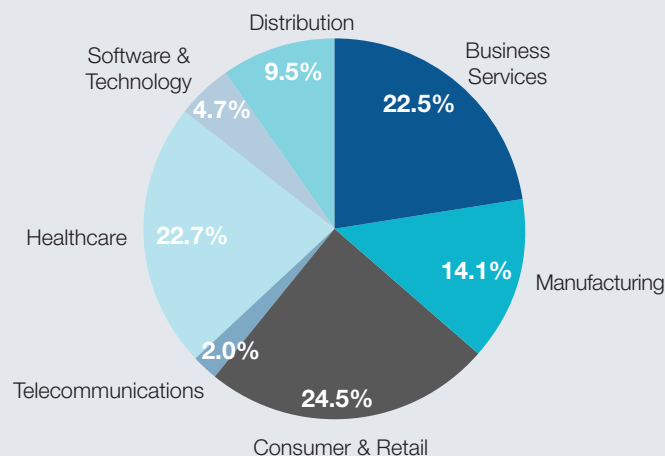
LP activity

During the quarter the LP made a distribution of US\$3.5 million to its limited partners and CD1's net share was US\$3.0 million.

Underlying fund activity

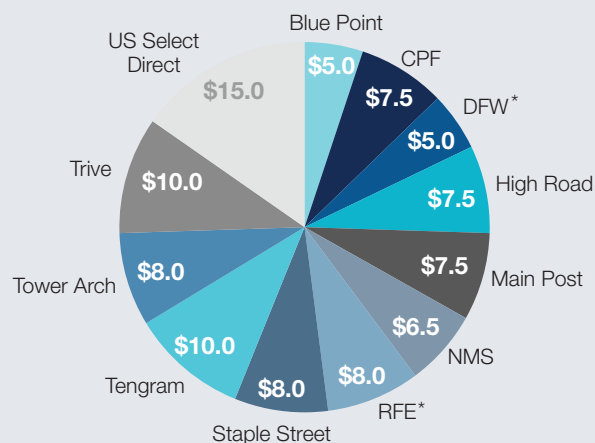
- There was one realisation from an underlying fund during the quarter.

CD2 commitment 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. * The LP received final distributions from DFW Capital Partners IV, L.P. (December 2021) and RFE Investment Partners VIII, L.P. (March 2022) and has no remaining capital with these funds.

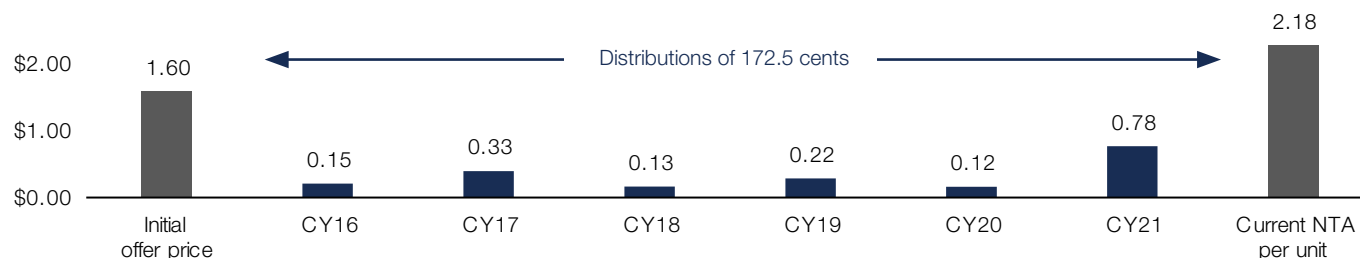
CD2 Fund performance

	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	2.3%	14.7%	20.9%	14.9%	17.2%	13.2%

Notes: ¹ Source: E&P 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 12.5% per annum since inception.

CD2 unit value and income



Note: The Unit price of CD2 was \$1.27 on 30 September 2022. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

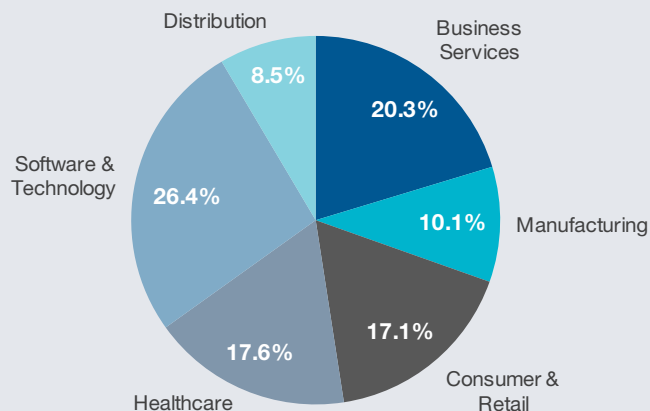
LP activity

During the quarter the LP made a distribution of US\$11.5 million to its limited partners and CD2's net share was US\$10.0 million.

Underlying fund activity

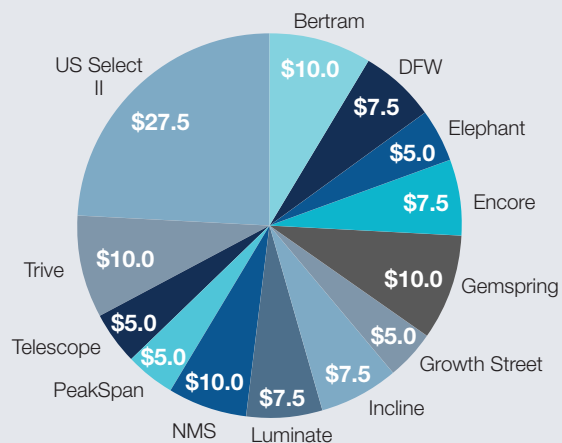
- **High Road Capital Partners Fund II, L.P.** distributed proceeds relating to the sale of Radix Wire & Cable and a small escrow release from a prior sale, resulting in a distribution of US\$1.8 million to the LP.
- **NMS Fund II, L.P.** distributed proceeds relating to the prior sale of Anne Arrundle Dermatology and the sale of a second portfolio company, partially offset by capital called to fund management fees and partnership expenses, resulting in a distribution of US\$1.2 million to the LP.
- **Main Post Growth Capital, L.P.** distributed proceeds relating to the sale of a portfolio company, partially offset by a capital call, resulting in a distribution of US\$0.6 million to the LP.

CD3 commitment 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

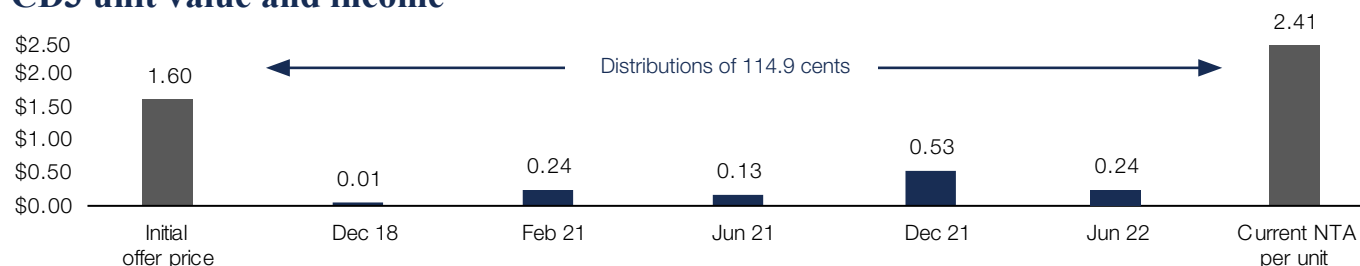
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	6.2%	19.5%	33.1%	29.0%	22.5%	17.0%

Notes: ¹ Source: E&P 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 15.0% per annum since inception.

CD3 unit value and income



Note: The Unit price of CD3 was \$1.50 on 30 September 2022. Historical performance is not a guarantee of the future performance of the Fund. Source: E&P Investments Limited. Current NTA per unit (shown above) is post-tax.

LP activity

During the quarter the LP made a distribution of US\$20.0 million to its limited partners and CD3's net share was US\$14.1 million.

Underlying fund activity

- **Gemspring Capital Fund I, L.P.** distributed proceeds relating to the majority sale of talent acquisition technology platform operator Radancy, partially offset by withholding tax, resulting in a net distribution of US\$9.1 million to the LP.
- **Elephant Partners Fund I, L.P.** distributed proceeds relating to the sale of Ratehub, resulting in a distribution of US\$0.9 million to the LP.
- **Trive Capital Fund II, L.P.** distributed proceeds relating to the sale of Wellman Dynamics and escrow release from form a prior sale, resulting in a distribution of US\$0.4 million to the LP.
- **U.S. Select Direct Private Equity II, L.P.** called capital to fund follow-on investments in a portfolio company.
- **NMS Fund III, L.P.** called capital to fund investment in Strive Medical following its add-on acquisition of the urology division of US Medical Supply. Strive Medical is a provider of direct-to-patient urological and wound care supplies to patients in the home setting, serving patients across the US.

CD Private Equity Fund Series

The CD Private Equity Fund Series, including CD Private Equity Fund I (**CD1**), CD Private Equity Fund II (**CD2**), CD Private Equity Fund III (**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.

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.

CD Private Equity team



Jonathan Cordish

Chairman
Advisory Board



Jonathan Sinex

Managing Director
Cordish Private Ventures

Important information

This Quarterly Update (**Update**) has been prepared by E&P Investments Limited as Responsible Entity (ACN 152 367 649, AFSL 410 433) 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**). The general partner of each of the Limited Partnerships (LPs) in the series has engaged either E&P Funds Management Pty Limited (ACN 159 902 708)(LP)(("E&PFM") or the Investment Manager (LPs II,III,IV) to act as investment manager and/ or investment advisor for each respective underlying LP. 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.

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About E&P Funds

E&P Funds 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.

E&P Investments Limited is the Responsible Entity of the Funds and is a wholly-owned subsidiary of E&P Financial Group Limited (EP1.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 cdfunds.com.au.

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