

Key investment events

- CD Fund returns¹ (CD1 to CD4) of -3.5%, -1.2%, +6.3% and +4.7% for the quarter and 2.3%, 7.1%, 25.5% and 13.1% over the past twelve months (respectively). Australian dollar movements have provided a strong tailwind of +1.9% for the quarter and +11.9% for the year.
- Distributions were announced in February 2023 for all Funds, with KnowBe4 taken private by Vista Equity Partners, contributing meaningfully to distributions to the CD3 and CD4 LPs.
- As at 31 March 2023, CD1 to CD4 have achieved returns of 2.37x, 2.35x, 2.29x and 1.66x on initial unitholder investment, respectively.

Fund update

Activity is normally more subdued leading into year end and finalisation of 31 December accounts in the private equity space, so while there has been some activity across the Funds, larger transaction have been limited. In Q1 KnowBe4 (underlying investment in **CD3 and CD4** held via Elephant Partners Fund I L.P., Elephant Partners Fund II L.P. and US Select Direct II L.P.) was taken private by Vista Equity Partners (Vista), at US\$24.90 per share.

In an interesting turn of events, and following quarter end, Fox News and **Dominion Voting Systems (CD2)** settled a defamation suit following accusations by Dominion that Fox News had pushed conspiracy theories relating to the 2020 US election that had harmed the company. The settlement amount is meaningful (US\$787.5 million) for Dominion

and likewise for Staple Street Capital II, L.P., which at 31 March 2023 represented approximately 9% of the CD2 LP. As previously noted, the flow through value of this settlement, while positive for CD2, is at 10 May, yet to be confirmed.

Knowbe4 (CD3 and CD4) – was a portfolio company held via Elephant Partners Fund I L.P. (CD3), Elephant Partners Fund II L.P. (CD4) and US Select Direct Private Equity Fund II L.P. (CD3 and CD4). The security awareness training company IPO'd strongly two years ago, during a period that was highly supportive, however alongside most tech related investments has been volatile since, trading in a range as high as \$35 and as low as \$14 per share. Vista announced a cash offer for the company in October 2022 for US\$24.90 per share or US\$4.1 billion. The deal completed 2 February 2023, generated substantial cash returns for early investors, but also a healthy multiple for pre-IPO investors.

Market comment

Global equities (**MSCI World Index**) had another positive quarter, returning +9.8% in Australian dollar (AUD) terms and +7.8% local currency terms. Markets performed strongly during the quarter despite significant volatility driven by the collapse of Silicon Valley Bank (SVB) in the US and, with the US Federal Reserve (Fed), Treasury and Federal Deposit Insurance Corporation (FDIC) stepping in to guarantee deposits. This led to further concerns around stability of the banking sector in the US, particularly for regional banks, and preceded the collapse of Swiss based bank Credit Suisse culminating in a government brokered sale to UBS.

US markets were strong as the S&P 500 Index increased 7.5% in US dollar (**USD**) terms over the quarter. US markets started the quarter strongly, with the S&P500 Index rising 2.8% in January on signs of easing inflationary pressures, leading investors to anticipate a slower pace of rate rises by central banks. However, rate sentiment reversed in February with markets retreating after a strong start, as investors became more cautious following CPI and PCE data which came in ahead of estimates. In response, the market increased peak rate expectations to 5.25-5.50%, while expectations for potential 2023 rate cuts moderated. The Fed raised rates by 25 basis points (bp) in February and again in March. The collapse of SVB triggered significant March intramonth volatility, however contagion fears subsided and renewed signs inflation was cooling drove strong equity performance, particularly in growth-oriented sectors and Information Technology (IT) sector.

Recent data indicates a continued broad slowing in the private equity market, a trend that has been ongoing since early 2022. High inflation, interest rates, and a degree of economic uncertainty have weighed on the sector, resulting in a strong decrease in both fund capital raised and deal flow. The economic uncertainty continues to result in a disparity between what private buyers are willing to pay and what private sellers consider fair, despite significant uninvested dry powder across the industry. The broadly held view is that inflation is moving slowly in the right direction and that interest rates may not need to move much higher. This has spurred a rally in equity markets which should ease pressure on the large asset allocators and as equity valuations rise potentially renew activity across the private equity and venture space. It is important to note that underlying managers remain broadly optimistic about the prospects for their portfolios but that increased uncertainty and cost inflation has resulted in some investments being reduced in value. Holding periods across the industry continue to push out, and the CD Funds are no exception to this, however we continue to see positive realisations across the Series.

After fees and taxes, Q1 returns for CD1, CD2, CD3 and CD4 returned¹ -3.5%, -1.2%, +6.3% and +4.7% respectively, with the depreciating AUD (against the USD) adding approximately 1.9% to Fund returns during the quarter. Inclusive of the distributions announced in February for CD1 to CD4 of 8, 6, 11 and 7 cents per unit, respectively, CD1 to CD4 have now returned¹ via distributions 1.66x, 1.29x, 0.92x and 0.14x, respectively, on initial unitholders investment. Inclusive of the 31 March 2023 NTA for each, these Funds have achieved, to date, a return of 2.37x, 2.35x, 2.29x and 1.66x.

Regards
CD Private Equity Team

KEY FUND DETAILS	FUND 1	FUND 2	FUND 3	FUND 4
ASX ticker	CD1	CD2	CD3	-
Inception	Aug-12	Apr-13	Jul-16	Apr-18
Pre-tax NTA	\$1.14	\$1.83	\$2.28	\$2.48
Post-tax NTA	\$1.13	\$1.70	\$2.19	\$2.42
Gross Assets	\$41.9 million	\$96.1 million	\$164.4 million	\$293.3 million
Number of managers	8 ²	12 ³	13	12
Total underlying investments (since inception)	96	122	142	126
Total realisations	68	75	51	19
Current portfolio companies	28	47	91	107
Average age of remaining companies	7.1 years	6.0 years	4.0 years	2.9 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 31 March 2023. 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 Fund performance

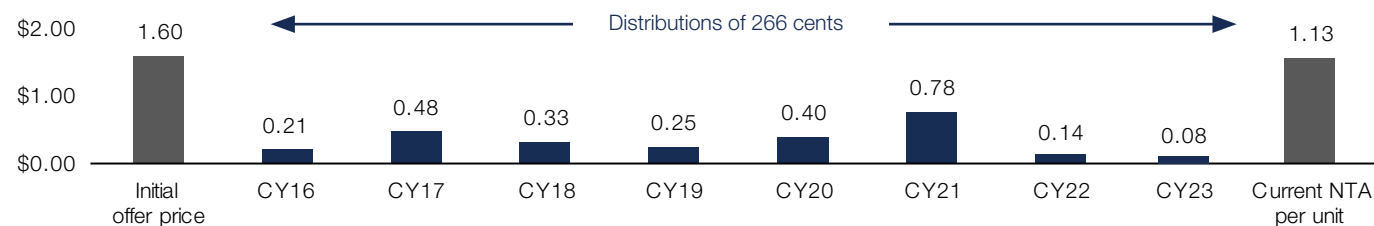
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-3.5%	-9.4%	2.3%	11.2%	15.7%	12.7%

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 12.2% per annum since inception.

CD1 unit value and income



Note: The Unit price of CD1 was \$0.77 on 31 March 2023. 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.

Underlying fund activity

- **Trivest Fund V, L.P.** distributed proceeds relating to the sale of two underlying investments, resulting in a distribution of US\$2.0 million to the LP.

Investors should also be aware that 31 March is the financial year end for the Fund and that audited financial accounts will be released in due course.

CD2 Fund performance

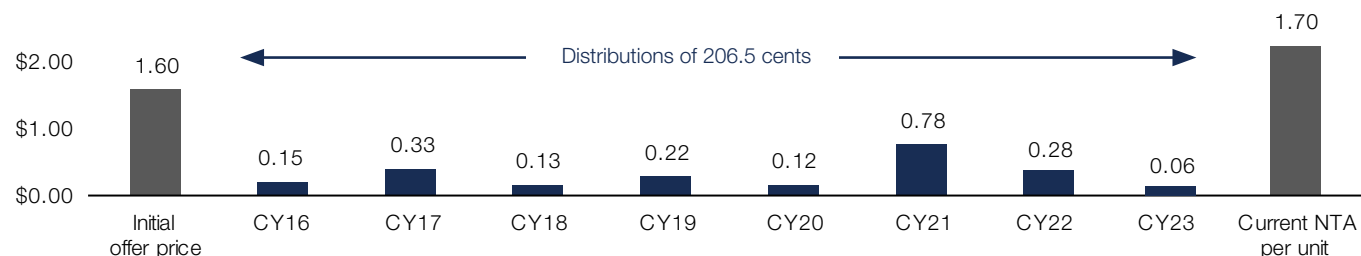
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-1.2%	-6.2%	7.1%	8.5%	13.3%	11.8%

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 11.7% per annum since inception.

CD2 unit value and income



Note: The Unit price of CD2 was \$1.07 on 31 March 2023. 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.

Underlying fund activity

- High Road Capital Partners Fund II, L.P. called capital to fund a follow-on investment in a portfolio company.
- Staple Street Capital II, L.P. investment Dominion Voting announced following quarter end that it had settled a defamation suit with Fox Corp that should see the company receiving a substantial payment which we expect will be positive for the net assets of the LP.

Investors should also be aware that 31 March is the financial year end for the Fund and that audited financial accounts will be released in due course.

CD3 Fund performance

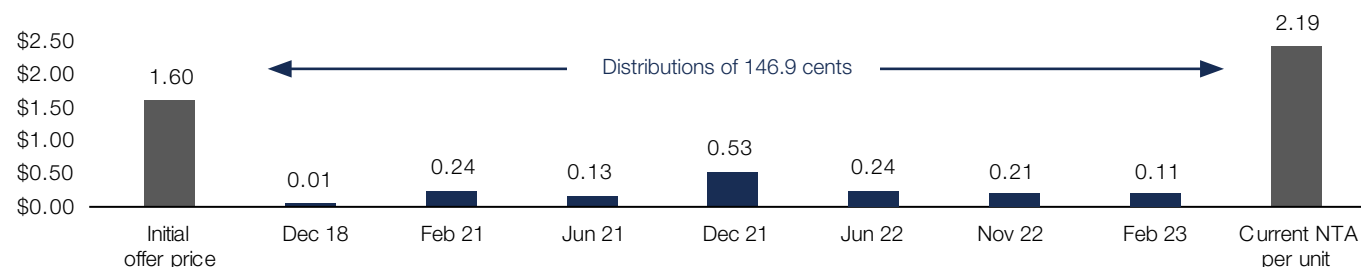
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	6.3%	0.8%	25.5%	27.0%	23.4%	16.5%

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 14.7% per annum since inception.

CD3 unit value and income



Note: The Unit price of CD3 was \$1.41 on 31 March 2023. 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\$13.3 million to its limited partners and CD3's net share was US\$9.5 million.

Underlying fund activity

- **Elephant Partners Fund I, L.P.** distributed proceeds relating to the acquisition of portfolio company KnowBe4 by Vista Equity Partners, resulting in a distribution of US\$8.0 million to the LP.
- **Incline Equity Partners IV, L.P.** called capital to fund a follow-on investments in two portfolio companies.
- **U.S. Select Direct Private Equity II, L.P.** distributed proceeds relating to the sale of Knowbe4, resulting in a distribution of US\$4.1 million to the LP.
- **NMS Fund III, L.P.** distributed proceeds relating to a dividend recapitalisation partially offset by a follow-on investment in another portfolio company, resulting in a net distribution of US\$0.4 million to the LP.
- **PeakSpan Capital Fund I, L.P.** distributed proceeds from sale of an investments, including escrow proceeds related to prior sales, partially offset by a capital call to fund portfolio investment requirements, resulting in a net distribution of US\$0.2 million to the LP.

Investors should also be aware that 31 March is the financial year end for the Fund and that audited financial accounts will be released in due course.

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 I)("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. MSCI indices source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representation with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

About E&P Funds

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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