

CD Private Equity Fund III (Fund) (ASX: CD3)

Net Tangible Asset Update – 31 July 2023

NTA per unit	Gross Assets (millions)	Distributions per unit (percentage of initial investment)		One month performance ^{1,2}	Annualised performance since inception (July 2016) ^{1,2}
\$1.90	\$143.70	Last 12 months: 51 cents (32%)	Since inception: 165.9 cents (104%)	-0.5%	14.9%

The estimated unaudited net tangible asset value (NTA) after tax as at 31 July 2023 was \$1.90^{1,3} per unit (30 June 2023 was \$1.91¹ per unit).

This net asset value movement recorded during the month was primarily a result of foreign exchange movements, with the Australian dollar falling by 0.8% during the month.

Performance summary

	1 Month	3 Months	6 Months	1 Year	3 Years p.a.	5 Years p.a.	Since inception p.a.
NTA return ^{1,2}	-0.5%	-5.0%	5.3%	7.7%	31.7%	21.4%	14.9%

On an NTA/Internal Rate of Return (IRR) basis, CD3 has achieved a return of 13.8% per annum since inception³.

Monthly investment activity

During the month, the LP received notice of the sale of underlying portfolio companies, including:

- Los Angeles-based videogame developer, Scopely, Inc. (Scopely), an underlying portfolio company of Elephant Partners Fund I, L.P. Scopely was acquired for US\$4.9 billion by a Saudi Arabian company, Savvy Games Group⁴.
- The sale of MBC Companies to Entrepreneurial Equity Partners. MBC was created from the acquisition of Murry's (an underlying portfolio company of Encore Consumer Capital Fund III, L.P.) who are a manufacturer of frozen French sticks and bites, and Bake Crafters – a manufacturer and distributor of breakfast and other baked goods products – in 2022. This sale represents the largest dollar return exit in Encore's 18-year history⁵.

The LP had one capital call during the month to fund follow-on investments and management fees.

Unitholders are welcome to reach out to the Investor Relations team via email (cdfunds@k2am.com.au) or by calling +61 3 9691 6110.

ASX release date: 14 August 2023

Notes: Authorised for release by K2 Asset Management Ltd (ACN 085 445 094, AFSL 244 393), the responsible entity of CD Private Equity Fund III (Fund or CD3). AUD:USD spot rate of 0.6717 as at 31 July 2023.

- Source: E&P Investments Limited (for data before 24 June 2023) and K2 Asset Management Ltd (for data post 24 June 2023). The historical performance is not a guarantee of the future performance of the Fund;
- Total returns are inclusive of distributions. NTA return is based on post tax NTA;
- Estimated unaudited net tangible asset value before tax at 31 July 2023 of \$1.99 per unit (30 June 2023 was \$2.01).
- Notice of Scopely [sale](#).
- Notice of MBC Companies [sale](#).

Numbers may not sum due to rounding.