

Key investment events

- The Australian dollar (AUD) was the primary driver of returns during the quarter, appreciating strongly against the US dollar (USD) and detracting -6.1% from AUD based returns. Inclusive of the currency movement, the returns for CD1-CD4 were -6.2%, -5.1%, -5.2% and -7.8% respectively during the quarter.
- In contrast to the Q4 impact (-6.1%) the decline in the AUD against the USD provided a strong tailwind this calendar year adding +6.6%. Over the past twelve months, CD1-CD4 have returned 3.6%, 8.4%, 26.0% and 10.1% respectively, inclusive of all costs and distributions.
- Exits/liquidity events occurred across all four Funds resulting in distributions in November (CD1-3) and further distributions announced for all four Funds in February 2023.
- As at 31 December 2022, CD1 to CD4 have achieved returns of 2.39x, 2.37x, 2.21x and 1.58x on initial unitholder investment, respectively.

Fund update

Q4 Fund activity included the sale of Brownie Brittle (underlying investment in CD1) and the investment in Intelligent Technical Solutions (ITS, underlying investment in CD4).

Brownie Brittle (CD1) – a portfolio company that markets unique sweet baked snacks and was held via Encore Consumer Capital Fund II, L.P. (Encore), completed a sale to Second Nature Brands, a portfolio company

of CapVest Partners LLP. Brownie Brittle operates a category-defining brownie snack brand that sells across stores in the US and abroad.

Intelligent Technical Solutions (CD4) – an IT managed services provider received a majority investment from Tower Arch Partners II, L.P. (Tower Arch). Headquartered in Las Vegas, Nevada, ITS provides managed IT, cloud, cybersecurity and fibre internet services for small to medium sized businesses (SMBs) throughout the Western and Midwestern United States. The acquisition by Tower Arch allows ITS to leverage the rising demand for IT services, expanding its footprint and enhancing service offerings.

Market comment

Global equities (MSCI World Index) had a positive quarter, returning +3.2% in Australian dollar (AUD) terms and +9.4% local currency terms, but still ended CY2022 down. Markets were buoyed as indications that cooling inflation and rising macro-economic headwinds would force the US Federal Reserve (Fed) to reduce the pace of interest rate rises. Asian markets were encouraged by the relaxation of Covid-zero policy in China.

US markets were strong as the S&P 500 Index increased 7.1% in US dollar (USD) terms over the quarter. The US Consumer Price Index (CPI) data fell in December to 6.5%, down from 7.1% in November and a 9.1% peak in June with the Fed to reducing their pace of rate rises to 50 basis points (bps), a reduction of the previous 75 bps hikes. All up, the Fed

hiked interest rates 425 bps during calendar year 2022, weighing on investor sentiment and battering small-cap, growth and technology stocks. The broader reaction within private markets to date has been muted, with minimal aggregate reductions in portfolio valuations and deal activity continuing, albeit at a reduced pace. Of significance across the industry is a broader slowing in fund raisings, and a growing trend to secondaries, although existing dry powder across the private equity ecosystem will mean funds will need to remain active. The growing likelihood of a US/global recession continues to cast a shadow, however the impact of this will be difficult to measure.

With this backdrop we were pleased to see activity across all Funds in the Series this quarter, with sales and partial sales resulting in further distributions of 8, 6, 11 and 7 cents per unit to Unitholders of CD1 to CD4, respectively announced 1 February 2023. The current economic environment will also throw up some interesting investment opportunities, and we were encouraged to see a number of add-on and new portfolio investments across the Funds this quarter. It is important to note that underlying managers remain optimistic about the prospects for their portfolios but are also highly aware of the risks a recession brings and are preparing appropriately. Lastly, while we expect activity across the Funds to continue, a recession may result in an extension to holding periods and the possibility that some investments are written down in value, however at present public markets and general sentiment remains positive.

After fees and taxes, Q4 returns for CD1, CD2, CD3 and CD4 were -6.2%, -5.1%, -5.2% and -7.8% respectively, with the appreciating AUD (against the USD) detracting approximately -6.1% from Fund returns during the quarter. Inclusive of the distributions announced in November for CD1 to CD3 of 14, 28, and 21 cents per unit, respectively, CD1 to CD4 have now returned via distributions 1.61x, 1.25x, 0.85x and 0.10x, respectively, based on unitholders investment. Inclusive of the 31 December 2022 NTA for each, these Funds have achieved, to date, a return of 2.39x, 2.37x, 2.21x and 1.58x.

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	\$1.26 ¹	\$1.92 ¹	\$2.27 ¹	\$2.49 ¹
Post-tax NTA	\$1.25 ¹	\$1.78 ¹	\$2.17 ¹	\$2.38 ¹
Gross Assets	\$46.3 million	\$101 million	\$163.6 million	\$293.4 million
Number of managers	8 ²	12 ³	13	12
Total underlying investments (since inception)	96	122	142	126
Total realisations	66	75	49	17
Current portfolio companies	30	47	93	109
Average age of remaining companies	6.9 years	5.7 years	3.7 years	2.7 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 December 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 Fund performance

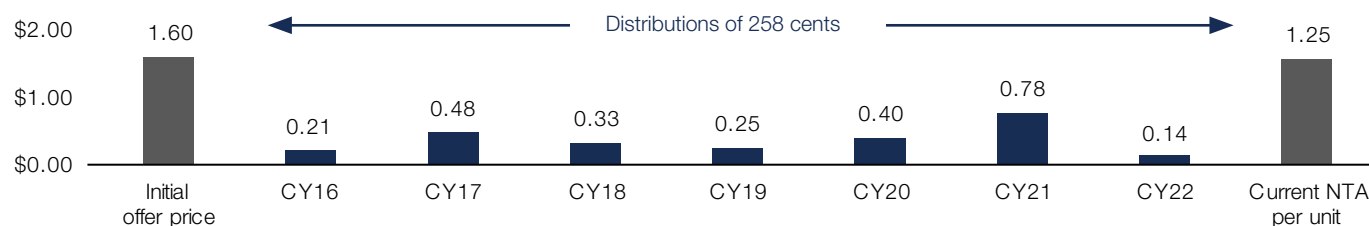
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-6.2%	-4.2%	3.6%	15.8%	18.5%	13.4%

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 12.4% per annum since inception.

CD1 unit value and income



Note: The Unit price of CD1 was \$0.82 on 31 December 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\$2.5 million to its limited partners and CD1's net share was US\$2.1 million.

Underlying fund activity

- **FPC Small Cap Fund I, L.P.** distributed proceeds relating to the sale of Sullivan Holding Company, resulting in a distribution of US \$1.3 million to the LP.
- **Encore Consumer Capital Fund II, L.P.** distributed proceeds relating to the sale of Brownie Brittle and escrow and tax proceeds relating to prior sales, resulting in a distribution of US\$1.7 million to the LP.

CD2 Fund performance

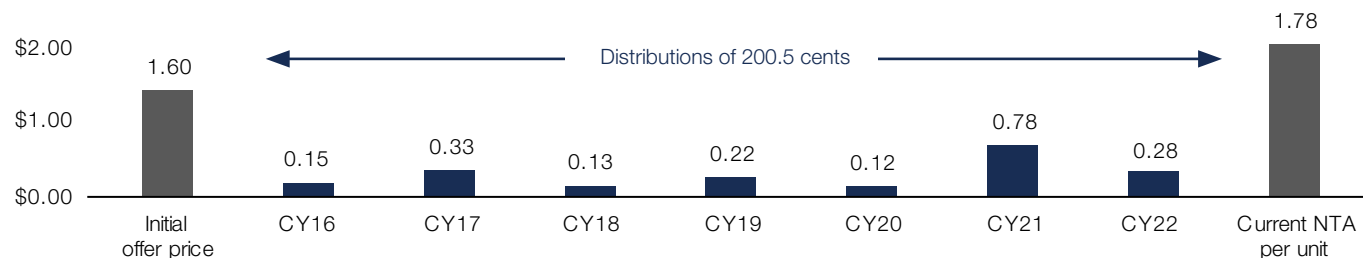
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-5.1%	-3.3%	8.4%	12.9%	15.0%	12.2%

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 11.9% per annum since inception.

CD2 unit value and income



Note: The Unit price of CD2 was \$1.15 on 31 December 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\$2.5 million to its limited partners and CD1's net share was US\$2.2 million.

Underlying fund activity

- **High Road Capital Partners Fund II, L.P.** called capital to fund a follow-on investment in a portfolio company.
- **Chicago Pacific Founders Fund, L.P.** called capital to fund a follow-on investment in a portfolio company.

CD3 Fund performance

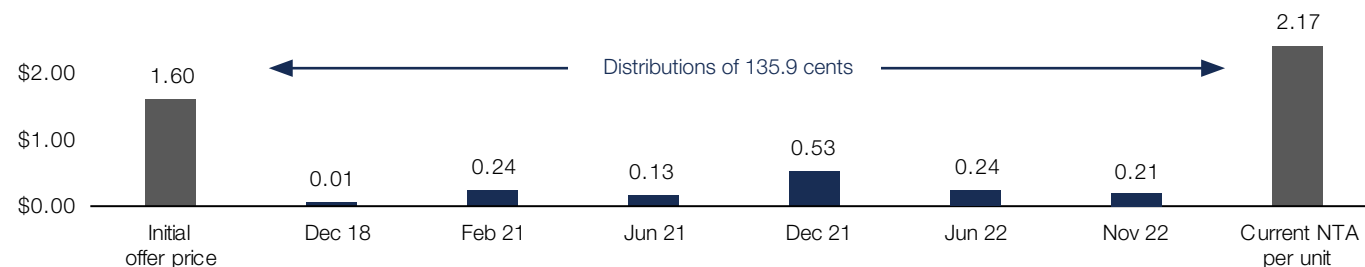
	3 MONTHS	6 MONTHS	1 YEAR	3 YEAR PA	5 YEAR PA	SINCE INCEPTION PA ³
NTA return ^{1,2}	-5.2%	4.8%	26.0%	29.1%	22.2%	16.1%

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 14.5% per annum since inception.

CD3 unit value and income



Note: The Unit price of CD3 was \$1.39 on 31 December 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\$10.0 million to its limited partners and CD1's net share was US\$7.1million.

Underlying fund activity

- **Gemspring Capital Fund I, L.P.** distributed proceeds relating to the recapitalisation of Crafty Apes and release of escrow proceeds relating to the partial sale of Radancy, resulting in an aggregate distribution of US\$1 million to the LP.
- **Encore Consumer Capital Fund III, L.P.** distributed proceeds relating to the prior sales of Supergoop!, and 4505 Meats, and distributions from another portfolio company, resulting in an aggregate distribution of US\$0.2 million to the LP.
- **Trive Capital Fund II, L.P.** distributed proceeds relating to realisations in WDC (Wellman Dynamics Corp) and escrow release relating to the prior sale of NxEdge, resulting in an aggregate distribution of US\$0.4 million to the LP.
- **Bertram Growth Capital III, L.P.** distributed proceeds relating to the recapitalisation of a portfolio company, resulting in an aggregate distribution of US\$0.4 million to the LP.

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 Funds is a multibillion-dollar global funds management firm founded in 2007.

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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