CD PRIVATE EQUITY FUND III

14 June 2024

CD PRIVATE EQUITY FUND III: ASX: CD3

NET TANGIBLE ASSET UPDATE – 31 MAY 2024

NTA per unit	Gross assets (million)	Distributions Last 12 months	Distributions Since Inception	Fund Inception	5 year NTA return
$1.80	$134.9	$0.37 per unit	$1.839 per unit	July 2016	18.8% p.a.

The estimated unaudited net tangible asset value (NTA) after tax as at 31 May 2024 was $1.80[1,3] per unit (30 April 2024 was $1.83[1,3] per unit).

The net asset value movement recorded during the month reflects the updated valuations for the underlying funds for the period ended 31 March 2024. Additional movements since this period are primarily a result of foreign exchange movements, with the Australian dollar strengthening by 2.8% during May.

PERFORMANCE SUMMARY

	1 month	6 months	1 year	3 years p.a.	5 years p.a.	Since Inception p.a.
NTA Return[1,2]	-1.6%	1.7%	-0.6%	19.6%	18.8%	13.8%

On an NTA/Internal Rate of Return (IRR) basis, CD3 has achieved a return of 13.3% per annum since inception.

MONTHLY LP & FUND UPDATE

During the month, the LP received two distributions for a total of US$0.6 million from two underlying funds - Growth Street Partners I, LP and Incline Equity Partners IV, LP (**Incline**). This distribution was partially reduced by a minor capital call from Incline (US$0.01 million) which was utilised for follow-on investments to support the continued growth and liquidity of existing portfolio companies, Starwest Botanicals (a 2021 acquisition) and Raney's (a 2022 acquisition).

During the month, K2 were pleased to present Unitholders with the Q1 2024 report, as well as the Annual Financial Report for the period ended 31 March 2024 (both found here). As referenced within the 2024 Financial Report, as RE we remain enthusiastic about the Fund Series and believe that they each present an attractive and unique opportunity to invest into middle-market Private Equity (PE) via a proven and successful strategy.

We are excited to continue to work with Unitholders throughout FY25 and as always, encourage Unitholders to reach out to the team via email at cdfunds@k2am.com.au, or by calling +61 3 9691 6110.

Authorised for release by K2 Asset Management Ltd (K2) (ACN 085 445 094, AFSL 244 393), the responsible entity of CD Private Equity Fund III (Fund or CD3). Notes: AUD:USD spot rate of 0.6653 as at 31 May 2024. Numbers may not sum due to rounding.

1. 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;
2. Total returns are inclusive of distributions and based on the Fund's post tax NTA;
3. Estimated unaudited net tangible asset value before tax at 31 May 2024 of $1.84 per unit (30 April 2024 was $1.87).