

SLCP (General Partner ESP CAL) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Registration number: SC293350



SLCP (General Partner ESP CAL) Limited

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SLCP (General Partner ESP CAL) Limited

Company Information

Directors

J R Bryden
M Lemond
M McKay
S Tyszko

Company secretary

abrdn Corporate Secretary Limited

Registered office

1 George Street
Edinburgh
Scotland
EH2 2LL

Auditor

KPMG LLP
Chartered Accountants and Statutory Auditor
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

SLCP (General Partner ESP CAL) Limited

Directors' Report for the year ended 31 December 2022

The Directors present their annual report together with the audited financial statements of SLCP (General Partner ESP CAL) Limited ("the Company") for the year ended 31 December 2022.

The Directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

Business review and future developments

The Company's principal activity is to act as a General Partner of ESP Golden Bear General Partner Limited Partnership ("the GP LP"), which is the General Partner of ESP Golden Bear Europe Fund ("the Fund"), whose activity is to make private equity investments, primarily in Europe. The Company has entered into a management agreement with abrdn Capital Partners LLP ("aCP"), authorising it to manage the business of the Funds.

The Fund has extended the date of expiration to 10 August 2024, with one further extension remaining per Limited Partnership Agreement. The Company has the intention to use the remaining one year extension which will extend the life of the Fund to 10 August 2025.

The Company is part of abrdn plc ("abrdn plc" or, together with its subsidiaries, "the abrdn Group"). There are no plans to change the principal activity of the Company.

Directors of the Company

The Directors, who held office during the year, were as follows:

S Hay (resigned 22 February 2022)

R J Pim (resigned 22 February 2022)

J R Bryden (appointed 22 February 2022)

M Lemond (appointed 22 February 2022)

M McKay (appointed 22 February 2022)

S Tyszko (appointed 22 February 2022)

The Company's ultimate parent company, abrdn plc maintains directors' and officers' liability insurance on behalf of its directors and officers.

Company secretary

The Company secretary during the year was as follows:

abrdn Corporate Secretary Limited

Result for the year

The result for the year ended 31 December 2022 is a profit after tax of £nil (2021: £nil).

Directors' Report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks.

The abrdn Group, of which the Company is a part, has an Enterprise Risk Management ("ERM") framework comprising three lines of defence; the first being day-to-day risk management, including identification and mitigation of risks and maintaining appropriate controls; the second being oversight from the abrdn Group Risk and Compliance function, which reports to the Chief Risk Officer; and the third being the Internal Audit function, reporting to the Chief Internal Auditor, which independently verifies systems of control.

The ERM framework underpins risk management throughout the abrdn Group, including the Company, which has evolved to ensure it keeps pace with industry best practice and risk profile of the abrdn Group. In 2022, improvements to the framework included refinements to the risk appetite framework, extending our risk taxonomy, refocusing Risk and Control Self Assessments, reviewing our Conflicts of Interest and reviewing our policy register.

The principal risks and uncertainties facing the Company are integrated into the principal risks of the abrdn Group and are therefore not managed separately. The principal risks and uncertainties of abrdn plc, which include those of the Company, are detailed below:

Strategic risk

These are risks that could prevent the achievement of strategic aims and successfully delivering business plans. These could include failing to meet client expectations, poor strategic decision-making, poor implementation or failure to adapt. We continued to develop our single global brand during 2022. These risks have been managed through assessing emerging risks so that action can be taken in a timely and proportionate manner to mitigate these, including detailed stakeholder engagement plans to manage the transition to the new brand and ensuring each business unit has a clear organic growth strategy.

Financial risk

This is the risk of having insufficient resources, suffering losses from adverse markets or the failure or default of counterparties. It could be influenced by inflows and outflows, global market trends, as well as margins on investment mandates. Capital is held against identified risks which are reviewed on an ongoing basis.

Directors' Report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties (continued)

Third party management

Activities to suppliers are outsourced with specialist capabilities which means there is exposure to the risk of third parties failing to deliver in line with contractual obligations. The abrdn Group Third Party Risk Management framework is well embedded and continues to evolve in line with external developments, industry practice and regulatory developments.

Going concern

The Board's assessment of going concern is underpinned in Company forecasts that model severe market shocks to ensure the Company could continue to satisfy ongoing operating requirements. Based on their assessment, the Board is satisfied that the Company has and will maintain sufficient resources to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statement. Further information is available in Note 1.

Dividends

The Directors recommended and paid dividends of £nil in 2022 (2021: £nil) to the Company's immediate parent, namely abrdn CP (Holdings) Limited.

Political donations

It is the Company's policy not to make donations for political purposes.

Independent auditor

The Independent Auditor, KPMG LLP, has indicated their willingness to continue in office.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Modern slavery act

As a global investment company, abrdn plc wants to do all it can to help tackle human trafficking, forced labour, bonded labour and child slavery by focusing on its operations, supply chain and investment process. abrdn plc has published a modern slavery statement, reinforcing its commitment to this important issue. This can be found on the abrdn plc website: <https://www.abrdn.com/corporate/corporate-sustainability/document-library>.

Directors' Report for the year ended 31 December 2022 (continued)

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Approved by the Board on 20 September 2023 and signed on its behalf by:



.....
J R Bryden
Director

Independent Auditor's Report to the Members of SLCP (General Partner ESP CAL) Limited

Opinion

We have audited the financial statements of SLCP (General Partner ESP CAL) Limited ("the Company") for the year ended 31 December 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Independent Auditor's Report to the Members of SLCP (General Partner ESP CAL) Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud; and
- Reading Board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included material post-year end closing journals.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence; if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent Auditor's Report to the Members of SLCP (General Partner ESP CAL) Limited (continued)

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' Report

The directors are responsible for the Directors' Report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' Report;
- in our opinion the information given in directors' report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Independent Auditor's Report to the Members of SLCP (General Partner ESP CAL) Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Sarah Marchant (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

27 September 2023

SLCP (General Partner ESP CAL) Limited

Profit and Loss Account for the year ended 31 December 2022

	Note	2022 £	2021 £
Revenue	3	375,372	379,140
Administrative expenses		<u>(375,372)</u>	<u>(379,140)</u>
Result for the year		<u><u>-</u></u>	<u><u>-</u></u>

The Company has not recorded any other comprehensive income during the years to 31 December 2022 or 31 December 2021. A separate statement of comprehensive income is therefore not disclosed.

The statutory audit fee of £6,414 (2021: £5,022) has been paid by a fellow abrdn Group undertaking.

The notes on pages 13 to 17 form an integral part of these financial statements.

SLCP (General Partner ESP CAL) Limited

Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Assets			
Current assets			
Trade and other receivables	4	100	100
Total current assets		100	100
Equity and liabilities			
Equity			
Share Capital	5	100	100
Equity attributable to equity holders of the parent		100	100
Total current liabilities		-	-
Total equity and liabilities		100	100

Approved by the Board on 20 September 2023 and signed on its behalf by:

James Bryden

.....
J R Bryden
Director

Registration number: SC293350

The notes on pages 13 to 17 form an integral part of these financial statements.

SLCP (General Partner ESP CAL) Limited

Statement of Changes in Equity for the year ended 31 December 2022

	Share capital	Total
	£	£
At 1 January 2021	100	100
At 31 December 2021	100	100
	Share capital	Total
	£	£
At 1 January 2022	100	100
At 31 December 2022	100	100

The notes on pages 13 to 17 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The following accounting policies have been applied consistently to all years presented when dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The Company meets the definition of a qualifying entity under Application of Financial Reporting Requirements 100 as issued by the Financial Reporting Council. Accordingly, the financial statements for year ended 31 December 2022 have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- International Accounting Standard ("IAS") 1 Presentation of Financial Statements requirement for comparative period reconciliations for share capital;
- IAS 1 Presentation of Financial Statements disclosures in respect of capital management;
- IAS 7 Statement of Cash Flows and related notes;
- IAS 8 Accounting Policies requirement to disclose the effects of new but not yet effective International Financial Reporting Standards ("IFRSs");
- IFRS 15 Revenue from Contracts with Customers; and
- IAS 24 Related Party disclosures in respect of transactions with wholly owned subsidiaries.

As the consolidated financial statements of abrdn plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company is a wholly owned subsidiary of abrdn plc which prepares consolidated financial statements and is therefore exempt from the requirement to prepare consolidated accounts by virtue of section 400 of the Companies Act 2006.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development and financial position, are set out in the Directors' Report.

The Company traded during the period but exists to make no profit or loss. This is because all regulated investment management activity pertaining to the vehicle is delegated to another abrdn Group undertaking. Consequently, any profits or losses in the Company are absorbed by the delegated investment management undertaking. Amounts payable to the delegated investment management undertaking are net of operating costs, so these would be reduced should the Company incur additional operating costs.

The Board's assessment of going concern is based on the assessment of the Funds going concern to ensure the Company could continue to satisfy ongoing operating requirements. Based on their assessment, the Board is satisfied that the Company has and will maintain sufficient resources to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statement.

Changes in accounting policy

No new standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material impact on the Company.

Revenue recognition

The Company's primary source of revenue is profit sharing from the underlying Limited Partnership. Profit share is generated through the management profit share that is paid by the Funds to the GP LP. Revenue is recognised as the service is provided and when it is probable that the profit share will be received.

Administrative expenses

Administrative expenses are recognised on an accruals basis.

Foreign currency transactions and balances

(i) Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in pounds sterling, which is the Company's presentational and functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling at the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date and any exchange differences arising are taken to the profit and loss account.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)**1 Accounting policies (continued)****Financial assets****Amortised cost**

These instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These instruments are included in current assets and consist of amounts owed by abrdn Group undertakings. These instruments are initially recognised at fair value, net of any transaction costs, and subsequently at amortised cost using the effective interest rate method.

The Company has adopted trade date accounting. Accordingly, a financial asset is recognised on the date the Company commits to its purchase and derecognised on the date on which the Company commits to its sale.

Financial liabilities**Amortised cost**

These instruments include amounts owed to abrdn Group undertakings and amounts owed to the GP LP. These instruments are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements can necessitate the use of key estimates and judgements. These estimates and judgements can affect the reported amounts of assets and liabilities, contingent or otherwise, at the balance sheet date as well as affecting the reported profit or loss for the year. There are not considered to be any critical estimates.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2022	2021
	£	£
Management profit share	375,372	379,140
Total revenue	375,372	379,140

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

4 Trade and other receivables

	2022	2021
	£	£
Current trade and other receivables:		
Amounts owed by abrdn Group undertakings	100	100
Total current trade and other receivables	100	100

Amounts owed by abrdn Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand and as such they have been classified as current based on expected settlement date.

5 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

6 Related party transactions

In the normal course of business, the Company enters into transactions with related parties in respect of investment management business.

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

The following are details of significant transactions with related parties (excluding fellow wholly owned subsidiaries and key management personnel) during the year and the year end balances arising from such transactions.

	2022
	Revenue
	£
GP LP	375,372
	375,372
	2021
	Revenue
	£
GP LP	379,140
	379,140

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

7 Parent and ultimate parent undertaking

The Company's immediate parent is abrdn CP (Holdings) Limited and its ultimate parent is abrdn plc, both of which are incorporated in the United Kingdom and registered in Scotland.

The most senior parent entity producing publicly available financial statements is abrdn plc. Copies of the consolidated Annual Report and Accounts are available to the public from 1 George Street, Edinburgh, EH2 2LL, or to download on the website www.abrdn.com.

8 Events after the balance sheet date

To the knowledge of the Directors, there have been no material events after the reporting period.

9 Related undertakings

In line with Companies Act requirements, the Company considers the Funds and the GP LP to be related undertakings as, although the Company has no interest, it acts as General Partner to these entities.

Name of undertaking: ESP Golden Bear Europe Fund

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh EH2 2LL, United Kingdom

The Company acts as a General Partner of the below Limited Partnership

Name of undertaking: ESP Golden Bear General Partner Limited Partnership

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh, EH2 2LL, United Kingdom

ESP Golden Bear Europe Fund

Financial Statements for the year ended 31 December 2022

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Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Registered Address	1 George Street Edinburgh, EH2 2LL U.K.
Manager and Principal Place of Business	abrdn Capital Partners LLP 1 George Street Edinburgh, EH2 2LL U.K.
General Partner (and Founder Partner)	ESP Golden Bear General Partner Limited Partnership 1 George Street Edinburgh, EH2 2LL U.K.
U.K. Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
U.S. Legal Advisor	Ropes & Gray LLP Prudential Tower 800 Boylston Street Boston, MA 02199-3600 U.S.A.
Tax Advisor	Ernst & Young LLP 25 Churchill Place Canary Wharf London, E14 5EY U.K.
Independent Auditor	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh, EH1 2EG U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.

Report of the General Partner

The General Partner, ESP Golden Bear General Partner Limited Partnership, presents the audited financial statements for ESP Golden Bear Europe Fund ("the Fund") for the year ended 31 December 2022.

SLCP (General Partner ESP Cal) Limited is the ultimate GP of the entity. The directors of the ultimate GP have the capacity in signing the accounts on behalf of SLCP (General Partner ESP Cal) Limited, General Partner of ESP Golden Bear General Partner Limited Partnership, General Partner of ESP Golden Bear Europe Fund.

Structure of the Fund

The Fund is a Limited Partnership, established in Scotland, United Kingdom ("U.K."). The Fund held its first and final close on 29 August 2007, admitting two Limited Partners with aggregate commitments of €515 million. Following a Limited Partner transfer on 30 September 2016, the Fund now has 7 Limited Partners. The structure of the Fund is detailed further in note 1 to the financial statements.

Directors of the General Partner

Please refer to the financial statements of SLCP (General Partner ESP Cal) Limited for the names of the Directors.

Distributions

Distributions of €24,366,670 (2021: €57,141,264) were made during the year of which €283,658 (2021: €566,885) was temporary return of capital, which is recallable.

Events after the reporting date

The General Partner has identified no significant events after the reporting date.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 9. A description of the principal activity of the Fund is provided in note 1 to the financial statements.

The Manager's Report for the Fund, which is issued separately, contains detailed analysis of each of the Fund's Investments, together with commentary on the economic climate and how this impacts the private equity market.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Fund's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

Independent auditor

The General Partner has reappointed KPMG LLP as auditor to the Fund in accordance with Section 485 of Companies Act 2006.

Data protection

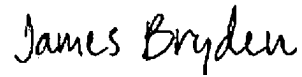
abrdn Capital Partners LLP ("the Manager") has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Report of the General Partner (continued)

Strategic report

The Fund is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and it is therefore exempt from preparing a strategic report.

Signed on behalf of the General Partner

A handwritten signature in black ink that reads "James Bryden". The script is cursive and fluid.

James Bryden

Signed for and on behalf as Director of SLCP (General Partner ESP Cal) Limited, General Partner of ESP Golden Bear General Partner Limited Partnership, General Partner of ESP Golden Bear Europe Fund

15 June 2023

Statement of General Partner's Responsibilities in respect of the Report of the General Partner and the financial statements

The General Partner is responsible for preparing the General Partner's Report and ESP Golden Bear Europe Fund ("the Partnership") financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law, the General Partner has elected to prepare the financial statements in accordance with U.K. Accounting Standards and applicable law (U.K. Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the U.K. and Republic of Ireland.

Under Company law, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with U.K. accounting standards and applicable law;
- assess the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to partnerships by The Partnerships (Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Partnership and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Partners of ESP Golden Bear Europe Fund

Opinion

We have audited the financial statements of ESP Golden Bear Europe Fund ("the Partnership") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Partners, the Statement of Cash Flows and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with U.K. accounting standards, including FRS 102 The Financial Reporting Standard applicable in the U.K. and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (U.K.) ("ISAs (U.K.)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Partnership in accordance with, U.K. ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The General Partner has prepared the financial statements on the going concern basis as they do not intend to liquidate the Partnership or to cease its operations, and as they have concluded that the Partnership's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the General Partner's conclusions, we considered the inherent risks to the Partnership's business model and analysed how those risks might affect the Partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the General Partner's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Partnership's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Partnership will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of the General Partner as to the Partnership's policies and procedures to prevent and detect fraud as well as enquiring whether they have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- considering performance based remuneration for the General Partner.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Independent Auditor's Report to the Partners of ESP Golden Bear Europe Fund (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to fraud (continued)

As required by auditing standards, and taking into account our overall knowledge of the control environment, we performed procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the General Partner and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the General Partner (as required by auditing standards) and discussed with the General Partner the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Partnership is subject to laws and regulations that directly affect the Partnership including financial reporting legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Partnership is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Partnership's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the General Partner and the Administrator and inspection of regulatory and legal correspondence, if any.

Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Partners of ESP Golden Bear Europe Fund (continued)

General Partner's report

The General Partner is responsible for the General Partner's report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the General Partner's report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in that report;
- in our opinion the information given in the General Partner's report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small companies exemption, as applied to qualifying partnerships, from the requirement to prepare a strategic report.

We have nothing to report in these respects.

General Partner's responsibilities

As explained more fully in their statement set out on page 4, the General Partner is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

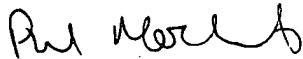
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (U.K.) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at <http://www.frc.org.uk/auditorsresponsibilities>.

Independent Auditor's Report to the Partners of ESP Golden Bear Europe Fund (continued)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Partners, as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the Partners those matters we have been engaged to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partners, as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Merchant (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
15 June 2023

Statement of Comprehensive Income

		Year ended 31 December 2022	Year ended 31 December 2021
	Notes	€	€
Income			
Investment income	5	3,182,262	1,881,566
Net unrealised movement on Investments		(21,186,073)	6,877,355
Net unrealised foreign exchange movement on Investments		176,845	3,463,482
Net realised gain on Investments		16,748,076	6,414,606
Net realised foreign exchange loss on Investments		(371,064)	(768,526)
Net foreign exchange loss on non-Investments		(2,916)	(6,021)
Total net (loss) / income		(1,452,870)	17,862,462
Expenses			
Administration and other expenses	6	(184,620)	(348,005)
Re-measurement of the carried interest liability	9	106,126	(858,329)
Management profit share	10	(437,750)	(437,750)
Total operating expenses		(516,244)	(1,644,084)
Operating (loss) / profit		(1,969,114)	16,218,378
Change in net (liabilities) / assets attributable to Partners		(1,969,114)	16,218,378

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Fund has no components of other comprehensive income in the current and comparative year.

The notes 1 to 15 form an integral part of these financial statements.

Statement of Financial Position

		At 31 December 2022	At 31 December 2021
	Notes	€	€
Fixed assets			
Financial assets at fair value through profit or loss	13	<u>37,399,226</u>	<u>65,420,384</u>
Current assets			
Cash and cash equivalents		3,896,123	2,289,350
Trade and other receivables	7	<u>4,820</u>	<u>12,620</u>
		<u>3,900,943</u>	<u>2,301,970</u>
Current liabilities			
Trade and other payables	8	(122,814)	(103,088)
Carried interest liability	9	<u>(2,083,593)</u>	<u>(3,403,564)</u>
		<u>(2,206,407)</u>	<u>(3,506,652)</u>
Net current assets / (liabilities)		<u>1,694,536</u>	<u>(1,204,682)</u>
Net assets attributable to Partners		<u>39,093,762</u>	<u>64,215,702</u>
Represented by:			
General Partner's capital account		57	57
Limited Partners' capital account		515	515
Limited Partners' loan account		(226,530,217)	(203,377,391)
Limited Partners' current account		<u>265,623,407</u>	<u>267,592,521</u>
		<u>39,093,762</u>	<u>64,215,702</u>

The notes 1 to 15 form an integral part of these financial statements.

The financial statements set out on pages 9 to 23 were approved by the General Partner on 15 June 2023 and signed on its behalf by:

James Bryden

James Bryden

Signed for and on behalf as Director or SLCP (General Partner ESP Cal) Limited, General Partner of ESP Golden Bear General Partner Limited Partnership, General Partner of ESP Golden Bear Europe Fund

Statement of Changes in Net Assets Attributable to Partners

Year ended 31 December 2022					
	General Partner's Capital Accounts	Limited Partners' Capital Accounts	Limited Partners' Loan Accounts	Limited Partners' Current Accounts	Total
	€	€	€	€	€
Balance at 1 January 2022	57	515	(203,377,391)	267,592,521	64,215,702
Partners' loan drawn	-	-	-	-	-
Temporary return of capital to Partners	-	-	(283,658)	-	(283,658)
Distributions to Partners	-	-	(22,869,168)	-	(22,869,168)
Change in net liabilities attributable to Partners	-	-	-	(1,969,114)	(1,969,114)
Balance at 31 December 2022	57	515	(226,530,217)	265,623,407	39,093,762

Year ended 31 December 2021					
	General Partner's Capital Accounts	Limited Partners' Capital Accounts	Limited Partners' Loan Accounts	Limited Partners' Current Accounts	Total
	€	€	€	€	€
Balance at 1 January 2021	57	515	(158,457,126)	251,374,143	92,917,589
Partners' loan drawn	-	-	950,000	-	950,000
Temporary return of capital to Partners	-	-	(566,885)	-	(566,885)
Distributions to Partners	-	-	(45,303,380)	-	(45,303,380)
Change in net assets attributable to Partners	-	-	-	16,218,378	16,218,378
Balance at 31 December 2021	57	515	(203,377,391)	267,592,521	64,215,702

The notes 1 to 15 form an integral part of these financial statements.

Statement of Cash Flows

		Year ended 31 December 2022	Year ended 31 December 2021
	Notes	€	€
Cash flows from operating activities			
Operating (loss) / profit		(1,969,114)	16,218,378
Net unrealised movement on Investments		21,186,073	(6,877,355)
Net unrealised foreign exchange movement on Investments		(176,845)	(3,463,482)
Net realised gain on Investments		(16,748,076)	(6,414,606)
Net realised foreign exchange loss on Investments		371,064	768,526
Contributions to Fund Investments		(7,567,824)	(871,094)
Distributions from Fund Investments		30,956,766	52,203,053
Re-measurement of the carried interest liability	9	(106,126)	858,329
Decrease in trade and other receivables	7	7,800	65,120
Increase in trade and other payables	8	19,726	14,062
Net cash inflow from operating activities		25,973,444	52,500,931
Cash flows from financing activities			
Partners' loan drawn		-	950,000
Temporary return of capital to Partners		(283,658)	(566,885)
Payment of carried interest liability	9	(1,213,845)	(11,270,999)
Distributions to Limited Partners		(22,869,168)	(45,303,380)
Net cash outflow from financing activities		(24,366,671)	(56,191,264)
Net increase / (decrease) in cash and cash equivalents		1,606,773	(3,690,333)
Cash and cash equivalents at the start of the year		2,289,350	5,979,683
Cash and cash equivalents at the end of the year		3,896,123	2,289,350

The notes 1 to 15 form an integral part of these financial statements.

Notes to the Financial Statements

1. Fund background

The Fund is a Limited Partnership registered in Scotland, U.K. and was established on 10 August 2010 (the "Effective Date"). The Fund held a first and final closing on 29 August 2007 with total commitments of €515,000,057 from two Limited Partners and the General Partner. The Limited Partners' capital contributions equal 0.0001% of their total commitment. Following a Limited Partner transfer on 30 September 2016, the Fund has 7 Limited Partners. Commitments to Fund Investments can be drawn at any time and the Fund is required to draw down loan commitments from Limited Partners in order to cover these.

ESP Golden Bear General Partner Limited Partnership is the General and Founder Partner of the Fund and has contributed €57 to the Fund as a carried interest partner. The Manager of the Fund is abrdn Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. The Fund has no employees.

SLCP (General Partner ESP Cal) Limited is the ultimate General Partner of the Fund. The director of the ultimate General Partner have the capacity in signing the accounts on behalf.

The Fund was formed for the purpose of investing in Fund Investments and Co-investments, together "Investments". For investment purposes, total commitments are treated separately as 'A' and 'B' commitments as follows:

'A' commitments comprise €412 million of total commitments. The Manager intends to invest at least 80% of the 'A' commitments in Large Fund Investments with a fund size of between €350 million and €2.5 billion and up to 20% in Co-investments.

'B' commitments comprise €103 million of total commitments. The Manager intends to invest the 'B' commitments in Small Fund Investments with a fund size of €350 million or less.

The Fund is established for a term of ten years from the end of the Investment Period, subject to two one year extensions. The investment period for Fund Investments and Co-Investments was five years from the Effective Date and has now expired. The initial term of the Partnership expired on 10 August 2022, however, as permitted by the Limited Partnership Agreement, the General Partner extend the term by one additional year to 10 August 2024.

The structure of the Fund at 31 December 2022 was as follows:

	At 31 December 2022		
	General Partner	Limited Partners	Total
	€	€	€
Commitments	57	515,000,000	515,000,057
Partners' capital drawn	57	515	572
Partners' loan drawn	-	460,576,949	460,576,949
Temporary return of capital to Partners	-	(19,710,728)	(19,710,728)
Funded	57	440,866,736	440,866,793
% of Commitments			85.6%
Distributions to Partners	-	(667,396,438)	(667,396,438)
Total distributed	-	(667,396,438)	(667,396,438)
Limited Partners' % distributed of Funded Commitments			151.4%
Net distributed to all Partners	57	(226,529,702)	(226,529,645)

2. Statement of compliance

The financial statements of the Fund have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the Companies Act 2006 and the Regulations.

Notes to the Financial Statements (continued)

2. Statement of compliance (continued)

The Amendments to FRS 102 adopted by the Fund in these financial statements are set out below. These Amendments are effective for accounting periods beginning on or after 1 January 2021.

- (i) the Amendments to FRS 102 The Financial Reporting Standard in the U.K. and Republic of Ireland – Interest rate benchmark reform (Phase 2)
- (ii) the consequential Amendments to FRS 102 The Financial Reporting Standard in the U.K. and Republic of Ireland – U.K. exit from the European Union
- (iii) the Amendments to FRS 102 The Financial Reporting Standard in the U.K. and Republic of Ireland – COVID-19-related rent concessions beyond 30 June 2021.

There has been no material impact following the adoption of the Amendments on accounting policies for classification, recognition and measurement of items within the financial statements or on disclosures within these.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through profit or loss. The financial statements are presented in Euro ("€"), which is also the Fund's functional currency. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 4.

3.2 Going concern

The General Partner has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for at least 12 months from the date of approval of the financial statements. In preparing these financial statements, the General Partner has considered the following:

- the level of liquid resources, including cash and cash equivalents, which exceed the level of creditors. The Manager regularly monitors the Fund's cash position to ensure sufficient cash is held to meet liabilities as they fall due;
- the level of undrawn commitments available from Limited Partners, which are due on demand in accordance with the Limited Partnership Agreement, are sufficient to meet future obligations to Fund Investments and working capital requirements; and
- the effectiveness of the General Partner's operational resilience processes, including the ability of key outsourcers to continue to provide services.

The Partnership's term is due to expire within 12 months of the approval of the financial statements, however, under the terms of the Limited Partnership Agreement, the General Partner extend the life per the extension powers granted to them for one additional one year period. Accordingly, the financial statements have been prepared on a going concern basis.

3.3 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Fund are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 3.10.

Distributions from underlying funds are recorded based on the nature of the distribution as provided by the underlying fund's manager which includes realised gains on investments and investment income. Investment income and realised gains are recognised on the value date of the notice received from the underlying fund's manager.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.4 Financial instruments

The Fund has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Other financial assets, such as Fund Investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future outflows / payments discounted at a market rate of interest.

These financial liabilities are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

c) Unconsolidated subsidiaries

Subsidiaries are excluded from consolidation whereby they are held as an investment. Subsidiaries held as part of an investment portfolio shall be measured at fair value with changes in fair value recognised in the profit or loss.

3.5 Functional currency

The Fund's Limited Partners subscribe to and receive distributions denominated in Euro (€). The performance of the Fund is measured and reported to the Limited Partners in Euro. The General Partner considers the Euro as the Fund's functional and presentational currency as it most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro.

Unrealised foreign currency exchange gains and losses on non-Euro denominated Investments arising from changes in foreign currency exchange rates and realised foreign exchange gains and losses on income and expenses are included in the Statement of Comprehensive Income. Non-Euro denominated assets and liabilities are translated at the exchange rate at the Statement of Financial Position date. Non-Euro income and expense transactions are translated at the exchange rate prevailing on the date of the transaction.

Exchange rates at 31 December 2022:

€1=	
Sterling	£0.8872
Norwegian Kroner	Kr 10.5134
U.S. Dollar	\$1.0673

Exchange rates at 31 December 2021:

€1=	
Sterling	£0.8396
Norwegian Kroner	Kr 10.0281
U.S. Dollar	\$1.1372

3.6 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2022 and 31 December 2021, there were no cash equivalents.

3.7 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Partners are individually responsible for reporting their share of the Fund's income, gains and losses for taxation purposes.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.8 Net assets attributable to Partners

The Fund's contributed capital consists of capital and loan contributions. Net assets attributable to Partners is classified as a financial liability, due to the Fund's finite life and contractual payment provisions to each of the Partners.

3.9 Carried interest liability

The carried interest liability is classified as a financial liability at fair value through profit or loss within the Statement of Financial Position. This liability is calculated based on a hypothetical liquidation of the Fund at the reporting date and represents the estimated share of Net assets attributable to Partners allocable to the Founder Partner, as carried interest, after the repayment of the Limited Partners' outstanding loans and the Preferred Return, in accordance with the distribution provisions of the Limited Partnership Agreement outlined in note 3.10. Please also refer to note 9 to the financial statements for further details on the carried interest liability.

3.10 Distribution of income proceeds and capital proceeds between Partners

The Fund's net income, gains and losses are allocated in accordance with the distribution provisions of the Limited Partnership Agreement. Distributions are allocated pro rata in accordance with each Partner's capital contributions until the Limited Partners have received distributions equalling the sum of:

- (a) Repayment of investors' outstanding loans pro rata to their respective capital contributions; and
- (b) Preferred Return (as defined in the Limited Partnership Agreement) of 8% per annum, compounded annually on 31 December.

In general, subsequent distributions will be allocated 100% to the Founder Partner until the Founder Partner has received aggregate distributions equalling 5% of net profits from Fund Investments and 10% of net profits from Co-investments where applicable.

In the event that the net profits from Fund Investments are positive and net profits from Co-investments are not positive, the amount allocated to the Founder Partner as the catch up amount will equal 5% of the sum of the aggregate net profit.

In the event that net profits from Co-investments are positive and net profits from Fund Investments are not positive, the amount allocated to the Founder Partner as the catch up amount will equal 10% of the aggregate net profit.

All remaining distributions in excess of the catch up amount, described above, will be allocated:

- (a) 5% to the Founder Partner and 95% to all Limited Partners pro rata in accordance with each partner's capital commitments if net profits from Fund Investments are positive and net profits from Co-investments are not positive; 95% to all Limited Partners in proportion to their loan commitments.
- (b) 10% to the Founder Partner and 90% to all Limited Partners pro rata in accordance with each partner's capital commitments if net profits from Co-investments are positive and net profits from Fund Investments are not positive; or
- (c) in all other cases 5% of net profits from Fund Investments to the Founder Partner and 95% to all Limited Partners pro rata in accordance with each partner's capital commitment and 10% of the net profits from Co-investments to the Founder Partner and 90% to all Limited Partners pro rata in accordance with each partner's capital commitment.

During the year, the Fund repaid Limited Partners' outstanding loans, the Preferred Return and carried interest of €1,213,845 (2021: €11,270,999) to the Founder Partner, based on realised net gains from Investments. In addition, a carried interest liability has been calculated based on a hypothetical liquidation of the Fund at 31 December 2022, which would result in profits of €2,083,593 (2021: €3,403,564) being payable to the Founder Partner. This liability is recognised in the Statement of Financial Position as 'Carried interest liability' and is disclosed in note 9.

4. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

4.1 Fair value of investments not quoted in an active market

The Investments of the Fund are valued by the General Partner with reference to the 'International Private Equity and Venture Capital Valuation Guidelines' ('the Guidelines').

Notes to the Financial Statements (continued)

4. Critical accounting estimates and judgements (continued)

4.1 Fair value of investments not quoted in an active market (continued)

Fund Investments are stated at the General Partner's estimate of fair value and follow the recommendations of the Guidelines. The estimate of fair value is based on the latest valuation placed on a fund by its manager, adjusted, if required, for cash flows between the date of the manager's report and the date of the Fund's Statement of Financial Position.

The General Partner reviews the valuations prepared by the managers of Co-investments and determines whether it is appropriate to apply such valuations to the Fund's Co-investments. Where the General Partner does not consider it appropriate to adopt a manager's valuation, it will make its own estimate of fair value in line with the Guidelines.

The General Partner may rely upon any valuations provided to it by the managers of the Fund Investments and Co-investments and apply such valuations to the Investments of the Fund, but shall not be bound by these. The managers' valuations are typically in line with the Guidelines. Where the General Partner does not consider it appropriate to adopt a manager's valuation, it will make its own estimate of fair value in line with the Guidelines. The unrealised and realised gains and losses on Investments are recorded in the Statement of Comprehensive Income.

5. Investment income

	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
U.K. dividend income	3,129,164	448,212
Overseas dividend income	53,098	376,484
U.K. loan stock income	-	710,398
Overseas loan stock income	-	346,472
	3,182,262	1,881,566

6. Administration and other expenses

	Year ended 31 December 2022	Year ended 31 December 2021
	€	€
Legal and professional fees	85,918	250,045
Administration fees	62,797	63,309
Audit fees	19,071	14,364
Other expenses	14,225	2,873
Bank and custody fees	2,609	3,014
Fees payable to the Fund's auditor: Other assurance services	-	14,400
	184,620	348,005

7. Trade and other receivables

	As at 31 December 2022	As at 31 December 2021
	€	€
Due from General Partner	4,770	647
Call Receivable	50	-
Prepayments	-	11,973
	4,820	12,620

There were no trade and other receivables falling due after more than one year at 31 December 2022 and 31 December 2021.

Notes to the Financial Statements (continued)

8. Trade and other payables

	As at 31 December 2022	As at 31 December 2021
	€	€
Legal and professional fee accrual	89,932	81,363
Audit fee accrual	19,071	14,591
Administration fee accrual	7,394	4,216
Other accrued expenses	6,417	2,918
	122,814	103,088

9. Carried interest liability

As disclosed in note 3.10, based on a hypothetical liquidation of the Fund at 31 December 2022, if all assets and liabilities were realised at fair value, carried interest of €2,083,593 (2021: €3,403,564) would be payable to the Founder Partner.

Payment has been made to the Founder Partner during the year to 31 December 2022 amounting to €1,213,845 (2021: €11,270,999). Further details are set out in the table below:

	As at 31 December 2022	As at 31 December 2021
	€	€
Balance at the start of the year	3,403,564	13,816,234
Re-measurement of the carried interest liability	(106,126)	858,329
Carried interest paid to the Founder Partner	(1,213,845)	(11,270,999)
Balance at the end of the year	2,083,593	3,403,564

10. Management profit share

The Fund allocates management profit share to the General Partner in respect of each accounting period calculated on daily balances equal to:

Management profit share in respect of 'A' commitments:

- 0.085% per annum of total 'A' commitments from years 9 until the termination of the Fund.

Management profit share in respect of 'B' commitments:

- 0.085% per annum of total 'B' commitments committed to Small Fund Investments from years 9 until the termination of the Fund.

The management profit share ranks as the first charge on net income and net realised gains in any accounting period and is paid in full by the Fund whether or not there are sufficient net income and net realised gains to cover the amount. Such sums are not recoverable except against future net income and net realised gains of the Fund.

At 31 December 2022 and 31 December 2021, the total amount of net income and net realised gains exceeded the total amount of management profit share since inception and therefore no part has been paid in advance.

Notes to the Financial Statements (continued)

11. Related party transactions

The Limited Partnership Agreement provides that ESP Golden Bear General Partner Limited Partnership shall act as General Partner and is entitled to a management profit share as described in note 10. During the year to 31 December 2022, the General Partner was allocated management profit share of €437,750 (2021: €437,750) and carried interest of €1,213,845 (2021: €11,270,999). At 31 December 2022, €2,083,593 (2021: €3,403,564) was due to the General Partner in respect of its carried interest liability. The General Partner of ESP Golden Bear General Partner Limited Partnership is SLCP (General Partner ESP Cal) Limited, a wholly owned subsidiary of abrdn CP (Holdings) Limited, which is a subsidiary of the ultimate parent, abrdn plc. The registered address of abrdn CP (Holdings) Limited and abrdn plc is 1 George Street, Edinburgh, EH2 2LL, United Kingdom.

The Manager of the Fund receives a management fee, equal to the management profit share allocated to the General Partner, in relation to its activity as Manager of the Fund.

abrdn Investment Management Limited, a related entity sharing the same ultimate parent with the General Partner, has committed €15,000,000 to the Fund as a Limited Partner. During the year, distributions of €674,354 (2021: €1,336,027) were made to abrdn Investment Management Limited of which €8,262 (2021: €16,511) was temporary return of capital, which is recallable. In addition, €Nil (2021: €27,670) was contributed by abrdn Investment Management Limited to the Fund during the year.

Certain employees of the Manager are carried interest partners in ESP Golden Bear General Partner Limited Partnership and are entitled to participate in the profits as disclosed in note 3.10.

SL Capital SOF I LP and Pearl Private Equity LP, related entities with the same ultimate parent as the General Partner, have invested €36,015,056 in total via the secondary market to purchase the Limited Partnership Interests in the Fund. As at 31 December 2022, the total effective commitment from the two entities was €69,324,040 (2021: €69,324,040). During the year, distributions totaling €3,116,597 (2021: €6,174,587) were made to these two entities of which €38,183 (2021: €76,308) was temporary return of capital, which is recallable. In addition, €Nil (2021: €127,879) was further contributed by these entities to the Fund during the year.

Moreover, SL Capital SOF II LP, a related entity with the same ultimate parent as the General Partner has transferred its ownership interest during the year, with effective commitment amounting to €81,743,201. Prior to the transfer, distributions of €Nil (2021: €2,062,905) were made to SL Capital SOF II LP of which €Nil (2021: €42,678) was temporary return of capital, which is recallable. In addition, €Nil (2021: €150,788) was contributed by SL Capital SOF II LP to the Fund during the year.

The Fund holds 100% ownership in ESP GB (Funds) S.à r.l. Please see note 14 for full details of the relationship.

At 31 December 2022 €4,770 (2021: €647) was due from the General Partner in respect of expenses paid on its behalf.

12. Risk management

The overall strategy for the management of investment risk is driven by the investment policy as set out in the Limited Partnership Agreement. This is reviewed periodically by the Manager. Investments are selected by the Manager to achieve the investment objective of generating attractive returns, subject to prudent diversification. As a matter of policy there are no pre-set sector allocations, however, risk is spread by investing across a range of countries, industrial sectors and vintage years. The Fund's financial assets are predominately unsecured investments in unquoted companies and limited partnerships, in which the maximum risk is considered to be the amount committed.

12.1 Market risk

a) Price risk

The Fund's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Fund is exposed are market risk (including price risk and currency risk), credit risk and liquidity risk. The risk management policies employed by the Fund are detailed below:

Notes to the Financial Statements (continued)

12. Risk management (continued)

12.1 Market risk (continued)

a) Price risk (continued)

The Fund is at risk of the economic cycle impacting the quoted markets and hence potentially the pricing of investment deals, the valuation of underlying investments and the price and timing of exits.

The valuation methodology employed by the managers of funds may include the application of ratios derived from listed companies with similar characteristics. If any investments become quoted, they will be valued at the appropriate listed price, subject to any discount for marketability restrictions. Therefore, the value of the Fund's portfolio may be indirectly affected by price movements on listed exchanges.

Price risk is minimised by the Manager constructing a diversified portfolio of Fund Investments and Co-investments. At 31 December 2022, there were 16 Fund Investments (2021: 16). In addition, the Fund has fully realised its Co-investments. More detail on the sector and geographic analysis is provided in the Manager's Report, which is issued separately.

A 10% increase in the 31 December 2022 valuation of the Fund's Investments would have increased net assets attributable to Partners by €3,545,439 (2021: €6,214,936); a 10% change in the opposite direction would have decreased net assets attributable to Partners by €3,545,495 (2021: €6,214,936).

b) Currency risk

The Fund's commitments to its Investments are made in currencies other than Euro and accordingly a proportion of its net assets are in currencies other than Euro. As a result, the Fund's Statement of Financial Position is sensitive to movements in foreign exchange rates. The Fund has not hedged its foreign currency exposure, however, any cash received in a currency other than Euro is converted into Euro to minimise the exposure to fluctuations in exchange rates.

The tables below set out the Fund's exposure to foreign currency at the reporting date.

Net assets

	31 December 2022		31 December 2021	
	Local Currency	Euro Equivalent	Local Currency	Euro Equivalent
Euro	24,185,237	24,185,236	52,406,016	52,406,016
Sterling	15,704,514	17,700,592	942,475	1,122,535
Norwegian Kroner	17,674,777	1,681,161	78,436,987	7,821,732
U.S. Dollar	(4,774,052)	(4,473,227)	3,258,526	2,865,419
		<u>39,093,762</u>		<u>64,215,702</u>

Outstanding commitments

	31 December 2022		31 December 2021	
	Local Currency	Euro Equivalent	Local Currency	Euro Equivalent
Euro	4,106,017	4,106,017	4,123,518	4,123,518
U.S. Dollar	1,418,086	1,328,729	1,651,212	1,452,011
Norwegian Kroner	62,968,509	5,989,337	34,304,153	3,420,808
Sterling	3,420	3,855	254,449	303,061
		<u>11,427,938</u>		<u>9,299,398</u>

If the value of the Euro strengthened by 10% in relation to all currencies, net assets attributable to Partners would have decreased by €1,355,321 at 31 December 2022 (2021: €1,073,608); a 10% change in the opposite direction would have resulted in an increase of €1,656,503 (2021: €1,312,187). These calculations are based on the net assets at the respective Statement of Financial Position dates and are not necessarily representative of the year as a whole.

Notes to the Financial Statements (continued)

12. Risk management (continued)

12.2 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.

The maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at the period end (in relation to each class of recognised financial assets), is the carrying amount of those assets in the Statement of Financial Position.

At the reporting date, the Fund's financial assets exposed to credit risk amounted to the following:

	As at 31 December 2022	As at 31 December 2021
	€	€
Financial assets at fair value through profit or loss	37,399,226	65,420,384
Cash and cash equivalents	3,896,123	2,289,350
Trade and other receivables	4,820	647
	<u>41,300,169</u>	<u>67,710,381</u>

The Fund places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2022, all of the Fund's cash was held by Societe Generale which was rated "A" by Standard & Poor's at the date of the Report of the General Partner.

At 31 December 2022, the assets held by the Fund are not past due or impaired (2021: €Nil).

12.3 Liquidity risk

The Fund's Investments are in unquoted fund investments and companies which are not traded in a regulated public market and are generally illiquid. As a result, the Fund may not be able to quickly liquidate these portfolio Investments at an amount equal to their fair value, in order to meet its liquidity requirements. The Manager mitigates this risk by regularly monitoring its cash position to ensure sufficient funds exist to meet liabilities as they fall due.

During the year ended 31 December 2022 the Fund generated an operating loss of €1,969,114 (2021: operating profit of €16,218,378) of which €21,009,228 (2021: €10,340,837 unrealised gain) was unrealised loss on investments. Cash resources at the end of the year amounted to €3,896,123 (2021: €2,289,350). The liabilities of the Fund are due on demand. At 31 December 2022, the Fund had outstanding commitments to investments of €11,427,938 (2021: €9,299,398) and had available to it undrawn commitments of €74,133,263 (2021: €73,849,606) from its Limited Partners, which are also due on demand. Based on a hypothetical liquidation of the Fund at 31 December 2022, carried interest of €2,083,593 (2021: €3,403,564) would be payable to the Founder Partner.

12.4 Capital risk management

The capital of the Fund is represented by the net assets attributable to Partners. The Fund's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Limited Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund. In order to maintain or adjust the capital structure the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of net assets attributable to Partners.

Notes to the Financial Statements (continued)

13. Financial assets at fair value through profit or loss

FRS 102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of an Investment within the hierarchy is based upon the pricing transparency of that Investment. All of the Fund's Investments have been classified within Level 3 as they have unobservable inputs and trade infrequently or not at all.

The determination of what constitutes "observable" requires significant estimation by the General Partner. The General Partner considers observable data to be market data, which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Fund's Investments measured at fair value:

At 31 December 2022

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets at fair value through profit or loss	-	-	37,399,226	37,399,226

At 31 December 2021

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets at fair value through profit or loss	-	-	65,420,384	65,420,384

There were no transfers between levels during the current and comparative year.

Determining the fair value of the Fund's Investments requires estimation and considers factors specific to the Investment. The valuation policies applied by the General Partner are detailed in note 4.1.

The changes in Investments measured at fair value for which the Fund has used Level 3 inputs to determine fair value are as follows:

	31 December 2022 €	31 December 2021 €
Balance at the start of the year	65,420,384	100,765,426
Purchases	7,567,824	871,094
Sales	(30,956,766)	(52,203,053)
Realised and unrealised (loss) / gain	(4,632,216)	15,986,917
Balance at the end of the year	37,399,226	65,420,384
Unrealised movement included in profit or loss related to Investments still held at the reporting date	21,009,228	(10,340,837)

Notes to the Financial Statements (continued)

14. Unconsolidated subsidiaries

At 31 December 2022, the Fund holds 100% ownership in ESP GB (Funds) S.à r.l. This subsidiary is incorporated in Luxembourg.

Details of the unconsolidated subsidiary are as follows:

Investment	Country of Domicile	Ownership Interest	Direct/Indirect Holdings	Share Class	Other Financial Instruments
ESP GB (Funds) S.a.r.l.	Luxembourg	100%	Direct	Purchase Certificates	-

Investment	Registered Address
ESP GB (Funds) S.a.r.l.	6, Rue Gabriel Lippmann L - 5365 Munsbach, Luxembourg

The Fund has an investment in an unconsolidated subsidiary at fair value through profit or loss. At 31 December 2022, the unconsolidated subsidiary had a carrying value of €7,158,543 (2021: €7,392,524). The unconsolidated subsidiary was formed to act as a holding company for a Fund Investment. The carrying value of this investment has been determined based on net asset value techniques. Distributions of €7,301,500.00 from the unconsolidated subsidiary were received during the year ended 31 December 2022 (2021: €3,370,380). The proceeds comprise income, gains, and return of cost of €465,544 (2021: €1,824,820), €4,905,838 (2021: €1,461,335), and €1,930,118 (2021: €84,225), respectively. In addition, €17,500 was contributed by the Fund during the year (2021: €68,750).

The Fund has committed €12,500,000 to this investment, through the unconsolidated subsidiary, of which €851,250 (2021: €868,750) remains outstanding. The Fund makes contributions to the unconsolidated subsidiary on demand and bears 100% of the costs attributable to it.

Movements in the fair value of the subsidiary may expose the Fund to a gain / loss.

15. Events after the reporting date

Subsequent events have been evaluated up to 15 June 2023.

There are no significant events identified after the reporting date.