CDC SCOTS GP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

SC379812

PARTNERSHIP ACCOUNTS

CDC SCOTS GP LIMITED

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CDC SCOTS GP LIMITED

Directors' report
Year ended 31 December 2012

The directors are pleased to present their report together with the financial statements of the Company for the year ended 31 December 2012.

Directors

Godfrey Davies
Diana Noble

Principal activity

The principal activity of the Company is that of acting as a general partner to partnerships whose main activity is that of investment holding.

Business and performance review

The Company recorded a net profit of $501 for the year ended 31 December 2012 (2011: $120). The net asset value of the Company was $860 at 31 December 2012 (2011: $359).

The directors do not recommend the payment of a dividend for the period.

Principal risks

The Company acts as a general partner to partnerships investing in private equity funds in developing countries. The Company values its portfolio according to CDC Group plc's (CDC) valuation methodology. CDC valuation guidelines have been developed in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments are valued at fair value, which is the value at which an orderly transaction would take place between market participants at the reporting date.

The detailed valuation methodology sets out best practice with respect to valuing investments.

Valuation risks are mitigated by comprehensive reviews of underlying investments in the private equity funds carried out by the managers of the private equity funds at least twice each year.

On behalf of the board

Godfrey Davies
Director

CDC SCOTS GP LIMITED

Statement of comprehensive income
For the 12 months ended 31 December

	Note	2012 US$	2011 US$
Revenues			
Annual priority profit share		**1,000**	1,000
Expenses			
General and administrative expenses		**(374)**	(881)
Operating profit		**626**	119
Taxation (charge)/release	4	**(125)**	1
Net profit and comprehensive profit for the year		**501**	120

The accompanying notes on pages 6 to 9 form an integral part of these non-consolidated financial statements.

CDC SCOTS GP LIMITED

Statement of financial position
At 31 December

	2012 US$	2011 US$
ASSETS		
Non-current assets		
Equity investments	**1**	1
Total non-current assets		
Current assets		
Amount due from limited partnership	**2,000**	1,000
Corporation tax recoverable	**-**	1
Cash and cash equivalents	**228**	228
Total current assets	**2,228**	1,229
Total assets	**2,229**	1,230
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**-**	311
Corporation tax payable	**124**	-
Amounts due to parent company	**1,245**	560
Total current liabilities	**1,369**	871
Shareholders' equity		
Issued capital	**2**	2
Accumulated reserve	**858**	357
Total shareholders' equity	**860**	359
Total shareholders' equity and liabilities	**2,229**	1,230

The accompanying notes on pages 6 to 9 form an integral part of these non-consolidated financial statements.

For the year ending 31st December 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved on behalf of the board on 2nd July 2013

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Godfrey Davies, Director of CDC Scots GP Limited (Company number 379812)

CDC SCOTS GP LIMITED

Statement of changes in equity
Year ended 31 December

	Share capital US$	Accumulated reserve US$	Total US$
At December 31, 2010	2	237	239
Net profit and comprehensive profit for the year	-	120	120
At December 31, 2011	2	357	359
Net profit and comprehensive profit for the year	-	501	501
At 31 December 2012	**2**	**858**	**860**

The accompanying notes on pages 6 to 9 form an integral part of these non-consolidated financial statements.

CDC SCOTS GP LIMITED

Statement of cash flows
Year ended 31 December

	2012 US$	2011 US$
Cash flows from operating activities		
Profit before tax	**626**	119
Profit before working capital changes	**626**	119
(Decrease)/increase in accounts payable and accrued liabilities	**(311)**	311
Increase in amounts payable to parent company	**685**	390
Increase in amounts due from limited partnership	**(1,000)**	(1,000)
Tax paid	**-**	(93)
Net cash outflow from operating activities	**-**	(273)
Net decrease in cash and cash equivalents	**-**	(273)
Cash and cash equivalents, beginning of year	**228**	501
Cash and cash equivalents, end of year	**228**	228

The accompanying notes on pages 6 to 9 form an integral part of these non-consolidated financial statements.

1. Incorporation, ownership and principal activity

CDC Scots GP Limited (the "Company") was incorporated under the laws of Scotland on 7th June 2010 (the Company number is 379812). It is a wholly owned subsidiary of CDC Group plc, a public limited company incorporated in England and Wales whose registered office is Level 1, 123 Victoria Street, London SW1E 6DE, England.

The Company's registered office is located at the 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ, Scotland.

The principal activity of the Company is that of an investment company.

2. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), which comprise standards and interpretations approved by the International Accounting Standards Board, and International Accounting Standards ("IAS") and Standing Interpretations Committee interpretations that remain in effect.

The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

a) Basis of preparation
The financial statements have been prepared on a going concern basis.

b) Currency
The financial statements are expressed in US dollars.

Monetary assets and liabilities denominated in non-US dollar currency are translated into US dollars at exchange rates prevailing at the year end. Non-monetary assets and liabilities and transactions occurring in non-US dollar currency are translated at the rates of exchange prevailing on the date of each transaction. Exchange gains and losses are dealt with in the non-consolidated statement of comprehensive income.

2. Significant accounting policies (continued)

c) Equity investments

Investments are valued in accordance with IAS 39 (Financial Instruments: Recognition and Measurement). Investments consist of unquoted equity. All equity investments are classified as held-for-trading and held at fair value with any resultant gain or loss in value recognised in the non-consolidated statement of comprehensive income.

Investments are valued in accordance with CDC Group plc's equity valuation guidelines, which are developed in accordance with the International Private Equity and Venture Capital Association Valuation Guidelines.

Investments are valued at fair value, which is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, as follows:

- investments where fair value derives mainly from the underlying assets, such as funds managed by fund managers, are valued at net asset value using appropriate valuation measures for the underlying assets and liabilities;
- realisations in process are valued at the expected realisation proceeds, although discounts are applied to reflect the level of certainty of the transaction completion;
- if there has been a recent investment in the company, the price of the recent investment, less any impairment charge, is used to determine fair value;
- early stage companies without positive cash flow or profit are valued using an appropriate industry benchmark if that gives a reliable estimate of fair value;
- companies with maintainable profits or cash flows are valued on an earnings basis using an appropriate earnings multiple from companies in similar sectors and markets;
- companies in industries with specific valuation metrics are valued using those specific valuation metrics where they provide the most reliable estimate of fair value;
- companies with no maintainable profits or cash flows at present, but whose cash flows can be forecast with confidence, are valued using future cash flows discounted at the appropriate risk-adjusted discount rate; and
- in exceptional cases, where fair value cannot be reliably measured, the investment is valued at the previous carrying value unless there is evidence of value impairment, in which case value is reduced to reflect the extent of estimated impairment.

d) Revenue recognition

Interest is recognised as earned on an accruals basis, but is excluded if it becomes more than ninety days overdue. Investment income is accounted for on an accruals basis unless collectability is in doubt.

e) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

f) Related parties

Parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence.

g) New standards and interpretations

The following standards are issued but not yet effective, and have not been applied to these financial statements. The impact of these is not expected to be material: Presentation of Items of Other Comprehensive Income (Amendments to IAS 1), IFRS 10: Consolidated Financial Statements, IFRS 11: Joint Arrangements, IFRS 12: Disclosure of Interests in Other Entities, IFRS 13: Fair Value Measurement, Disclosures: Offsetting Financial Assets and Financial Liabilities (amendments to IFRS 7) and Offsetting Financial Assets and Financial Liabilities (amendments to IAS 32).

2. Significant accounting policies (continued)

h) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period.

Current and deferred taxes are recognised as a tax credit or expense in the year in which they arise except for deferred taxes recognised or disposed of upon the acquisition or disposal of a subsidiary.

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantially enacted at the statement of financial position date.

Deferred tax assets are recognised only to the extent that the Directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

3. Related party transactions

The following are related party transactions and balances to the year ending 31 December. All transactions are carried out on an arm's length basis.

Name of company / partnership	**Nature of relationship**	**Nature of transactions / balances**	**2012 US$**	2011 US$
Transactions during the year				
CDC Scots LP	Investment in limited partnership	Annual priority profit share	**1,000**	1,000
CDC Group plc	Parent company	Current account movement	**685**	390
Balances outstanding at 31 December				
CDC Scots LP	Investment in limited partnership	Current account receivable	**2,000**	1,000
CDC Group plc	Parent company	Current account payable	**1,245**	560

4. Taxation

The tax charge on the accounting profit per the statement of comprehensive income is reconciled as follows:

	2012 US$	2011 US$
Accounting profit before tax	**626**	119
Tax calculated at 21% on taxable profit	**-**	(25)
Tax calculated at 20% on taxable profit	**(125)**	-
Tax overpayment	**-**	26
Total tax (charge)/release per the statement of comprehensive income	**(125)**	1

The tax overpayment relates to the tax accrued in the 2010 accounts which was calculated using a tax rate of 28% and payment was made to HMRC for the same amount in 2011, although subsequently HMRC charged a tax rate of 21%.

The corporation tax (payable)/recoverable balance is made up as follows:

	2012 US$	2011 US$
At January 1	**1**	(93)
Current tax payable	**(125)**	(25)
Tax paid	**-**	93
Tax overpayment allocated to 2011 tax payable	**-**	26
At 31 December	**(124)**	1

Appendix: CDC SCOTS LP

Report of the General Partner
Year ended 31 December 2012

The General Partner is pleased to present their report together with the financial statements of CDC Scots LP (the "Partnership") for the period ended 31 December 2012.

Partners

CDC Scots GP Ltd	General Partner since 8 June 2010
CDC Group plc	Limited Partner since 8 June 2010

Principal activity

The principal activity of the Partnership is that of investment holding.

Business and performance review

The Partnership recorded a net profit of $2,729,877 for the year ended 31 December 2012 (2011: $1,619,574). The net profit is principally attributable to an increase in the fair value of its investments which were valued at $38,881,170 at 31 December 2012 (2011: $27,168,542).

Principal risks

The Partnership invests in private equity funds in developing countries. The Partnership values its portfolio according to CDC Group plc's (CDC) valuation methodology. CDC valuation guidelines have been developed in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments are valued at fair value, which is the value at which an orderly transaction would take place between market participants at the reporting date.

The detailed valuation methodology sets out best practice with respect to valuing investments.

Valuation risks are mitigated by comprehensive reviews of underlying investments in the private equity funds carried out by the managers of the private equity funds at least twice each year.

On behalf of the general partner

Godfrey Davies
Director of CDC Scots GP Ltd, general partner to CDC Scots LP

Appendix: CDC SCOTS LP

Statement of comprehensive income
For the 12 months ended 31 December

	2012 US$	2011 US$
Revenues	-	-
	-	-
Expenses		
General and administrative expenses	(1,306)	(1,259)
Annual priority profit share	(1,000)	(1,000)
	(2,306)	(2,259)
Investment fair value gains	2,732,096	1,621,543
Operating profit	2,729,790	1,619,284
Other income/(expenses)		
Bank interest receivable	73	302
Unrealised exchange gain/(loss)	14	(12)
Net profit and comprehensive profit for the year	2,729,877	1,619,574

The accompanying notes on pages 15 to 18 form an integral part of these financial statements.

Appendix: CDC SCOTS LP

Statement of financial position
At 31 December

	Notes	2012 US$	2011 US$
ASSETS			
Non-current assets			
Equity investments	3	**38,881,170**	27,168,542
Total non-current assets		**38,881,170**	27,168,542
Current assets			
Cash and cash equivalents		**7,468**	1,639,685
Loan facility to investment fund	4	**-**	2,123,588
Total current assets		**7,468**	3,763,273
Total assets		**38,888,638**	30,931,815
LIABILITIES AND PARTNERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		**975**	934
Amounts due to partners	5	**34,207,709**	28,980,804
Total current liabilities		**34,208,684**	28,981,738
Partners' equity			
Issued partners' capital		**1,001**	1,001
Accumulated reserves		**4,678,953**	1,949,076
Total partners' equity		**4,679,954**	1,950,077
Total partners' equity and liabilities		**38,888,638**	30,931,815

The accompanying notes on pages 15 to 18 form an integral part of these financial statements.

Approved on behalf of the general partner on 2nd July 2013

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Godfrey Davies, Director of CDC Scots GP Ltd, general partner to CDC Scots LP (Partnership number 7946)

Appendix: CDC SCOTS LP

Statement of changes in equity
Year ended 31 December 2012

	Partners' capital US$	Accumulated reserve US$	Total US$
At December 31, 2010	1,001	329,502	330,503
Net profit and comprehensive profit for the year	-	1,619,574	1,619,574
At December 31, 2011	1,001	1,949,076	1,950,077
Net profit and comprehensive profit for the year	-	2,729,877	2,729,877
At 31 December 2012	**1,001**	**4,678,953**	**4,679,954**

The accompanying notes on pages 15 to 18 form an integral part of these financial statements.

Appendix: CDC SCOTS LP

Statement of cash flows
Year ended 31 December

	2012 US$	2011 US$
Cash flows from operating activities		
Profit before tax	**2,729,877**	1,619,574
Adjustments for:		
Investment fair value gains	**(2,732,096)**	(1,621,543)
Interest income	**(73)**	(302)
Loss before working capital changes	**(2,292)**	(2,271)
Increase in accounts payable and accrued liabilities	**41**	934
Increase in amounts payable to partners	**1,935**	1,000
Interest received	**73**	302
Net cash inflow from operating activities	**(243)**	(35)
Cash flows from investing activities		
Purchase of investments	**(6,935,555)**	(6,262,943)
Proceeds from sale of investments	**78,611**	551,989
Net cash outflow from investing activities	**(6,856,944)**	(5,710,954)
Cash flows from financing activities		
Loan advances due to partner	**5,224,970**	7,297,615
Net cash inflow from financing activities	**5,224,970**	7,297,615
Net (decrease)/increase in cash and cash equivalents	**(1,632,217)**	1,586,626
Cash and cash equivalents, beginning of year	**1,639,685**	53,059
Cash and cash equivalents, end of year	**7,468**	1,639,685

The accompanying notes on pages 15 to 18 form an integral part of these financial statements.

1. Registration, ownership and principal activity

CDC Scots LP (the "Partnership") was registered as a limited partnership under the laws of Scotland on 8th June 2010 (the Partnership number is 7946). The Partnership was constituted by CDC Scots GP Limited (incorporated in Scotland whose registered office is located at the 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ, Scotland) and CDC Group plc (a public limited company incorporated in England and Wales whose registered office is Level 1, 123 Victoria Street, London SW1E 6DE, England) under the terms of a limited partnership agreement dated 8 June 2010.

The Company's registered office is located at the 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ, Scotland.

The principal activity of the Partnership is that of investment holding.

2. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), which comprise standards and interpretations approved by the International Accounting Standards Board, and International Accounting Standards ("IAS") and Standing Interpretations Committee interpretations that remain in effect.

The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

a) Basis of preparation

The financial statements have been prepared on a going concern basis.

The Partnership has elected not to present consolidated financial statements since its accounts are consolidated into those of CDC Group plc, the ultimate parent company. These accounts are available from Level 1, 123 Victoria Street, London SW1E 6DE, England.

b) Currency

The financial statements are expressed in US dollars.

Monetary assets and liabilities denominated in non-US dollar currency are translated into US dollars at exchange rates prevailing at the year end. Non-monetary assets and liabilities and transactions occurring in non-US dollar currency are translated at the rates of exchange prevailing on the date of each transaction. Exchange gains and losses are dealt with in the non-consolidated statement of comprehensive income.

2. Significant accounting policies (continued)

c) Equity investments

Investments are valued in accordance with IAS 39 (Financial Instruments: Recognition and Measurement). Investments consist of unquoted equity. All equity investments are classified as held-for-trading and held at fair value with any resultant gain or loss in value recognised in the non-consolidated statement of comprehensive income.

Investments are valued in accordance with CDC Group plc's equity valuation guidelines, which are developed in accordance with the International Private Equity and Venture Capital Association Valuation Guidelines.

Investments are valued at fair value, which is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, as follows:

- investments where fair value derives mainly from the underlying assets, such as funds managed by fund managers, are valued at net asset value using appropriate valuation measures for the underlying assets and liabilities;
- realisations in process are valued at the expected realisation proceeds, although discounts are applied to reflect the level of certainty of the transaction completion;
- if there has been a recent investment in the company, the price of the recent investment, less any impairment charge, is used to determine fair value;
- early stage companies without positive cash flow or profit are valued using an appropriate industry benchmark if that gives a reliable estimate of fair value;
- companies with maintainable profits or cash flows are valued on an earnings basis using an appropriate earnings multiple from companies in similar sectors and markets;
- companies in industries with specific valuation metrics are valued using those specific valuation metrics where they provide the most reliable estimate of fair value;
- companies with no maintainable profits or cash flows at present, but whose cash flows can be forecast with confidence, are valued using future cash flows discounted at the appropriate risk-adjusted discount rate; and
- in exceptional cases, where fair value cannot be reliably measured, the investment is valued at the previous carrying value unless there is evidence of value impairment, in which case value is reduced to reflect the extent of estimated impairment.

d) Revenue recognition

Interest is recognised as earned on an accruals basis, but is excluded if it becomes more than ninety days overdue. Investment income is accounted for on an accruals basis unless collectability is in doubt.

e) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

f) Related parties

Parties are considered to be related to the Partnership if they have the ability, directly or indirectly, to control the Partnership or exercise significant influence over the Partnership in making financial and operating decisions, or vice versa, or where the Partnership is subject to common control or common significant influence.

g) New standards and interpretations

The following standards are issued but not yet effective, and have not been applied to these financial statements. The impact of these is not expected to be material: Presentation of Items of Other Comprehensive Income (Amendments to IAS 1), IFRS 10: Consolidated Financial Statements, IFRS 11: Joint Arrangements, IFRS 12: Disclosure of Interests in Other Entities, IFRS 13: Fair Value Measurement, Disclosures: Offsetting Financial Assets and Financial Liabilities (amendments to IFRS 7) and Offsetting Financial Assets and Financial Liabilities (amendments to IAS 32).

3. Equity investments

Equity investments are all unquoted.

	2012 US$	2011 US$
At 1 January	**27,168,542**	19,836,045
Transferred from loan facility to equity investment	**2,123,588**	-
Additions	**6,935,555**	6,262,943
Disposals	**(78,611)**	(551,989)
Increase in fair value for the period	**2,732,096**	1,621,543
At 31 December, at fair value	**38,881,170**	27,168,542

The above investments were associates of the Company as at 31 December 2012:

Name of Company	% Holding	Country of incorporation
Aureos Latin America Fund	28.3	Canada
Seedfund 2	24.2	Mauritius

Unquoted equity investments are included within Level 3 of the fair value hierarchy. The Company holds no Level 1 or Level 2 investments.

The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

4. Loan facility to investment fund

In June 2010, CDC Group plc made available to Aureos Latin America Fund a term loan facility of up to $2,123,588 and was payable upon demand by CDC Group plc at any time after 30 July 2010. In June 2010, this term loan facility was assigned from CDC Group plc to CDC Scots LP. During the year the whole term loan facility has been transferred into equity investment in Aureos Latin America Fund.

5. Amounts due to partners

	2012 US$	2011 US$
Loan due to CDC Group plc	**31,936,249**	26,711,279
Creditor within one year due to CDC Group plc	**2,269,460**	2,268,525
Creditor within one year due to CDC Scots GP	**2,000**	1,000
At 31 December, at fair value	**34,207,709**	28,980,804

Appendix: CDC SCOTS LP

Notes to the financial statements
Year ended 31 December 2012

6. Related party transactions

The following are related party transactions and balances to the year ending 31 December. All transactions are carried out on an arm's length basis.

Name of partnership	**Nature of relationship**	**Nature of transactions/ balance**	**2012 US$**	2011 US$
Transactions during the year				
CDC Scots GP	General partner	Annual priority profit share	**1,000**	1,000
CDC Group plc	Limited partner	Movement in current account	**935**	-
CDC Group plc	Limited partner	Movement in loan due	**5,224,970**	7,297,615
Balances outstanding at 31 December				
CDC Scots GP	General partner	Current account payable	**2,000**	1,000
CDC Group plc	Limited partner	Current account payable	**2,269,460**	2,268,525
CDC Group plc	Limited partner	Loan due	**31,936,249**	26,711,279