بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيم

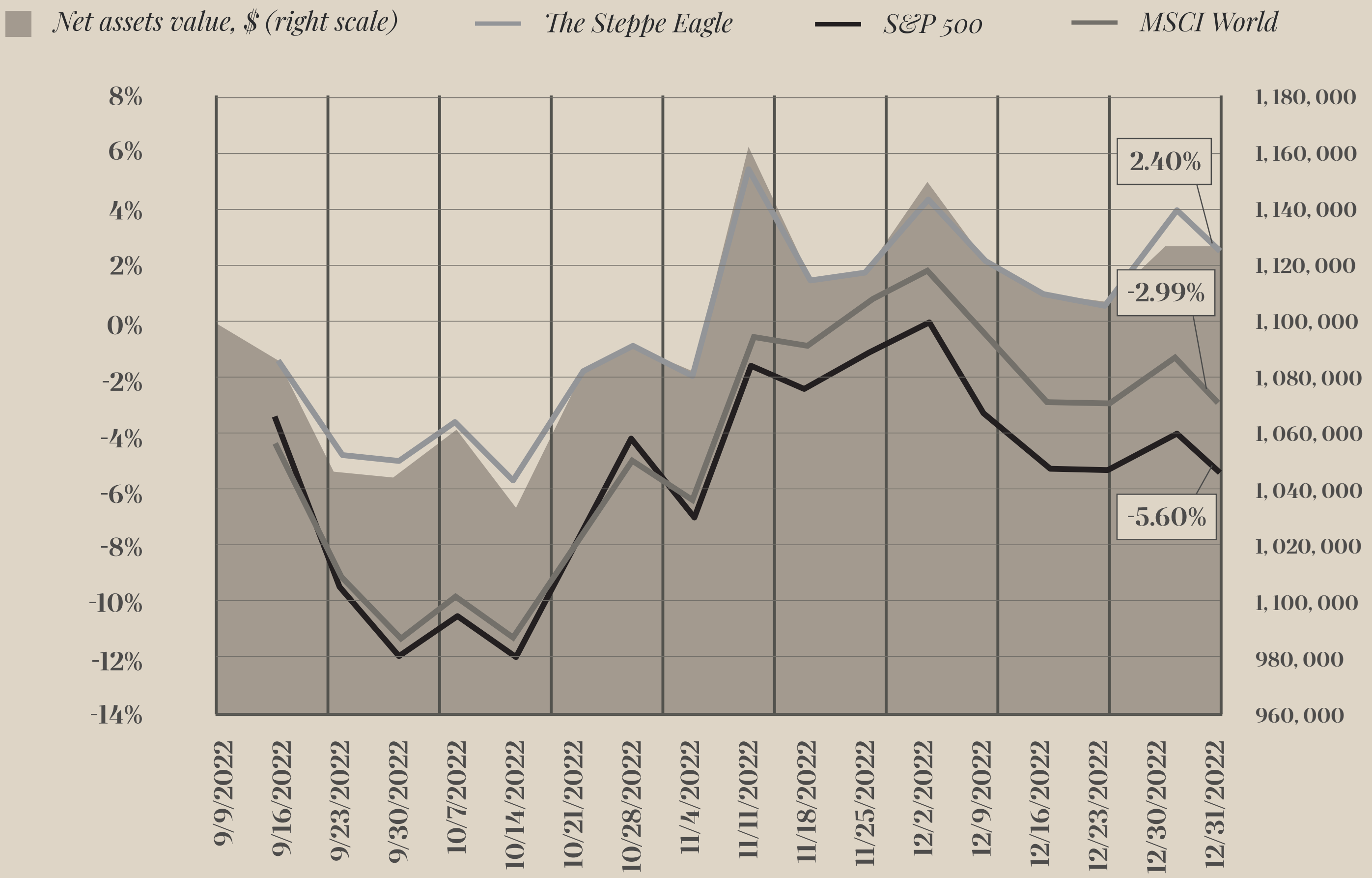
HARRY QELM BAABSMAN

Eyrie of The Steppe Eagle

2022 INVESTMENT PORTFOLIO REPORT

Dear Investors, Unitholders, Readers,

We are delighted to report the very first half-year result for the Steppe Eagle OEIC, our investment fund. This Fund was designed for patient farseeing people who share our belief that the work at the stock market should be a well-thought prolonged enterprise. Though it may not be an original idea and belongs to Mr. W. Buffet, we share this attitude – "Our favorite holding period is forever," whenever we feel doable because "**putting our money where our mouth is**" can be challenging. We aim our investment horizon at 3 years and more because the experience that we have collected says that when you plant an apple tree, you must wait to reap delicious fruits.



The Steppe Eagle OEIC Ltd was registered on 25th of July 2022; Started its operations on 9th of September 2022 and is managed by Harry Qelm Baabsman ltd, a CIS License holder at AIFC (AFSA-A-LA-2022-0006, active since 3d of February 2022). ***On the 31 of December 2022, The Steppe Eagle consisted of 110 000 000 Units; the Unit's price was $0.01024.***

Thus, we embraced the metaphor **and planted our apple tree in September 2022. With each passing year,** the tree will grow and share fruits with everyone, especially in the long run. That intensely corresponds with our motto: **bring returns through intelligent investing into the environmentally-friendly and shariah-compliant business.** We were lucky to finish the year better than the index we took as a benchmark – MSCI World, which captures large and mid-cap representation across 23 Developed Markets (DM) countries. However, the true excitement is only getting started.

Last year was tense for the stock market and our world. Unrealistic returns of 2019 (+25.19%), 2020(+14.06%), and 2021(+20.14%) were too good to sustain.

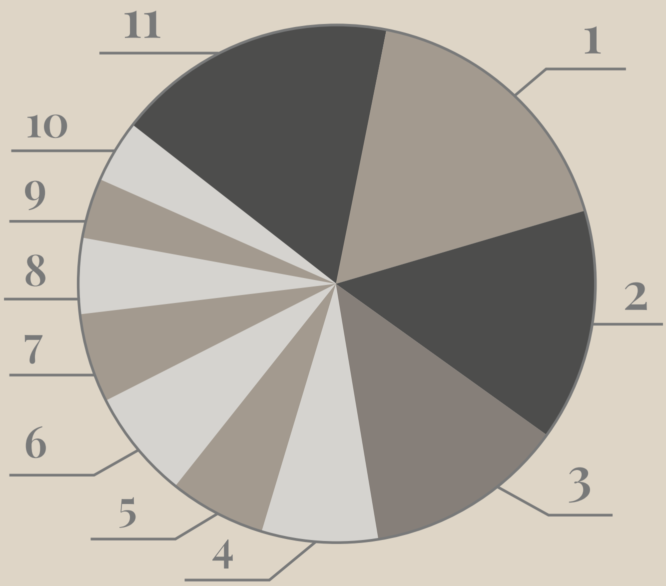
It was a time of letting off steam, and that may still be the case. God knows how challenging 2023 will be. We finished slightly positive at +1.48% starting on the 9th of September 2022; for the same period, our benchmark fell -2.99%, and S&P 500, just in case, fell -5.6%. Though we insist that it was a matter of luck and a late start, we felt relieved because no one wanted to finish the year in the red.

During the market downturn in Q4 2022, we took advantage of lower prices to purchase several high-quality assets. You can see them in the pie chart. It is reasonable to expect unpleasant surprises in today's economy, and risks may materialize, so we are preparing in advance, keeping assets in silver, gold, platinum, and cash.

COMPOSITION OF THE PORTFOLIO

Cash, USD: 160,232.76 or 14.31%

1. Sprott Physical Silver fund...........................17%
2. Cash...14%
3. Vaneck Merk Gold trust................................13%
4. Alphabet Inc. class-A....................................7%
5. Salesforce.com...7%
6. Zalando SE...6%
7. Zoom Video Communications Inc. class-A...6%
8. Lyft, Inc...4%
9. Sprott Physical Uranium Trust.....................4%
10. Abrdn Standard Physical Platinum ETF.....3%
11. All other...18%



The portfolio slightly benefited from the following:

1) Physical silver (PSLV), gold (OUNZ), and platinum (PPLT) rose towards the yearend – they made us profitable;

2) Vestas Wind Energy saw an increase of nearly 50% since our purchase, Zalando SE had a similar performance, and Shopify, despite being a small part of our portfolio, rose by 23%.;

3) In a crisis year, money came in handy; we even bought several great businesses: Lyft Inc (LYFT), TPI Composites (TPIC), Zalando SE (ZAL_GR), ASOS (ASOMY), Alphabet (GOOGL), Salesforce (CRM), Allbirds (BIRD). God willing, some of them will grow at n-times. We have a fuse for 2023-2024.

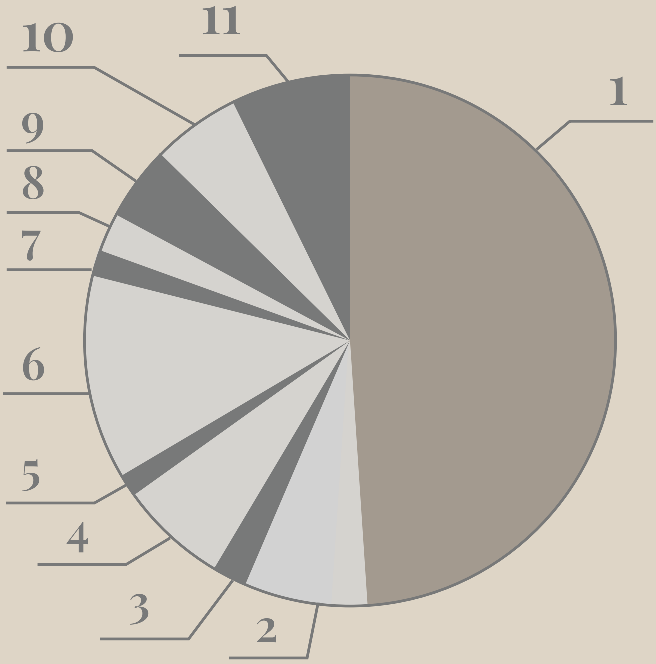
The fund could have suffered from some actions, although it is too early for our investment horizon to judge:

1) We started buying falling stocks a bit early, but if we had waited another month or three, they would have been even cheaper. Those are still wonderful businesses, but they would have been even better at a lower price.

We consistently emphasize that our primary focus is long-term success. One quarter or one year are mere steps towards exceptional investment results. **The decisions we make today may negatively affect current returns,** paving the way toward supremacy over the market and substantially lowering risks in the future.

COMPOSITION BY INDUSTRY

1. Cash&Precous metals.............................48%
2.Consumer: online clothing.......................8%
3. Consumer sustainable cloth....................2%
4. IT: Cloud marketing...............................7%
5. Consumer electronics..............................1%
6. IT: Internet & Data...............................13%
7. Consumer: web-retail.............................1%
8. Consumer: sustainable food deliver......2%
9. Transport: taxi&delivery.......................4%
10. Clean energy wind...............................5%
11. Cmdty: uranium...................................7%



You may observe, dear readers, the structure of The Steppe Eagle's portfolio in the pie chart. We are pleased to cover several interesting and promising stories:

Everybody knows **Alphabet Inc (GOOGL)** because who doesn't know Google? One of the cloud titans, the leader in search, and the most prominent tech investor. The financial strength of the business, its technological moat, dozens of other bets, like one of the leaders in autonomous driving - Waymo, and its aspirations to build a better future for humanity. What not to like about the company, especially when its stock price fell -30-40%?

TPIC Composites (TPIC) is a subcontractor for some of the largest western companies in the wind energy infrastructure sector, such as Vestas, Siemens-Gamesa, and General Electric. They produce components, including blades, efficiently and close to major project locations. A growing business, if you look at long segments, we are talking about double values of growth rates. They operate at a loss due to high competition, high wages in the industry, and high prices for raw materials. Therefore, they collapsed. If they can hold out and keep the contracts, they will perform well.

Allbirds (BIRD) – we love the story: a New Zealand-born Australian football champion went to study after he retired from professional sport. As a graduation project, he founded a company that produces sport and casual shoes from sheep wool and environmentally sustainable polymers and as technologically as possible. Clothes too. The company is unprofitable, the products are good, the debts are low, and the growth rate is double-digit. If the company grows its scale, then this will be the future Nike. However, the chances are low; this is a classic high-risk - high-reward case. Everything will fall into place in the next couple of years.

Zoom Video Communications (ZM) – We think that Zoom is not a Pandemic-dear, as many people do, but a sustainable business, profitable, with a bright idea, which was a great pearl even before Covid. The debt level is low, the revenue hasn't fallen since the Covid-year, and its product ruined millions of unnecessary business travel, which is very green. Zoom is having a difficult time right now as competition gets tough. Shares fell from 400 to 65 USD. We'll see.

Zalando SE (ZAL_GR) is a ten billion+ in sales strong European e-commerce clothing retailer; it has a stiff grip over the EU market. In 2022 when it continued its decline, its price-to-sales ratio (P/S) fell below 1 (for a double-digit-growing stalwart company!), so we considered a buy. Even though 2023-24 could be unease: war in Ukraine, stagflation in the EU, recession in the US, etc. And yet, that stock traded >100 EUR in 2020. Were it an American stock with such a scale and growth rate, the price would have been two to three times higher.

HelloFresh SE (HFG_GR) – The company operates in almost all developed markets, delivering meal kit solutions for home cooking. Delicious, affordable, and more environmentally friendly because you don't have to go to the store; the company orders food directly from the farmers. The business is large and growing. It would be nice to keep it for 5 years or more.

We have other bets: Salesforce (CRM), Lyft (LYFT), physical uranium, ASOS (ASC_LN), etc... These are stories for another year.

The Fund mainly invests in solar, wind, and other sustainable products and services. Sometimes that kinds of businesses appear too pricey to risk with the Fund's money. So, we also search for sustainable Tech, IT, and Consumer companies. Companies with a true green agenda and bold vision for **a better environment and Earth.**

The fund's task is to search for a business that eases environmental threats, reduces wildlife suffering, and solves people's problems. The pleasure of investing in such companies is all ours.

The amount ***of gratitude and simple "Thank you" to these companies'*** employees and managers for their labor and inspiration is beyond limits. We also think that some long-term trends are not over; the demand for clean energy, AI, and cloud services will only grow. We will try our best to follow.

We are sincerely thankful to our funds' Investors for their patience and ***courage***. It helps us to stay focused and continue investing in all market weather.

Last but not least, we know that nowadays, investors have tons of funds and fund managers options. These companies issue all sorts of "Letters to Shareholders," mimicking the world-renown Buffet-letters. Why is our letter different? Well, we are neither the smartest nor the luckiest fund managers in the world, so we can't preach about accounting practices or deep economic theories. Yet, we have something unique we can share because we gathered in one text all the mistakes we made throughout our careers, and we can publish it bit by bit every year. And the first hard lesson is: "The first most frequent and painful mistake is ***Buying too soon. Let stocks fall!".*** In practice, that works as such: When you find the asset you badly want to invest in, don't buy it right away. Wait another couple of months and try some. And then wait another 3-6 months to add some more. Sometimes you can wait up to 12 months or more. That single thing will improve your investment performance just like magic. Simple but SO powerful.

THANK YOU FOR READING!

HQB

Fund manager
Harry Qelm Baabsman ltd.

55/20 Mangilik El ave., office 351-352
Astana, Kazakhstan

hqb@harryqelmbaabsman.com

+7 707 843 9118
+7 707 799 3333