Harry Qelm Baabsman Ltd

Financial statements

for the year ended December 31, 2024
with independent auditors' report

CONTENTS

Астана қ., Z10H9E3
Қазақстан Республикасы
Сарыарқа даңғылы, 6
«Арман» БО, 305 кеңсе
Тел.: + 7 717 2792 586

Республика Казахстан
г. Астана, Z10H9E3
пр. Сарыарка, 6
БЦ «Арман», офис 305
Тел.: + 7 717 2792 586

6 Saryarka ave.
BC Arman, office 305
Astana, Z10H9E3
Republic of Kazakhstan
Tel.: + 7 717 2792 586

INDEPENDENT AUDITOR'S REPORT

To the Participants and Management of Harry Qelm Baabsman Ltd.

Opinion

We have audited the financial statements of Harry Qelm Baabsman Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including information on the significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibility for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The partner in charge of the audit resulting in this independent auditor's report is Nurbol Tleuov.

Nurbol Tleuov
Auditor/Director
TGS Saryarqa Ltd.

Auditor qualification certificate No. МФ-0002029 dated February 20, 2020

Audit license for audit activities on the territory of the Astana International Finance Centre No. AFSA-A-LA-2020-0014 issued by the Astana Financial Service Authority on April 4, 2023

6, Saryarka Ave., BC Arman, office 305, Astana
Z10H9E3, Republic of Kazakhstan

April 29, 2025

STATEMENT OF FINANCIAL POSITION

In thousands of US Dollars	**Notes**	**December 31, 2024**	December 31, 2023
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	5	**147**	187
Advances given		**3**	4
Cash and cash equivalents	6	**11**	4
Trade and other accounts receivable		**–**	2
Total current assets		**161**	197
TOTAL ASSET		**161**	197
EQUITY AND LIABILITIES			
Equity			
Shareholders' capital	7	**230**	230
Accumulated loss		**(127)**	(82)
Currency translation reserve		**–**	3
Total equity		**103**	151
Current liabilities			
Borrowings: current portion	8	**53**	44
Other current liabilities		**1**	2
Accounts payable		**4**	
Total current liabilities		**58**	46
TOTAL EQUITY AND LIABILITIES		**161**	197

Chief Executive Officer

Babanazarov D.

STATEMENT OF COMPREHENSIVE INCOME

In thousands of US Dollars	Notes	2024	2023
Fund management fees		**17**	15
Administrative expenses	9	**(57)**	(45)
Operating loss		**(40)**	(30)
Net trading income		**6**	5
Net foreign currency gains or losses		**24**	(3)
Net gains on financial assets at fair value through profit or loss		**(38)**	4
Other income			1
Profit before tax		**(48)**	(23)
Income tax expenses		**–**	–
Profit for the period		**(48)**	(23)
Other comprehensive income			3
Total comprehensive income for the period		**(48)**	(20)

Chief Executive Officer

Babanazarov D.

STATEMENT OF CASH FLOWS

In thousands of US Dollars	Notes	2024	2023
Cash flows from operating activities			
Cash receipts from management fee		**19**	14
Cash payments to suppliers		**(16)**	(12)
Payments to employees		**(28)**	(26)
Taxes and payments to the budget		**(11)**	(10)
Net cash flows used in operating activities		**(36)**	(34)
Cash flows from investing activities			
Purchase of financial assets at fair value		**(6)**	(29)
Proceeds from redemption of financial assets at fair value		**32**	
Net cash flows used in investing activities		**26**	(29)
Cash flows from financing activities:			
Receipt of borrowings		**17**	44
Net cash received from financing activities		**17**	44
Net change in cash and cash equivalents		**7**	(19)
Exchange gains/(losses) on cash and cash equivalents		**–**	–
Cash and cash equivalents at the beginning of the period		**4**	23
Cash and cash equivalents at the end of the period		**11**	4

Chief Executive Officer

Babanazarov D.

STATEMENT OF CHANGES IN EQUITY

In thousands of US Dollars	Notes	Shareholders' capital	Currency translation reserve	Retained earnings	Total
As at December 31, 2022		230	–	(59)	171
Loss for the year		–	–	(23)	(23)
Other comprehensive income		–	3	–	3
Total comprehensive loss for the year		–	3	(23)	(20)
As at December 31, 2023		230	3	(82)	151
Loss for the year		**–**	**–**	**(48)**	**(48)**
Other comprehensive income		**–**	**3**	**–**	**3**
Total comprehensive loss for the year		**–**	**3**	**(48)**	**(45)**
As at December 31, 2024		**230**	**3**	**(130)**	**103**

Chief Executive Officer

Babanazarov D.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024

1. GENERAL INFORMATION

Harry Qelm Baabsman Ltd. ("Company") was registered in accordance with the Constitutional Law of the Republic of Kazakhstan "On the Astana International Finance Centre" ("AIFC") and the Laws and Regulations of AIFC on December 9, 2021 ("Registration date").

The Company's legal address is the Republic of Kazakhstan, Astana, Mangilik El ave, building 55/20 , office 351-352.

As at December 31, 2024 and December 31, 2023 the participants of the Company were as follows:

	2024	**2023**
Damir Babanazarov	**57%**	57%
Arman Batayev	**43%**	43%
	100%	**100%**

The Company is responsible for managing the funds known as The Steppe Eagle OEIC Ltd., FTH GROWTH FUND OEIC Ltd., HEISENBERG OEIC Ltd. ("Fund").

These financial statements were authorized for issue and signed by the Chief executive officer on 29 April 2025.

2. BASIS FOR PREPARING FINANCIAL STATEMENTS

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB).

These financial statements have been prepared on a historical cost basis, except for those transactions disclosed in the accounting policies and notes to these financial statements. All values in these financial statements are presented in full, without rounding, except where otherwise noted.

Functional Currency and Presentation Currency

The Company's functional currency is the Kazakhstani tenge (KZT), as this currency reflects the primary economic environment in which the Company operates. The Company's revenues and expenses, as well as a significant portion of its assets and liabilities, are denominated in tenge.

The financial statements are presented in US dollars (USD) for the convenience of users and because the US dollar is widely used in international transactions. The translation of financial statements from the functional currency to the presentation currency is performed in accordance with the following principles:

- Assets and liabilities are translated at the exchange rate prevailing at the reporting date.
- Income and expenses are translated at exchange rates at the dates of the transactions or at the average exchange rate for the period if it is a reasonable approximation.
- Exchange differences arising from translation are recognized in other comprehensive income and included in the currency translation reserve.

Exchange rates

The currency exchange rate of KASE as at 31 December 2024 was 523.11 tenge to 1 United States dollar (US dollar). This rate was used to translate monetary assets and liabilities denominated in US dollar as at 31 December 2024 (2023: 454.56 tenge to 1 US dollar).

Accrual Basis

These financial statements have been prepared in accordance with the accrual basis of accounting. The accrual basis assumes the recognition of the results of business transactions and events when they occur, regardless of the timing of payment. Transactions and events are recorded in the accounting records and included in the separate financial statements of the periods to which they relate.

3. SIGNIFICANT ACCOUNTING POLICIES

New and amended standards and interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. the amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective

Lack of exchangeability – Amendments to IAS 21.

In august 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

IFRS 18 presentation and disclosure in financial statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 presentation of financial statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards issued but not yet effective (continued)

IFRS 18 presentation and disclosure in financial statements (continued)

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 statement of cash flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot astatements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Company’s equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

Key accounting policies

Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or if annual impairment testing of an asset is required, the Company makes an estimate of the asset's recoverable amount.

The recoverable amount of an asset is the greater of the fair value of the asset or cash generating unit (CGU) less costs to sell and the asset's value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In value in use, future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market estimate of the time value of money and the risks inherent in the asset. In determining fair value less costs to sell, recent market transactions are taken into account. In their absence, the appropriate valuation model is applied.

Impairment calculations are based on detailed plans and forward-looking calculations, which are prepared separately for each of the Company's cash-generating units to which individual assets relate. These plans and forecast calculations, as a rule, are made for five years. For longer periods, a long-term growth rate is calculated and applied to projected future cash flows beyond the fifth year.

An assessment is made at each reporting date as to whether there is any indication that an impairment loss previously recognized may no longer exist or may have decreased. If such indication exists, then the recoverable amount is estimated. A previously recognized impairment loss is only reversed if there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognised. Recovery is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor can it exceed the carrying amount, less depreciation, at which the asset would have been recognized if no impairment loss had been recognized in prior years. Such recovery is recognized in the statement of comprehensive income.

After the reversal entry is made, the depreciation expense in subsequent periods is adjusted to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

A financial instrument is a contract that results in the simultaneous creation of a financial asset for one company and a financial liability or equity instrument for another.

Financial assets

Initial Recognition and Measurement

Financial assets at initial recognition are classified as subsequently measured at amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial asset and the business model adopted by the Company to manage those assets. Except for trade receivables that do not contain a significant financing component or for which the Company has applied a practical expedient, the Company initially measures financial assets at fair value, increased for financial assets not at fair value through profit or loss by the cost of by deal. Trade receivables that do not contain a significant financing component or for which the Company has applied a practical expedient are valued at the transaction price determined in accordance with IFRS 15. See accounting policy under Revenue from contracts with customers.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, the contractual terms of the asset must give rise to cash flows that are “solely payments of principal and interest” on the principal the principal amount of the debt. This evaluation is called the SPPI test and is carried out at the level of each instrument.

The business model used by the Company to manage financial assets describes the way in which the Company manages its financial assets in order to generate cash flows. The business model determines whether the cash flows will result from the receipt of contractual cash flows, the sale of financial assets, or both.

All purchases or sales of financial assets that require the delivery of assets within the time frame established by law, or in accordance with the rules adopted in a particular market (trading on standard terms), are recognized on the date of the transaction, that is, on the date when the Company assumes a commitment to buy or sell an asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into four categories:

- financial assets measured at amortized cost (debt instruments);
- financial assets measured at fair value through other comprehensive income with subsequent reclassification of accumulated profit or loss (debt instruments);
- financial assets designated at the entity's discretion as measured at fair value through other comprehensive income without subsequent reclassification of accumulated gains and losses on derecognition (equity instruments);
- financial assets at fair value through profit or loss.

Financial assets measured at amortized cost (debt instruments)

This category is the most relevant for the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost are subsequently measured using the effective interest method and are subject to impairment requirements. Gains or losses are recognized in profit or loss when an asset is derecognised, modified or impaired. The Company classifies trade receivables as financial assets at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets

Subsequent measurement

Financial assets at fair value through other comprehensive income (debt instruments)

The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is both to collect contractual cash flows and to sell financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments measured at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals of such losses are recognized in the statement of comprehensive income and calculated in the same way as for financial assets measured at amortized cost. Any remaining changes in fair value are recognized in other comprehensive income.

On derecognition, the cumulative change in fair value recognized in other comprehensive income is reclassified to profit or loss. As at 31 December 2024, the Company had no debt instruments measured at fair value through other comprehensive income.

Financial assets classified at the discretion of the Company as measured at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Company may, without the right to reverse, designate investments in equity instruments as measured at fair value through other comprehensive income if they meet the definition of equity in accordance with IAS 32 Financial Assets: Presentation. and are not intended for trading. The decision on such classification is made for each instrument separately.

Gains and losses on such financial assets are never reclassified to profit or loss. Dividends are recognized as other income in the statement of comprehensive income when the right to receive dividends is established, unless the Company benefits from such receipts as a recovery of part of the cost of the financial asset. In this case, such gains are recognized in other comprehensive income. Equity instruments classified at the discretion of the Company as measured at fair value through other comprehensive income are not assessed for impairment.

As at 31 December 2024, the Company had no debt instruments measured at fair value through other comprehensive income.

Financial assets at fair value through profit or loss

The category of financial assets at fair value through profit or loss includes financial assets held for trading, financial assets designated by the Company at initial recognition as at fair value through profit or loss, or financial assets that are compulsorily measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments in the Company's sole discretion. Financial assets whose cash flows are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model used.

Notwithstanding the criteria for classifying debt instruments as measured at amortized cost or at fair value through other comprehensive income as described above, the Company may, at initial recognition, designate debt instruments as at fair value through profit or loss if such classification precludes or significantly reduce the accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in their fair value recognized in the statement of comprehensive income.

This category includes derivatives and investments in quoted equity instruments that the Company, in its sole discretion, has not irrevocably designated as measured at fair value through other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

A derivative embedded in a hybrid contract that includes a host contract that is a financial liability or non-financial instrument is separated from the host contract and accounted for as a separate derivative if: its inherent economic characteristics and risks are not closely related to those of the host contract; a separate instrument with the same terms as an embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Re-accounting occurs either when there is a change in the terms of the contract that results in a material change in the cash flows that would otherwise be required, or when the financial asset is reclassified out of the fair value through profit or loss category.

A derivative embedded in a hybrid contract that includes a host contract that is a financial asset is not separately accounted for. The host contract that is a financial asset must be classified together with the embedded derivative as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) if:

- The rights to receive cash flows from the asset have expired; or
- The company has transferred its rights to receive its cash flows from the asset or has assumed an obligation to pay the received cash flows in full and without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancement that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Company's financial liabilities include trade payables.

The Company's financial liabilities include trade and other payables. The Company does not have any financial liabilities that it designates upon initial recognition as financial liabilities at fair value through profit or loss; derivatives designated as hedging instruments in an effective hedge.

Financial liabilities designated at the Company's discretion at initial recognition as at fair value through profit or loss are categorized as such at the date of initial recognition and only if the criteria in IFRS 9 are met. The Company does not have financial liabilities classified as at fair value through profit or loss. measured at fair value through profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities (continued)

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of original liability and the of recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are subject to offset and the net amount to be presented in the statement of financial position is then:

- when there is a currently enforceable legal right to set off the recognized amounts;
- when there is an intention to settle on a net basis, or to realize assets and at the same time settle liabilities.

Fair value of financial instruments

The Company measures financial instruments such as derivatives and non-financial assets such as investment property at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement assumes that a transaction to sell an asset or transfer a liability is:

- in the underlying market for the asset or liability; or
- if there is no underlying market, the most advantageous market for the asset or liability.

The Company must have access to the main or most profitable market.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability if market participants act in their best economic interests.

The fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits either through its highest and best use of the asset or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation models that are appropriate in the circumstances and for which data sufficient to measure fair value are available, while maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities measured at fair value in the financial statements or disclosed in the financial statements are classified in the fair value hierarchy described below, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – valuation models in which the lowest level of the hierarchy that is significant to the fair value measurement is directly or indirectly observable in the market.
- Level 3 – valuation models in which the lowest level inputs that are significant to the fair value measurement are not observable in the market.

For assets and liabilities that are remeasured in the financial statements on a recurring basis, the Company determines whether they need to be transferred between levels of the hierarchy by reassessing the classification (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. period.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in banks and on hand and short-term deposits with original maturities of three months or less. Bank deposits include deposits with original maturities greater than three months.

Provisions

Provisions are recognized if the Company has a present obligation (legal or constructive) as a result of a past event, the outflow of economic benefits that will be required to settle that obligation is probable, and a reliable estimate of the amount to settle the obligation can be obtained. If the Company expects to be reimbursed for some or all of the provisions, such as under an insurance contract, the reimbursement is recognized as a separate asset, but only to the extent that the reimbursement is beyond doubt. The expense relating to any provision is presented in the separate statement of comprehensive income, net of any reimbursement.

If the effect of the time value of money is significant, provisions are determined by discounting at a current pre-tax rate that reflects the risks specific to the particular liability. If discounting is applied, the increase in the provision over time is recognized as a finance cost.

Recognition of expenses

Expenses are recognized as incurred and recognized in the financial statements in the period to which they relate on an accrual basis.

Revenue recognition

Revenues are recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset, which usually occurs when the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured. The Company provides asset management services under contractual agreements with investment funds. These services include investment portfolio management, compliance monitoring, regulatory and investor reporting, and investment advisory.

The Company mainly recognizes revenue for the following types:

- **Fixed Management and Subscription Fees**: Represent a fixed amount agreed upon in the fund management agreement, irrespective of the average net asset value (NAV) of the fund. These fees are invoiced and recognized on a quarterly basis.
- **Performance (success) Fees**: Contingent fees based on achieving specific performance benchmarks. These fees are recognized only when it is highly probable that a significant reversal of cumulative revenue will not occur.

Timing of Revenue Recognition

- **Fixed Management and Subscription Fees** are recognized over time as the services are rendered evenly throughout the period.
- **Performance (success) Fees** are recognized at the end of the performance period, once the underlying condition is met and the amount is reliably measurable.

Residues under the contract

Accounts receivable

Accounts receivable represents the Company's right to a consideration that is unconditional (i.e. the point at which such a consideration becomes payable is due only to the passage of time). Accounting policies for financial assets are discussed in the “Financial Instruments - Initial Recognition and Subsequent Measurement” section.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation of AIFC participants

In accordance with the Constitutional Law of the Republic of Kazakhstan “On the Astana International Finance Centre” participants of the AIFC are exempt from the obligation to pay corporate income tax from following sources:

- services for the investment management of the assets of investment funds, their accounting and storage, as well as ensuring the issuance, placement, circulation, redemption and redemption of securities of investment funds;
- Islamic banking services;
- reinsurance and insurance brokerage services.

The Company's management believes that its core business activities qualified as per corporate income tax exemption list above.

In connection with the provided CIT benefits (0% rate), the Company does not have deferred tax positions on temporary differences on assets and liabilities, and tax losses carried forward.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions at the end of the reporting period that affect the reported amounts of revenue, expenses, assets and liabilities, and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The 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, are described below.

Taxation

When assessing tax risks, management considers as potential risks those areas of non-compliance with tax laws that the Company is unable to challenge or does not believe it will be able to successfully challenge if additional taxes are assessed by the tax authorities. Such a determination requires significant judgment and is subject to change as a result of changes in tax laws and regulations, the determination of expected outcomes in pending tax proceedings and the outcome of due diligence by the tax authorities.

As of 31 December 2024 management believes that all obligations of the Company as a AIFC participant and the provisions of the Tax Code of the Republic of Kazakhstan regarding the requirements for participants in the AIFC are fully met.

Deferred tax assets

The Company recognizes a net future tax benefit on deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. In assessing the likelihood of recovering deferred income tax assets, the Company makes significant estimates related to expected future taxable income. Estimates of future taxable income are based on projected operating cash flows and existing tax laws. The ability of the Company to realize the net deferred tax assets recognized as at the reporting date may be affected by the extent to which future cash flows and taxable income differ materially from estimates.

In addition, future changes in tax laws may limit the Company’s ability to receive tax deductions in future periods.

Measurement of financial instruments at fair value

Where the fair value of financial assets recognized in the statement of financial position cannot be determined based on quoted prices in active markets, they are determined using valuation techniques. Observable markets are used as input to these models whenever possible, but where this is not practicable, a certain amount of judgment is required to establish fair value. Judgments include taking into account inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors may affect the fair value of financial instruments as reported in the financial statements.

5. INVESTMENTS IN FUNDS

This note is presented in U.S. dollars (full amounts), rather than in thousands as applied throughout the financial statements.

In US Dollars	**Management units share**	Activity	**31 December 2024**	31 December 2023
The Steppe Eagle OEIC Ltd	**100%**	private equity fund	**100**	100
FTH GROWTH Fund OEIC Ltd	**100%**	private equity fund	**100**	–
HEISENBERG OEIC Ltd.	**100%**	private equity fund	**100**	–
			300	100

In 2024, the Company established two exempt funds to further expand its fund management activities: a a private equity fund (FTH Growth Fund OEIC Ltd) and a private equity fund (Heisenberg OEIC Ltd.).

Fee structure of the Funds

Fund	Management fee	Success Fee
The Steppe Eagle OEIC Ltd	0.5% of Net Asset value per annum	25% if the Fund’s return exceeds the high-water mark of 7%
FTH GROWTH Fund OEIC Ltd	1% of Net Asset value per annum	n\a
HEISENBERG OEIC Ltd.	1% of Net Asset value per annum	20% of the increase of the Net Asset Value

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In thousands of US Dollars	**December 31, 2024**	**December 31, 2023**
Stocks	**125**	146
Exchange traded funds (ETF)	**14**	29
Cash	**8**	12
	147	187

7. CASH AND CASH EQUIVALENTS

In thousands of US Dollars	**December 31, 2024**	**December 31, 2023**
Current bank accounts, USD	–	–
Current bank accounts, KZT	**11**	4
	11	4

8. SHAREHOLDERS’ CAPITAL

As of December 31, 2024 and 2023 the registered Capital of the Company was 230 thousand US Dollars and 230 thousand US Dollars, respectively.

9. BORROWINGS: CURRENT PORTION

In thousands of US Dollars	**2024**	**2023**
Damir Babanazarov	**19**	22
Arman Batayev	**24**	22
Nuraly Tyleyly	**5**	–
Outsource director ltd	**5**	–
	53	44

Movement of borrowings were as follows:

In thousands of US Dollars	**2024**	2023
As at 1 January	**44**	–
Borrowings received	**16**	44
Currency translation reserve	**(7)**	–
As at 31 December	**53**	44

10. FUND MANAGEMENT FEES

In thousands of US Dollars	**2024**	2023
Income from Fund management fee	**17**	15
	17	15

During 2023 and 2024, the Company recognized revenue from the following types of commission income:

In US Dollars	**2024**	2023
The Steppe Eagle OEIC Ltd.		
Management fee	***17***	15
	17	15

9. ADMINISTRATIVE EXPENSES

In thousands of US Dollars	**2024**	**2023**
Payroll and related taxes	**43**	36
AFSA services	**7**	3
Consulting services	**4**	3
Bank services	**–**	1
Rent	**2**	1
Other	**1**	1
	57	45

10. RELATED PARTIES

For the purposes of these financial statements, related parties are considered to be parties, one of which able to control or exercise significant influence over the financial and operational decisions of the party as designed in IAS 24 “Related Party Disclosures”. When deciding whether the parties are related, the content of the relationship between parties is considered, rather than solely on their legal basis.

Key management personnel remuneration

The Company paid to the key management personnel in amount of 11 thousand USD and 13 thousand USD in 2024 and 2023, respectively.

Management fee

The Harry Qelm Baabsman Ltd provides investment management services to The Steppe Eagle OEIC in accordance with the Fund's Constitution. The Management receives compensation for its services based on the Net asset value (NAV) of the Fund, which is calculated in accordance with the Fund’s Constitution. The fee, that is 0.5% of the NAV, is paid on a monthly basis. The total management fees for the year ended on December 31, 2024 amounted to USD 17,382.

10. RELATED PARTIES (continued)

Success fee

The Harry Qelm Baabsman Ltd provides investment management services to The Steppe Eagle OEIC in accordance with the Fund's Constitution. The Fund manager receives a Success fee that is 25% if the Fund's return exceeds the mark of 7%, accrued daily, paid once a year within 20 business days after the conclusion of the year. For the year ended on December 31st, 2024 the Fund manager did not receive Success fee.

11. FINANCIAL RISK MANAGEMENT POLICY

The Company's principal financial instruments include cash and cash equivalents and financial assets. The main risk arising from the Company's financial instruments is market risk and credit risk. The Company also monitors the liquidity risk arising from financial liabilities.

Market risk

Market risk is that the risk the company's earnings or capital or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates prices. Market risk covers financial assets at fair value through profit or loss.

Credit risk

Credit risk is the risk that the Company will incur financial losses because the counterparties will not meet their obligations under the financial instrument or the client agreement. Financial instruments that may expose Companies to credit risk consist of cash receivables and finance lease receivables.

The maximum amount of risk is the present value, as disclosed in *Note 6*.

The following table shows the balance of cash, not including provision on expected credit loss, placed in banks at the reporting date using credit rating of "Standard & Poor's".

Bank	Rating **2024**	Rating 2023	**December 31 2024**	December 31 2023
"Bank CenterCredit" JSC	Ba1/positive	B-/positive	**11**	3
"First Heartland Jysan Bank" JSC	Ba3/positive	Ba3/positive	–	1
			11	3

Operating environment

Overall, the economy of the Republic of Kazakhstan continues to exhibit certain characteristics typical of emerging markets. It is particularly sensitive to fluctuations in the prices of oil, gas, and other mineral resources, which constitute the main part of the country's exports. These characteristics also include, but are not limited to, the existence of a national currency that is not freely convertible outside the country, and a low level of liquidity in the securities market. Ongoing political tensions in the region and exchange rate volatility have had, and may continue to have, a negative impact on the economy of the Republic of Kazakhstan, including reduced liquidity and difficulties in attracting international financing.

12. CAPITAL RISK MANAGEMENT

Introduction

Risk management is inherent in the Company's activities and is an essential element of the Company's operations. The major risks faced by the Company are those related to market risk, liquidity risk and operational risks.

The Company's risk management policies aim to identify, analyse and manage the risks faced by the Company, to set appropriate risk limits and controls, and to monitor continuously risk levels and adherence to limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions.

Risk Committee

The purpose of the Risk Committee is to oversee the risk management matters including other compliance matters that have direct effect on the risk management of the Harry Qelm Baabsman Ltd.

The Risk Committee is established to ensure that the Company has robust operational risk management framework with appropriate systems and controls to identify, monitor and manage operational risks that key participants, service providers (including outsources) and utility providers might pose to itself. Its main functions are:

12. CAPITAL RISK MANAGEMENT (continued)

- Overseeing and revision of risk management, compliance, anti-money laundering, counter-terrorism financing and sanctions management policies and manual and Code of Conduct for their further approval by the Board of the Company;
- Coordinating activities for implementation of legal requirements for sanctions, compliance and combating legalization (laundering) of proceeds of crime and terrorist financing;
- Monitoring of the integrity and compliance of the financial statements and reporting of the Company, including its annual and half-yearly reports, preliminary results announcements and any other formal reporting relating to its regulated activity.

Requirements of Investment companies according to the AIFC PRUDENTIAL RULES FOR INVESTMENT FIRMS

The below tables summarize the regulatory capital composition and capital adequacy ratios of the Company for the year ended December 31, 2024 and December 31, 2023. During this year, the Company complied with all of the externally imposed capital requirements to which it is subject to.

Capital Resources

In thousands of US Dollars	**December 31, 2024**	December 31, 2023
The ordinary equity share capital of Company, to the extent fully paid up	**230**	230
Accumulated loss	**(127)**	(70)
TOTAL CAPITAL	**103**	151

Minimum Capital Requirements

Capital requirement	**December 31, 2024**	**December 31, 2023**
Base	**50**	**50**
Credit risk	–	–
Market risk	–	–
Operational risk	–	–
TOTAL MINIMUM	**50**	**50**
Total Capital	**103**	**151**
Capital Resources/ Capital Requirements	**2.06**	**3.02**

Liquid Assets Requirements

In thousands of US Dollars	**December 31, 2024**	December 31, 2023
Cash and cash equivalents	**11**	4
Financial assets at fair value through profit or loss	**8**	12
Total liquid assets	**19**	16
Annual operating expenditures	**50**	50
LIQUID ASSETS RATIO	**38%**	32%

13. CONTINGENT LIABILITIES

Taxation

Kazakhstani tax laws and regulations are subject to constant change and varying interpretations. There are frequent cases of divergence of opinions between local, regional, and republican tax authorities, including approaches to the recognition of income, expenses and other items in the financial statements under IFRS. The currently applied system of fines and penalties for detected offenses based on the laws in force in Kazakhstan is very severe. Due to the inherent uncertainty of the Kazakhstani taxation system, the potential amount of taxes, penalties and interest, if any, could exceed the amount expensed to date and accrued as at December 31, 2024.

Management believes that as at December 31, 2024 its interpretation of applicable law is appropriate and it is probable that the Company's tax position will be sustained.