Sarnia
GLOBAL ALPHA Fund: Factsheet

July 2026

Swen Lorenz
CEO
Sarnia Asset Management
swen@sarnia-am.com

Dear Reader,

in past issues, I explained several of the **key concepts** we apply for managing your capital.

So far, we covered **multi-catalysts**, **hidden options**, and **geographically unconstrained investing**.

Another aspect that keeps popping up in our portfolio are **scalable, recurring revenue streams**. This can be rental income, chemicals for use by an installed user base of machines, or subscription-based income from software.

If you check back to the Fund's marketing deck, you will see recurring revenues featured in our list of **investment markers** (on slide 9).

Why do we like the concept so much?

Recurring revenue literally provides you with **a window into the future**. Consider that investing is about estimating the future earnings of a business. Ideally, you want to own businesses with earnings that are not exposed to major volatility. Then, within certain ranges, you have a good idea of how the **company's earnings power** will look like in five or six years.

Ideally, such companies should operate in a **secular growth market**. That means there is not just an existing, reliable revenue stream but additional revenue from new clients gets added on top each year.

Of course, finding the right companies and buying their stock at attractive prices is a challenge.

One sector where you can occasionally find outstanding investments that tick all these boxes are **infrastructure monopolies**. I had already reported in April 2026 how our strategy has long included shares of the company that operates the **Warsaw Stock Exchange**. Thanks to its legal status as de facto monopolist for operating a trading platform, the company has no domestic competitor. Its clients are effectively locked in. This set-up provides a company that has a high degree of recurring revenue.

When analysing the stock of the Warsaw Stock Exchange several years ago, our portfolio manager, Michael Steindler, realised that it also ticked the boxes for hidden optionalities and multi-catalysts. The stock was only trading in Poland at the time, which would have excluded many other funds from investing. Michael's strategy being geographically unconstrained meant he was able to invest. This case illustrates how all these different aspects come together to form a comprehensive analysis. It also shows why out of the **100,000 companies** that are listed on a stock market somewhere in the world, at any time relatively few tick all the required boxes.

Could all of this be summarised in a single spreadsheet or a corporate document?

Plain and simply, it couldn't.

By nature, no company fits perfectly into these schemes, and often it's a **mix of factors**. This is exactly why, even in today's age of computer trading software and AI-powered valuation models, it takes someone who has the experience, the judgment and also the instinct to notice and assess the crucial nuances.

The whole topic of subscription-type income streams is something that Michael discovered for himself early on in his investment career. He has been onto it literally since his very first investments, meaning he now has over **a quarter century of experience** in analysing this type of business. He has the judgement needed for spotting soft factors that are essential to investment success.

Michael's exceptional returns don't come from stock-picking alone. The key to his strategy achieving an average ≈24% p.a. return from 2000 to today comes from knowing:

- How much to allocate to an individual position.
- When to enter.
- When not to act.
- How long to stay invested.
- How to manage risk when things go wrong.
- Where to find overlooked opportunities.

There are **no secret recipes** for any of this.

It does help, though, if you don't just have decades of experience but you also can do it **full-time.** After managing a EUR 3bn institutional portfolio for a German insurance company, Michael stepped away from conventional employment in 2017. Since then, he has been **focussing solely on his investments**.

Michael and I have teamed up for a **double act** to allow him to keep his focus on managing the portfolio. I take care of client relations, communication and other technical aspects – so that Michael doesn't have to.

We want Michael to be **laser-focussed** on finding and managing the Fund's investments.

Best regards
Swen Lorenz
CEO, Sarnia Asset Management

P.S: Once again, I recommend to listen to the **38-minute discussion** that I recorded with my colleague James Faulkner for the **"Poor Millionaires" podcast**. The episode is called "The strategy behind a 250x return" and explains how Michael's strategy has achieved such an outstanding real-money track since 2000.

SARNIA
ASSET MANAGEMENT

News about the Fund's top 5 positions:

Hypoport (10.40% of portfolio weighting*): July brought a trading update. Gross profit and EBIT increased despite brokered volume stagnating. The Europace mortgage platform doesn't require market growth, but benefits from a shift in market shares. Cooperative banks and savings banks are gaining market share while private banks are losing. The recovery of Germany's financing market remains a bonus, not a prerequisite for this investment's success.

Secunet (9.05% of portfolio weighting*): The share price declined in July without any company news to explain the drop. This has further widened the gap between the company's operational performance – a record year, order intake with a book-to-bill ratio well above one – and its share price. The company remains well-positioned as the German government's service provider for cyber security.

Frequentis (5.55% of portfolio weighting*): The significantly increased order intake and the raised annual forecast show that the infrastructure investment cycle is taking hold in air traffic control and control centres. Furthermore, the company increased its stake in Nemergent, a software provider, from 25% to 51%.

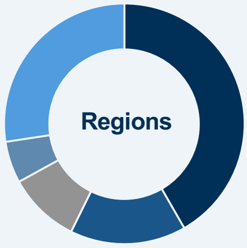
Furuya Metal (5.50% of portfolio weighting*): Furuya was caught in the drag of the semiconductor sell-off and reversed course just as abruptly at the end of the month. Operationally, it remains strong based on the forecast raised in May. In July, Nikkei also reported the expansion of quartz protective tube production, which is a secondary segment, but yet more evidence that Furuya is also benefiting from Japan's semiconductor development beyond the iridium/ruthenium chain. The proprietary processing of ultra-pure iridium and ruthenium remains the chokepoint through which raw material shortages translate directly into profits.

Yubico (4.39% of portfolio weighting*): Without any news, the stock continued its recovery. The weak first quarter reflects the shift towards smaller deals, while the key metrics for the thesis – subscription revenue and recurring revenue – continue to grow, and the gross margin remains high. The investment rationale lies in the transition to machine authorisation: hardware-based identity for AI agents.

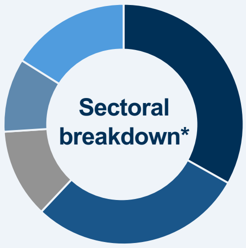
* weighting in the portfolio of the master fund

Current portfolio breakdown:
(31 July 2026)

- **86.1%** – Shares
- **4.7%** – Other (e.g. hedge)
- **4.6%** – Commodities
- **4.5%** – Cash
- **0.0%** – Bonds

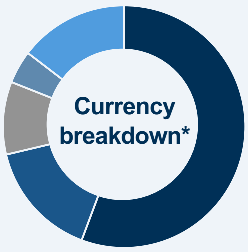


- **41.7%** – Germany
- **15.6%** – Japan
- **9.7%** – Switzerland
- **5.6%** – Austria
- **27.4%** – Other



- **28.8%** – Consumer
- **25.1%** – Tech
- **10.4%** – Communication
- **8.6%** – Industrials
- **14.0%** – Other

*Top 5 positions



- **55.7%** – EUR
- **15.6%** – JPY
- **9.7%** – CHF
- **4.4%** – SEK
- **14.6%** – Other

*Top 5 positions

The Portfolio Manager: Michael Steindler

Michael led the privately developed GLOBAL ALPHA strategy from 2000-2022 for a discretionary family mandate. Since then, he has continued to run the strategy through a Liechtenstein entity (= Master Fund). His passion is to find high-conviction investment ideas using fundamental analysis; focussing mainly on equities.

He has partnered with Sarnia Asset Management to bring his strategy to a broader audience of investors around the world. You literally invest alongside him. Our Guernsey-based feeder fund structure offers additional benefits but comes at zero additional cost to the fund investor.

Michael splits his time between Munich and the Principality of Liechtenstein. You can find more about his background in our fund's marketing deck; available by email request or through our website.

Terms and conditions of the Fund

Base Currency	EUR
Share Classes	1 share class ("A"), available in EUR and USD*
Minimum Initial Investment	€/$ 100,000
Management Fee	2% p.a.
Performance Fee	20% above 6% (incl. High Water Mark)
Subscription	Monthly
Subscription Notice Period	2 days prior to subscription day
Fund Type	Guernsey – Private Investment Fund (PIF)
Redemptions	Request needed 4 business days prior to end of quarter, for redemption the following quarter.
Administrator	Beauvoir Limited, Guernsey
Auditor	Grant Thornton Limited, Guernsey
Legal Counsel	Carey Olsen, Guernsey
Regulator	Guernsey Financial Services Commission (GFSC)

Key figures:

Current NAV per share	EUR 231.16
Performance year-to-date	15.53%
12-months high	EUR 246.59
12-months low	EUR 187.83
Cash	4.5%
Securities	95.5%
Valuation interval	Monthly, or at the request of the fund's directors
AuM **	EUR 9.88m

Keeping you informed

QUARTERLY CALL (starting Autumn 2026)

ANNUAL MEET UPS (enquire for date)

Disclaimer

Sarnia Asset Management Limited is authorised and regulated by the Guernsey Financial Services Commission (#2696907).

Sarnia Asset Management Limited operates in the UK through its UK subsidiary, Sarnia Asset Management (UK) Limited. Sarnia Asset Management (UK) Limited is an appointed representative of Varramore Partners Limited, which is authorised and regulated by the Financial Conduct Authority.

This product is not suitable for retail clients. In order to invest you must be a Professional Client or Eligible Counterparty as defined in the Guernsey Financial Services Commission's regulatory rules and guidance.

If you are in doubt as to what type of customer you are then you should consult your financial adviser.

The strategy's performance data referred to in this document has been audited by Roedl & Partner for the years 2000-2022, and it is based on the Liechtenstein entity's (Master Fund) performance for the time from December 2022 onwards. Sarnia GLOBAL ALPHA Fund is a feeder fund to the Accuro Global Alpha Fund in Liechtenstein, with a fee sharing agreement between two entities which makes investing via the feeder fund cost-neutral for investors.

This document is qualified in its entirety by reference to the applicable disclosure document, articles of association and other constitutional documents and the applicable subscription agreement relating to the purchase of shares or interests in the Sarnia GLOBAL ALPHA Fund. The information in this document does not provide personal recommendations based on individual circumstances. The information provided in this document has been prepared without regard to any recipient's investment objectives, investment experience, financial situation, or means.

By making this document available to you, neither Sarnia Asset Management Limited nor Sarnia Asset Management (UK) Limited is advising you or making any recommendation.

Investments carry risk – including, but not limited to, market risk, credit risk, liquidity risk, redemption risk, litigation risk and regulatory risk – and there is a risk that investors will not recover the sum invested. Past performance information contained in this document is not an indication of future performance. Past performance information contained in this document is net of fees. This document has not been reviewed or approved by any regulatory authority, nor has this document been audited or verified by an independent party and should not be seen as any indication of returns which might be received by investors in the Sarnia GLOBAL ALPHA Fund.

There can be no assurance that the investment strategy or objectives outlined in this document will be achieved or that investors will receive a return on any amounts invested.

* EUR = reference currency share class, USD = unhedged
** Combined LIE and GG entities