

Sarnia

GLOBAL ALPHA Fund: Factsheet

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Dear Reader,

The **track record** of our fund's strategy spans the period **from 2000 to today**. During these 26 years, there has never been a 5- or 10-year period when the strategy of our fund's portfolio manager, Michael Steindler, didn't make money.

It's unusual for a 52-year-old portfolio manager to have such a long track record (and based on an audited real-money portfolio). It's even rarer that a portfolio manager has a track record which proves his strategy has **worked across multiple market cycles**.

By publishing this monthly commentary, I give our fund investors **insights into our work**. In past issues, I already explained key aspects of our strategy. Ask me for these **back issues** to read up on multi-catalysts, hidden options, and geographically unconstrained investing.

Today, I will explain **our approach to investment research in the age of AI**.

There is one aspect that AI isn't going to change. If you want to outperform, you have to find **ideas that no one else has come up with yet**.

Michael has long been an **AI optimist**. In fact, he was already exploring the technology before it became such a widely-noted subject. I checked back on my hard drive and found that it was in November 2022 already that Michael told me: "*I think the topic of artificial intelligence will one day become all-encompassing.*"

This is not surprising. If you check back to **Michael's CV in our fund's deck**, you'll see that he received a postgraduate degree in Information Technology and loves reading science fiction.

With our approach of investing in "**growth at value prices**", our fund's strategy has long included stocks that benefited from the rise of AI.

Nevertheless, we also believe that the human factor will continue to play a vital role in investing. AI provides **support in research and decision-making**. However, coming up with entirely new ideas will continue to require humans.

Michael and I started speaking with each other about investments some 18 years ago. What bound us together included our applying the "**brute force**" approach to finding exciting ideas. When it comes to generating new investment ideas, we're both quite similar.

The name of this approach is known from password hacking. This means simply trying out a large number of password combinations until you have found the right password. In managing the **Sarnia GLOBAL ALPHA Fund**, we have adapted this approach to our research activities.

What does it mean specifically? Michael literally takes a **list containing all the publicly listed companies of a country** and goes through them one by one. In Europe, these lists are usually sorted from "A" to "Z", in Asia it is sometimes from "1" to "X" because of the securities' identification numbers. Either way, it's a manual form of securities research.

We stoically go through such lists and are always particularly interested in the companies that we've never read or heard about. Michael (who is leading this effort) approaches the **research process without any prejudices**. He doesn't let commonly used databases steer him in a certain direction or restrict his chances of coming across something outstanding. Commercially available databases are often incomplete or contain errors and inaccuracies. For example, a company may be classified as a "publisher" in a database such as Bloomberg, when in fact it is more of a software company. Or it might be a publisher today but could quickly be converted into a subscription-based software company if a new management team made the right decisions - and that kind of optionality isn't priced in yet. (Check back to the June 2026 issue of this factsheet to read up on such "**hidden options**".)

Of course, we also use databases. At his office in Liechtenstein, Michael has access to these databases, and he analyses sectors by looking at **large data sets**. However, to make magic happen in investing you also need to find the companies that somehow are missing in commonly used databases. The art lies in doing both. **We combine AI-enabled sifting through datasets with applying human expertise and instinct**. When you take this approach, you can find exciting new stock ideas.

This "brute force" approach is a **differentiator of our work**. Not only is it a lot of work, but you also need to have experience and instinct. This human factor is irreplaceable, in our opinion, and databases or other technologies play a role by complementing the work.

I teamed up with Michael to offer the Sarnia GLOBAL ALPHA Fund because his track record covers three lengthy stock market cycles. **The strategy underlying our fund has worked in the long term and is not just based on lucky strikes**.

I hope that today's issue has helped you appreciate why this approach is essential for our work. **Michael and I believe the "brute force" approach remains an effective way to regularly find investment ideas that no one else has come up with yet**.

Best regards
Swen Lorenz
CEO, Sarnia Asset Management

News about the Fund's top 5 positions:

Secunet (11.69% of portfolio weighting*): Order intake rose sharply again, the book-to-bill ratio remained well above 1x, and the revenue forecast was raised to the upper end of the guidance range. This growth is driven entirely by the public sector, particularly the Defence & Space and Homeland Security divisions. The company's position as the German government's partner for cyber security is anchored in regulatory requirements, which gives it a unique position.

Hypoport (11.24% of portfolio weighting*): Germany's cooperative banks and savings banks continue to gain market share within the company's Europace B2B mortgage platform, while private banks are losing ground. It's important to note that Europace benefits not only from overall market growth but, above all, from this shift in market share. Starting in the autumn, German savings banks can mandate the use of Europace for their entire residential mortgage lending business. The market continues to focus on the company's volume while overlooking what is happening with margins.

Furuya Metal (9.29% of portfolio weighting*): The fiscal year ending in June closed above the company's own projections, achieving an operating margin that is exceptional for a materials manufacturer. This lies at the heart of our investment thesis: margin pressure affects the OEM, not the input supplier. Proprietary processing of ultra-high-purity iridium and ruthenium remains the bottleneck that allows raw material shortages to translate directly into profits.

Frequentis (4.79% of portfolio weighting*): See the August 2026 factsheet for the most recent details.

Yubico (4.62% of portfolio weighting*): With the new generation of YubiKeys, the company is extending hardware-based security from authentication to verified authorization – enabling digital signatures, identity wallets, payment approvals, and authorizations by AI systems. This turns the transition toward machine-based authorization into a product offering.

We continue to see significant potential in companies with structural, non-substitutable "moats", recurring cash flows, and platform characteristics. The fund focuses on areas such as "toll-road" business models, royalty structures, and subscription platforms that serve as indispensable bottlenecks within the value creation process.

* weighting in the portfolio of the master fund

Current portfolio breakdown: (30 September 2026)



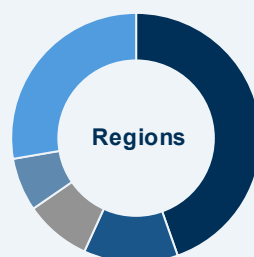
95.7% – Shares

3.0% – Commodities

0% – Other

1.8% – Cash

0.0% – Bonds



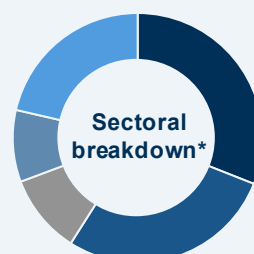
44.6% – Germany

12.2% – Japan

8.6% – Switzerland

6.9% – US

27.7% – Other



31.0% – Consumer

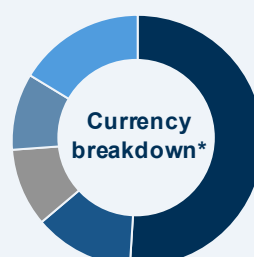
28.0% – Tech

10.3% – Industrials

9.3% – Communication

21.4% – Other

*Top 5 positions



51.3% – EUR

12.3% – JPY

10.1% – USD

9.9% – CHF

16.4% – 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)

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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.

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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

Key figures:

Current NAV per share	EUR 240.87
Performance year-to-date	20.38%
12-months high	EUR 246.59
12-months low	EUR 192.66
Cash	1.28%
Securities	98.72%
Valuation interval	Monthly, or at the request of the fund's directors
AuM **	EUR 10.43m

Keeping you informed



QUARTERLY CALL
(starting Autumn 2026)



ANNUAL MEET UPS
(enquire for date)