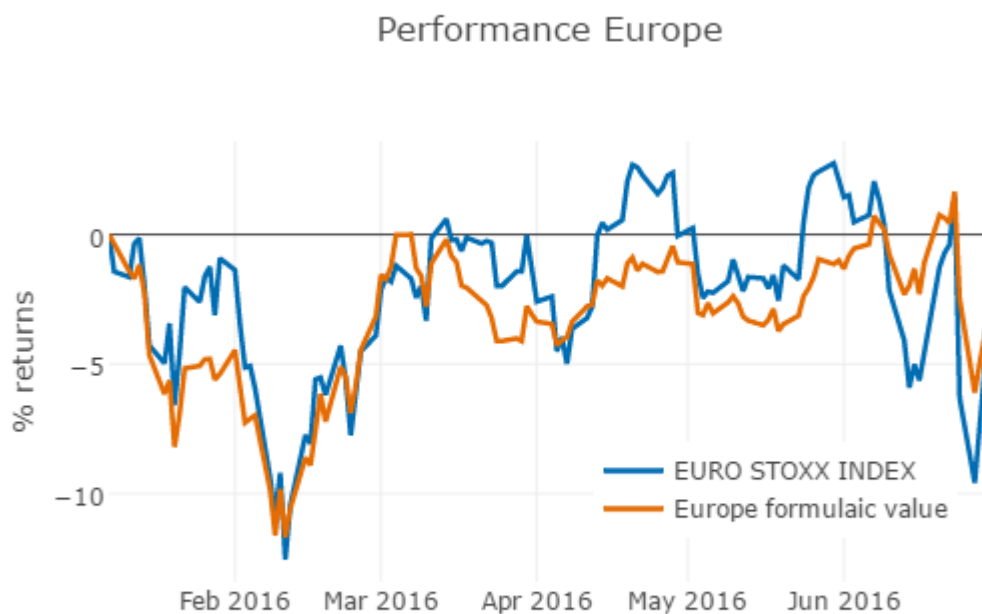


Q2 2016 - Going forward

As we progress towards offering our formulaic value strategy to public, we continue to improve the strategy itself in a number of directions. For instance, we added filter for stocks that may be overvalued even though they appear cheap. We also added fraud detector and further developed our data inputs into the valuation model.

On the other hand we simplify application of the strategy. That's why, beginning the next quarter, we will merge American and European investments of the strategy into one portfolio which will encompass majority of the developed world. This will enable the formula to assume a role of an asset allocator between the separate markets which will, we believe, result in an even higher returns.

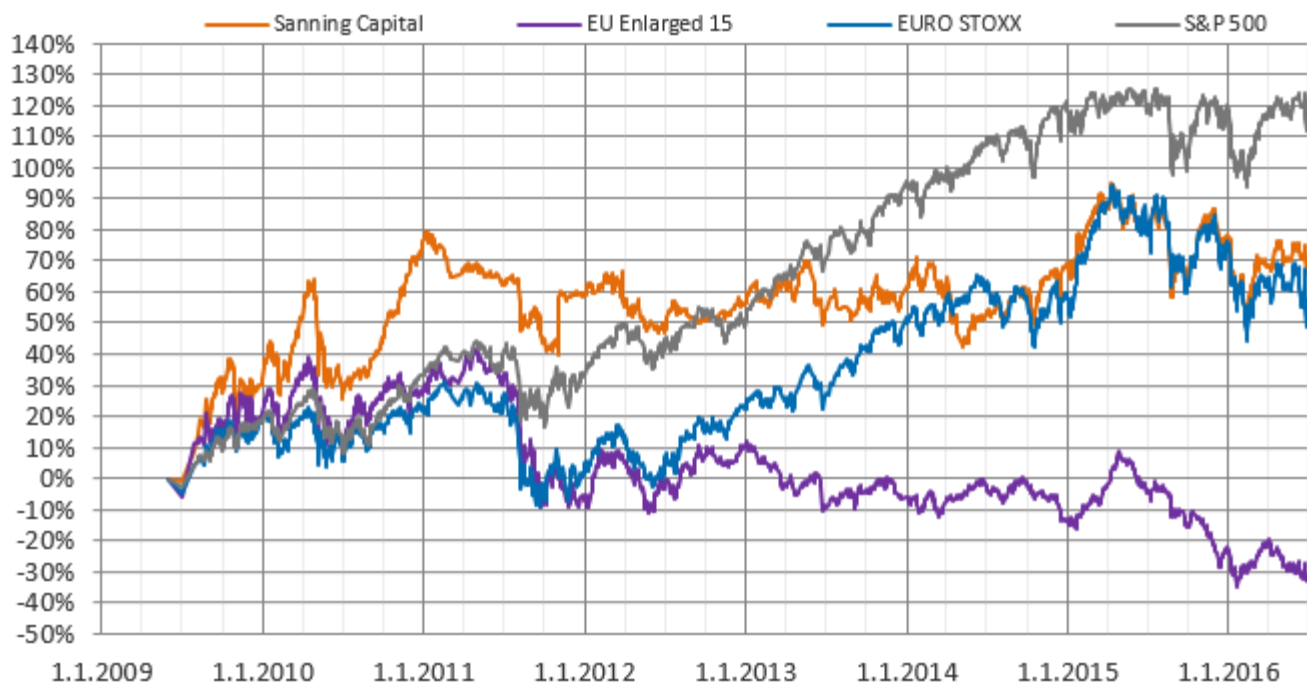
Briefly about our performance. North America returned +12.7% vs. 9.4% for S&P (total return), Europe delivered -2.9% vs. Eurostoxx benchmark -4.2% (see the charts below). We stress that the results should be taken cautiously. The formula has been running mere 6 months, whereas the strategy is designed to work long term, i.e. the longer you stick with us, the better the chance of your outperformance.



Performance America



Fund vs. Indices



Fund Manager

Jan Pravda

Launch Date

2.6.09

Location

Prague

Fund Currency

EUR

Share Price

€ 1,721.73

Performance Fee

20 % HWM

Management Fee

2% p.a.

Cumulative Performance

Period	Sanning ⁽¹⁾	EU Enlarged ⁽²⁾	EURO STOXX	S&P 500
1 month	-1.7%	-3.2%	-6.1%	0.1%
3 months	2.5%	-14.2%	-3.0%	1.9%
12 months	-4.5%	-28.5%	-11.5%	1.7%
3 years	12.0%	-24.6%	25.1%	30.7%
5 years	5.6%	-48.0%	25.2%	58.9%
Since inception (2.6.2009)	72.2%	-31.1%	57.9%	122.2%

Further Characteristics

Beta relative to:		Volatility ⁽³⁾	18.6%
EU Enlarged 15	0.28	Alpha (vs EU15)	0.10
EURO STOXX	0.31	Sharpe ratio	0.39

(1) Net off management fees, gross off performance fees

(2) Presented only to illustrate performance in 2009-2014, when focused on Central Eastern Europe

(3) Annualized standard deviation since inception

SANNING CAPITAL LIMITED is an opportunity fund based on fundamental research focused on investments into publicly traded companies providing global improvements of efficiency and/or reduction of energy, capital and time consumption. It is funded by the managers' own capital and several private investors.

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Sanning Capital Limited
 Opletalova 1417/25
 Prague 11000
 Czech Republic
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