

INVESTMENT STRATEGY

The investment objective of the Fund is to achieve a persistent return with a low level of volatility over the long term and thus to overhaul the rate of inflation and returns on bank deposits in the long run. For this purpose, the Fund invests mainly in high-quality corporate bonds from issuers from the Czech Republic, supplemented by issuers from the EU and possibly other countries, in money market instruments, reverse repo operations and other fixed income instruments. To ensure stability, the fund will use hedging of exchange rate risk against CZK, or interest rate risk using financial derivatives. Current coupons are reinvested and are further appreciated. The Fund does not actively track any index or benchmark.

KEY INFORMATION

Fund Manager:	EnCor Asset Management
Administrator:	Wood & Company investiční společnost
Depository:	UniCredit Bank
Auditor:	Ernst & Young Audit
ISIN (class A):	CZ0008477924
Currency of quotation:	CZK
Date of founding:	7. August 2023
Date of inception:	1. December 2023
Liquidity	weekly
Management fee:	1,25 % p.a.

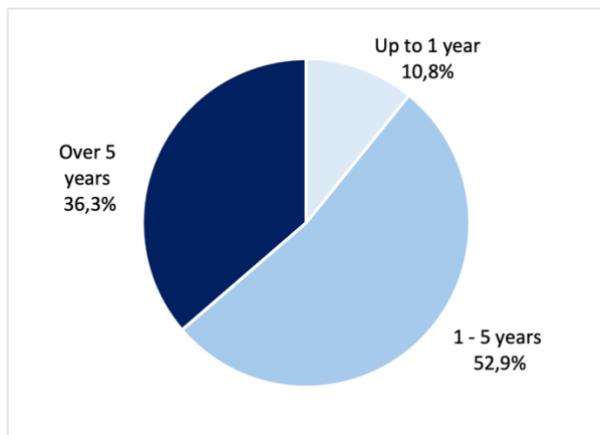
PERFORMANCE OF THE FUND AS OF 31. 12. 2025

Assets under management in the Fund: 676,0 mil. CZK

Unit price: 1,1105 CZK

Period	1M	3M	6M	YTD	1Y	3Y	Since inception
Return	0,33 %	0,78 %	2,23 %	4,19 %	4,19 %	-	11,05 %

PORTFOLIO COMPOSITION BY MATURITY



TOP POSITIONS IN THE PORTFOLIO

Instrument	Weight
MND VAR/27	4,0%
EMUN GPC	3,2%
CEZ 4,125/31	3,0%
EPH 6,651/28	2,7%
EPH 5,875/29	2,7%
KKCG FINAN 5,9/29	2,6%
Slovenske elektrarne 3,875/32	2,5%
CTPNV 4,75/30	2,4%
AKESO 6,7/30	2,3%
Moneta Money Bank VAR/30	2,3%

PORTFOLIO MANAGER'S COMMENTARY

A moderate tracking down of benchmark yields and firmer prices helped stabilise European and CEE credit markets in December. The Fund's unit price rose 0.33% last month. The year-end NAV closed out a 4.2% gain in 2025, implying a 5.4% annualised return in CZK terms since the inception of the Fund. Coupon income from the portfolio's holdings and returns from our hedging of Euro-denominated bonds into Koruna helped boost returns in December and throughout 2025. Both the ECB and the CNB, as expected, kept their policy interest rates on hold in their mid-December meetings. The current policy rate levels of 2.0% in the Eurozone and 3.5% in the Czech Republic have now been in place for several months. Issuance activity in markets was predictably quiet in December, meaning that the number of holdings in the Fund remains at a diversified 58, while the Fund's gross yield-to-maturity sits at 5.2%.

IMPORTANT NOTICE

EnCor Dluhopisový OPF is an open-end mutual fund according to Act No. 240/2013 Coll., on Investment Companies and Investment Funds. The fund manager, EnCor Asset Management, Investment Company, a.s. is subject to the supervision of the Czech National Bank. The manager warns investors that the value of the investment in the fund may go down as well as up and the return of the amount originally invested is not guaranteed. The performance of the Fund in previous periods does not guarantee the same or better performance in the future. An investment in the Fund is intended to provide a return over the medium and long term and is therefore not suitable for short-term speculation. In particular, potential investors should consider the specific risks that may arise from the investment objectives of the Fund as set out in its constitution. The investment objectives are reflected in the recommended investment horizon, as well as in the fees and expenses of the Fund. The Fund's Key Information Document (KID) is available at <http://www.encoram.com>. The information can be obtained in paper form from the company's registered office at EnCor Asset Management, investiční společnost, a.s., Pernerova 691/42, 186 00 Praha 8 – Karlín. The information provided is for information purposes only and does not constitute a proposal to conclude a contract or a public offer under the provisions of the Civil Code. More information can be found on the website <http://www.encoram.com>