

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 B):	CZ0008477940
Currency of quotation:	CZK
Date of founding:	7. August 2023
Date of inception:	1. December 2023
Liquidity	weekly
Management fee:	1,0 % p.a.

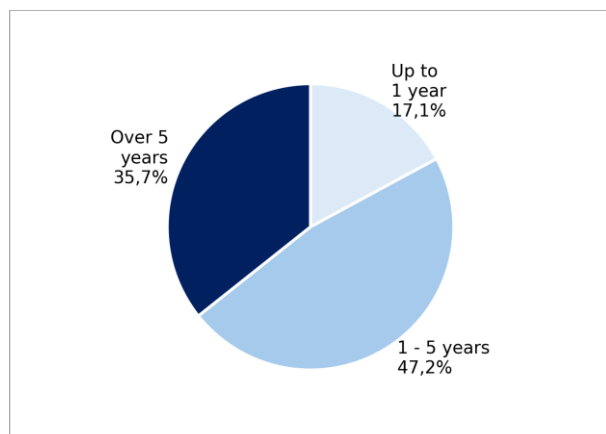
PERFORMANCE OF THE FUND AS OF 28. 8. 2026

Assets under management in the Fund: 819,6 mil. CZK

Unit price: 1,1411 CZK

Period	1M	3M	6M	YTD	1Y	3Y	Since inception
Return	0,35 %	0,88 %	1,03 %	2,23 %	3,47 %	-	14,11 %

PORTFOLIO COMPOSITION BY MATURITY



TOP POSITIONS IN THE PORTFOLIO

Instrument	Weight
MND VAR/27	3,3%
EMUN GPC	2,7%
BNP Diversified Private Credit I	2,5%
CEZ 4,125/31	2,5%
VONOVIA SE 4,500/40	2,3%
EPH 6,651/28	2,3%
EPH 5,875/29	2,3%
KKCG FINAN 5,9/29	2,1%
Eutelsat Communications 5,75/31	2,1%
Slovenske elektrarne 3,875/32	2,1%

PORTFOLIO MANAGER'S COMMENTARY

The traditionally slow August month allowed credit markets worldwide to stabilize after July's volatility. The Fund's NAV rose 0.35%, largely reflecting the coupon income received from bonds held in the portfolio. Eurozone and Czech government bond markets continued to price in the prospect of future higher inflation and interest rates. Neither the ECB or the CNB hiked policy rates in their latest meetings but may well do so in September. August's Eurozone consumer price inflation rose to 3.3% year-on-year, while the corresponding Czech figure edged up to 1.9%. We remain positioned for an unfolding volatile environment through diversified issuer exposure, large energy-sector holdings and interest-rate swap hedging, which reduce sensitivity to further benchmark yield increases. The Fund's gross yield-to-maturity of 5.83% points to a potential annual return that remains attractive relative to both current and expected inflation and bank deposit rates. We bought Uniqa Insurance's 2036, CPI's 2032 and Moneta Money Bank 2031-refix bonds in August. These purchases took the total number of holdings to 70.

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>