EnCor Fixed Income Strategy

encor asset management

Sub-fund of EnCor Funds SICAV, a.s. **June 2026**

INVESTMENT PLAN

The sub-fund's investment strategy is to grow investors' funds mainly through investments in sovereign and corporate debt instruments from various sectors, issued by issuers mainly from the Czech Republic, supplemented by issuers from the EU and the USA, while maintaining a low level of credit risk. In the case of foreign currencies, investments are hedged against currency risk in CZK. The sub-fund's investment strategy additionally includes the provision of secured loans, for example to developers with a proven track record of successful projects or companies with positive cash flow.

KEY INFORMATION

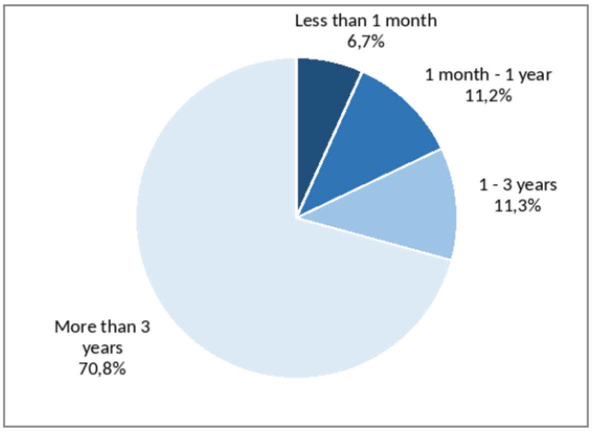
Manager:	EnCor Asset Management
Administrator:	AVANT investiční společnost, a.s.
Depositary:	Česká spořitelna, a.s.
Auditor:	Ernst & Young Audit
ISIN:	CZ0008043106
Currency:	CZK
Date of creation:	11.1. 2018
Valuation as of:	1.5. 2018
Liquidity:	monthly
Management fee:	0,8 % p.a.
Total cost (TER):	1,1 % p.a.

FUND PERFORMANCE 30. 6. 2026

Assets under management: 2758,1 mil. CZK
Investment share value: 1,4245 CZK

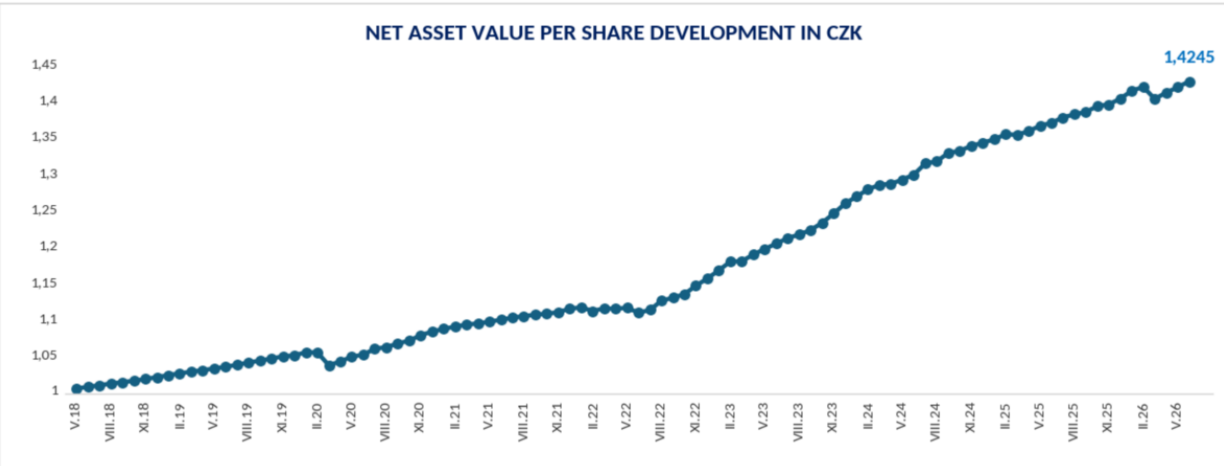
Time period	1M	YTD	12M	5Y	Since inc.
Performance	0,57 %	1,70 %	4,17 %	29,89 %	42,45 %

DURATION STRUCTURE



TOP POSITIONS IN PORTFOLIO

Instrument	Weight
EMUN GPC OPF	6,0%
Zajištěná půjčka MTK	3,6%
Orlen 4.75/30	2,8%
EPH 4.62/32	2,7%
Colt 6.1/31	2,5%
EPH 6.65/28	2,4%
Moneta 4.41/30	2,4%
MND VAR/27	2,2%
CSG 5.75/30	2,2%
Mezaninová půjčka Crestyl	2,0%



MARKET REVIEW AND OUTLOOK

European and Czech sovereign bond and credit markets absorbed the first interest-rate hikes from the ECB and the CNB in June, the first in 3 and 4 years respectively. Both central banks raised their key rates by 0.25% in response to the likelihood of higher inflation in the second half of 2026 and through 2027. Actual June consumer inflation figures, however, were favourable: annual inflation reached 2.8% in the eurozone and just 1.5% in the Czech Republic. Food and energy prices are expected to rise in the coming months, particularly following the resumption of hostilities in the Persian Gulf region in July.

Mark Robinson, Member of the Investment Committee

PORTFOLIO REVIEW

The Fund's unit price rose 0.57% in June, translating to an annual return of 4.2%. Fund performance was again supported last month by coupon income from portfolio positions. The Fund is currently positioned to absorb the risk of higher inflation and a potential rise in market interest rates in the coming months. This is supported by our interest-rate swap hedging positions as well as our exposure to the energy sector, which currently accounts for 21% of the Fund's net asset value. A gross yield-to-maturity of 6.1% points to a potential annual return that remains attractive relative to both current and expected inflation, bank deposit rates, and the medium-term level of central bank policy rates.

Lubor Žalman, Founder of the fund

DISCLAIMER