

## 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.
Depository:	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.

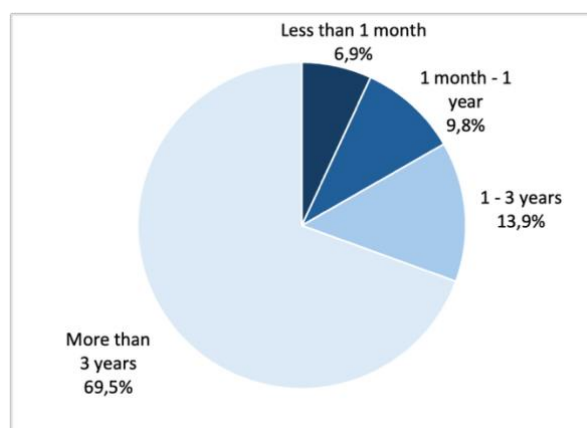
## FUND PERFORMANCE 31. 3. 2026

Assets under management: 2705,2 mil. CZK

Investment share value: 1,4004 CZK

Time period	1M	YTD	12M	5Y	Since inc.
Performance	-1,16 %	-0,02 %	3,66 %	28,48 %	40,04 %

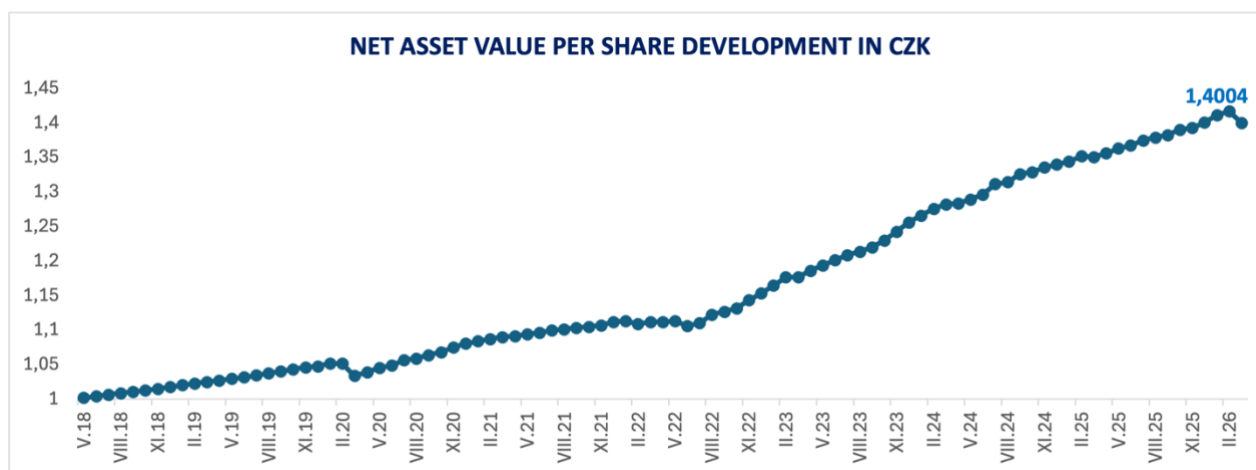
## DURATION STRUCTURE



## TOP POSITIONS IN PORTFOLIO

Instrument	Weight
EMUN GPC OPF	6,2%
Zajištěná půjčka MTK	3,1%
Orlen 4.75/30	2,8%
EPH 4.62/32	2,7%
Colt 6.1/31	2,5%
EPH 6.65/28	2,5%
Moneta 4.41/30	2,5%
MND VAR/27	2,2%
CSG 5.75/30	2,2%
Élévation OPF	2,0%

## NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



## MARKET REVIEW AND OUTLOOK

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The onset of the Third Gulf War at the very end of February sharply reversed the positive momentum of bond and credit markets seen in the first two months of this year. Spiking energy prices and a stronger US Dollar, if sustained, will generate an energy shock for European oil & gas-importing countries. March Eurozone and Czech consumer price inflation rates jumped to 2.5% and 1.9% year-on-year respectively and will rise further in coming months.

Rising bond yields, especially in Emerging Markets, are reflecting that probability of higher inflation. The Czech National Bank adopted a balanced position at their mid-March meeting. The Monetary Policy Committee did not change the CNB 's policy rate; they acknowledged the likelihood of higher inflation in coming months and quarters but at the same time are taking into account that this same inflation may slow consumer demand in the Czech economy. At the time of writing, the 7 April ceasefire between the belligerents in the Third Gulf War is holding:

bond prices in Europe and CEE have recovered from the March month-end lows as a consequence.

**Mark Robinson**, Member of the Investment Committee

## PORTFOLIO REVIEW

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The Fund's valuation slipped -1.16% during March, leaving the NAV flat on a year-to-date basis for the first quarter of 2026. Prices of constituent bonds have rebounded somewhat, thus far in April. The Fund has retained for a number of months some interest rate swap protection against the possibility of benchmark rates rising. We increased the level of this hedging protection for the portfolio during March. Around 22% of the Fund's exposure is to the Energy sector and provides an additional shield against default risk in an inflationary scenario. Due to falling prices, the overall gross yield-to-maturity of the portfolio has risen to 6.1%, well above prevailing cash-in-bank interest rates. We rotated out of some of the lower-yielding holdings during the month, selling out of the Fund's positions in the 2027 bonds of Poland's Bank PKO and power utility Tauron. We replaced these with a higher-yielding position in the 2033 issue of satellite player EUTelsat.

**Lubor Žalman**, Founder of the fund

## DISCLAIMER

EnCor Funds SICAV, a.s. is a fund of qualified investors. Only a fully qualified investor within the meaning of ACT 272 of law no.240/2013 Sb., On Investment Companies and Investment Funds, can become an investor in the Fund. The investment company reminds investors that the value of the investment in the fund may vary, and the return of the originally invested amount of money is not guaranteed. Historic fund performance does not guarantee same or higher performance in the future. Investment in the fund is designed to yield returns in medium and long-term horizon and is therefore not suitable for short-term speculation. Potential investors should, in particular, consider specific risks that may arise from the investment objectives of the Fund as set out in its Statute. Investment objectives are reflected in the recommended investment horizon, as well as in fees and costs of the fund. Key Information about the Fund (KID) is available at [www.avantfunds.com/information-info/](http://www.avantfunds.com/information-info/) or [www.encorfunds.com](http://www.encorfunds.com). In paper form, the information can be obtained at EnCor Asset Management, investiční společnost, a.s., Pernerova 691/42, 186 00 Praha 8 - Karlín. This information is informative only and does not constitute a proposal for conclusion of a contract or public offer according to the provisions of the Civil Code.