

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:	WOOD & Company i.s. a.s.
Depository:	Česká spořitelna, a.s.
Auditor:	Ernst & Young Audit
ISIN:	CZ0008043106
Currency:	CZK
Date of creation:	13.2. 2018
Valuation as of:	1.5. 2018
Liquidity:	monthly
Management fee:	0,8 % p.a.
Total cost (TER):	1,1 % p.a.

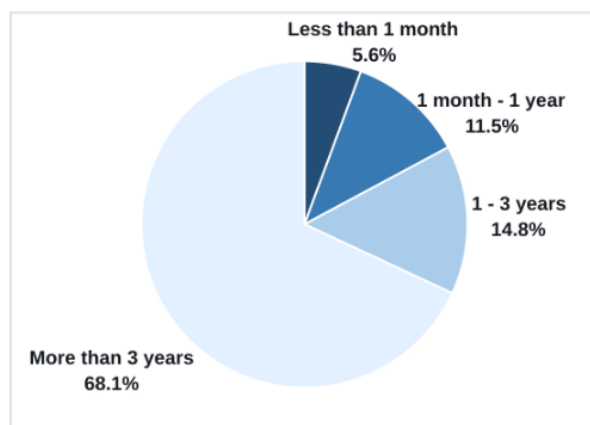
FUND PERFORMANCE 28. 8. 2026

Assets under management: 2703,4 mil. CZK

Investment share value: 1,4290 CZK

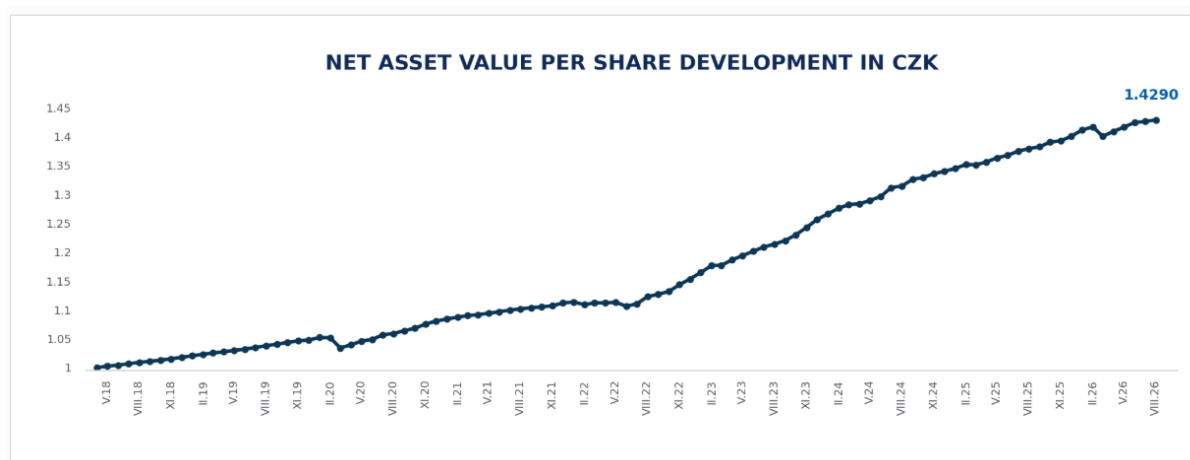
Time period	1M	YTD	12M	5Y	Since inc.
Performance	0,20 %	2,02 %	3,62 %	29,71 %	41,90 %

DURATION STRUCTURE



TOP POSITIONS IN PORTFOLIO

Instrument	Weight
EMUN GPC OPF	6.0%
MTK secured loan	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%
Crestyl mezzanine loan	2.3%
MND VAR/27	2.2%
CSG 5.75/30	2.2%



MARKET REVIEW AND OUTLOOK



The traditionally slow August month allowed credit markets worldwide to stabilize after July's volatility. Eurozone and Czech government bond markets continued to slowly price in the prospect of future higher inflation and interest rates during the month. Yields around the world started to rise at a faster rate in early September. On the macro front, August's Eurozone consumer price inflation rose to 3.3% year-on-year, while the corresponding Czech figure edged up to 1.9%. The ECB duly hiked Eurozone policy interest rates in early September, while the CNB chose to keep Koruna policy rates at 3.75% at both its 6 August and 17 September meetings.

Mark Robinson, Member of the Investment Committee

PORTFOLIO REVIEW



The Fund's NAV rose 0.2% in August, largely reflecting the coupon income received from bonds held in the portfolio. We remain positioned for an unfolding volatile inflation and interest rate environment through diversified issuer exposure, large energy-sector holdings and interest-rate swap hedging, which reduce sensitivity to further benchmark yield increases. Last month, we bought the new issue of CPI Property Group's 2032 bonds and sold out of our lower-yielding Slovenian bank NKB position. This switch helped increase the Fund's gross yield-to-maturity to a healthy 6.3%, a level of potential annual return that remains attractive relative to both current and expected Czech inflation and bank deposit rates.

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/ or 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.