

## EnCor Growth OPF, class A

In this communication you will find key information about this investment product. It is not promotional material. The provision of this information is required by law to help you understand the nature, risks, costs, potential returns, and losses associated with this product and to compare it with other products.

### PRODUCT

**Product name:** EnCor Růstový, otevřený podílový fond (the "Fund"). The Fund issues Class A, Class B and Class C units. This Key Information Notice relates to Class A.

**ISIN:** CZ0008477890

**The product creator and manager of the Fund is** EnCor Asset Management, investiční společnost, a.s., with registered office at Údolní 1724/59, Braník, 147 00 Prague 4, ID No.: 108 91 498 (the "Company"). The Company is authorised in the Czech Republic and is subject to the supervision of the Czech National Bank.

**Contact details:** more information about the product can be obtained on the website [www.encoram.com](http://www.encoram.com), e-mail [welcome@encorwealth.com](mailto:welcome@encorwealth.com) or phone +420 230 234 111.

**Supervisory authority responsible for the supervision of the Company and the Fund in relation to the Key Information Document:** The Czech National Bank

**Date of preparation of this document:** 1.10.2023

*The product you are considering buying is not simple and can be difficult to understand.*

### WHAT PRODUCT IS IT?

**Product type:** open-ended mutual fund, namely a special collective investment fund.

**Aims:** The investment objective of the fund is to achieve above-standard appreciation over a longer time horizon. To this end, the Fund invests in all major asset classes, primarily through investment vehicles in equity, bond, real estate, and commodity markets. The Fund may invest in individual markets in index funds as well as in specific stocks, bonds, and other instruments, primarily in CZK, EUR and USD, while maintaining an adequate level of risk. The allocation of the Fund's portfolio to each asset class follows the investment model of the manager with quarterly portfolio reallocation. To ensure stability or increase returns for investors, the Fund will use partial or full hedging of exchange rate risk (against CZK), interest rate risk and other risks through financial derivatives. The objective is to maximise returns in CZK. Profits and gains on the Fund's performance attributable to Class A Units will be reinvested by the Fund and reflected in the increased value of the Fund's Units of that Class.

Neither the return on investment in the Fund nor the return on such investment is assured or guaranteed. The Fund is not a secured or guaranteed investment fund, and no guarantees are given by third parties to investors in this regard.

**For whom the product is intended:** The Fund can be offered to the public, or the public is entitled to acquire the Fund's units. Investment in the Fund is suitable for investors who wish to achieve higher appreciation of their funds with a higher level of risk and wish to incorporate this type of investment into their portfolio. The investor should be able to accept longer periods of negative development in the value of the unit. Due to the risks to which the Fund's investments may be exposed, it is not recommended to acquire Units on credit. The recommended investment horizon is at least 5 years.

**Lifespan of the fund:** The Fund was created for an indefinite period of time. In view of this, there is no maturity date.

**Other information:** The fund's depositary is UniCredit Bank Czech Republic and Slovakia, a.s. The administrator of the fund is WOOD & Company investment company, a.s. Further information about the Fund, including the Articles of Association, annual reports, and practical information, including the current product value, is available free of charge in Czech on the website [www.encoram.com](http://www.encoram.com).

### WHAT RISKS AM I TAKING AND WHAT RETURN COULD I ACHIEVE?

#### Description of risk and return profiles

The Fund is subject to the general risks associated with investing in investment funds (e.g., market, credit, operational and currency risk), other general risks extended by the investment strategy (e.g., concentration risk) and specific risks associated with the investment strategy (e.g., liquidity risk). A detailed description of the risks is contained in the statutes, and a detailed description of the returns is contained in the annual report. The Fund is denominated in Czech koruna, but also invests in foreign currency assets. However, currency risk is actively managed with the aim of maximising returns in Czech koruna.

Sustainability risks are considered in accordance with the published policy on the integration of risks into investment decision-making processes.

## Summary Risk Indicator (SRI)

Lower risk Higher risk						
← Potentially lower yields Potentially higher yields →						
1	2	3	4	5	6	7

The aggregate risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely the product is to lose money due to market movements or because we are unable to pay you. We have ranked this product as Class 4 out of 7, the fourth lowest risk class.

The risk indicator assumes that you keep the product for 5 years. The actual risk may vary significantly if you cash out the product at the initial stage and you may recover less money. The risk of the product may be significantly higher than that shown in the summary risk indicator if the product is not held for the recommended holding period; section 'How long should I hold the investment? Can I withdraw money early?' sets out more detailed conditions.

### Other risks not reflected in the SRI

**Operational risk** is realized in the form of losses resulting from internal process deficiencies or failures, human factors, or external events.

**Settlement risk** is associated with the fact that the settlement of a transaction does not take place as expected due to counterparty default or liquidity constraints, e.g., suspension of redemption of underlying fund units.

### Maximum possible investor loss

The maximum potential loss represents the investor's entire investment (the amount invested or the current value of the investment). In addition to the capital invested, the investor does not bear the risk of incurring any other financial liabilities or obligations (including contingent liabilities).

## PERFORMANCE SCENARIOS

Future market developments are uncertain and cannot be predicted with accuracy. The above scenarios are examples based on past performance and certain assumptions. Markets may develop very differently in the future. The stress scenario shows what you could recover under extreme market conditions. The figures shown include any costs of the product itself but may not include any costs you pay to your adviser or distributor. The figures do not consider your personal tax situation, which may also affect how much you recover.

Recommended holding period: 5 years			
Example investment: 250 000 CZK			
Minimum yield is not guaranteed. You could lose some or all of your investment.			
Scenarios		If you exit the investment after one year	If you exit the investment after the recommended holding period (3 years)
Favourable scenario	How much you could get back after deducting costs	302 099 Kč	313 179 Kč
	Average annual yield	20.84%	4.61%
Moderate scenario	How much you could get back after deducting costs	247 265 Kč	290 543 Kč
	Average annual yield	-1.09%	3.05%
Adverse scenario	How much you could get back after deducting costs	214 836 Kč	214 894 Kč
	Average annual yield	-14.07%	-2.98%
Stress scenario	How much you could get back after deducting costs	105 864 Kč	107 154 Kč
	Average annual yield	-57.65%	-15.59%

## WHAT HAPPENS IF THE FUND IS UNABLE TO MAKE A PAYOUT?

The assets, where applicable, are in the custody of the Fund's custodian, with whom the Fund's cash accounts are also maintained. The assets in the Fund are separate from the assets of the product creator and cannot be affected in the event of the insolvency of the product creator. The potential loss is not covered by any compensation or guarantee scheme for investors (Deposit Insurance Fund, Securities Dealers Guarantee Fund, etc.).

## WHAT COSTS ARE ASSOCIATED WITH THE INVESTMENT?

The tables below show the amounts that cover different types of costs from your investment. These amounts depend on the amount of your investment, the length of time you hold the product and the performance of the product. The figures shown include all costs of the product itself but may not include all costs you pay to your adviser or distributor. The person selling or advising you about the product may charge you different costs. If this is the case, that person will provide you with information about these costs and how they affect your investment.

The amounts shown in the following tables are examples based on a sample investment of CZK 250,000 and different possible investment periods.

## Cost in time

	If you exit the investment after one year	If you exit the investment after the recommended holding period (5 years)
<b>Total costs</b>	12 573 Kč	39 484 Kč
Impact on yield p.a.*	5.03%	3.16% each year

\* This figure shows how the costs reduce your return each year over the holding period.  
We have assumed that a) CZK 250,000 is invested, b) the entry fee is the maximum possible 3% of the investment value, c) the Fund's performance will evolve according to a moderate scenario. We may share some of the costs with the person selling the product to you in order to cover the services provided. You will be advised of the amount by that person.

## Composition of costs

Impact of different types of costs on the return on investment		If you exit the investment after the recommended holding period (5 years)
<b>One-off costs on entry or exit</b>		
<b>Cost of entry</b>	Maximum 3% of the amount you pay on joining in connection with this investment. This is the maximum amount you will be charged. The person selling you the product will tell you the actual amount of the fee.	7 282 Kč
<b>Cost of output</b>	No exit fee applies	0 Kč
<b>Ongoing costs charged each year</b>		
<b>Management fees and other administrative or operating costs</b>	The impact of the costs we incur each year to manage your investments. The Company's fee for managing the Fund is 1.25% of the value of your investment per year.	2 791 Kč
<b>Transaction costs</b>	The impact of the cost of our purchases and sales of underlying investments on the product	825 Kč
<b>Incidental costs under certain conditions</b>		
<b>Performance fees and capital appreciation fees</b>	The capital appreciation remuneration (a share of the annual growth in the value of the unit) is 10% (high-water mark method). The actual amount will vary depending on the performance of your investment. The cumulative cost estimate above includes an average over the last five years.	1 553 Kč

## HOW LONG SHOULD I HOLD THE INVESTMENT? CAN I WITHDRAW THE MONEY EARLY

The recommended holding period is 5 years or more.

The minimum amount for which an individual redemption of Fund units can be made is CZK 1,000. Redemption of Fund units may be requested at any time. If the investment horizon is not met, the actual risk expressed by the aggregate risk indicator may be higher. Failure to meet the investment horizon may affect the return on investment as expressed by the RIY as well as the performance scenarios mentioned above (see information above).

## HOW CAN I LODGE A COMPLAINT

A complaint may be submitted in any of the ways listed below:

- by post to EnCor Asset Management, Investment Company, a.s., with registered office at Údolní 1724/59, Braník, 147 00 Prague 4;
- by email at [welcome@encorwealth.com](mailto:welcome@encorwealth.com);
- in person at the Company's registered office.

Detailed conditions for filing a complaint or filing a claim can be found in the Complaints Procedure published on the website [www.encoram.com](http://www.encoram.com). The Investor is entitled to file a complaint against the Company's conduct with the supervisory authority, i.e., The Czech National Bank, Na Příkopě 28, 115 03 Prague 1, or to apply to the Financial Arbitrator or a competent court.

## OTHER RELEVANT INFORMATION

The Fund's Articles of Incorporation, the Fund's most recently published annual report and the Fund's semi-annual report will be provided free of charge upon request by the investor. These documents are also available to investors on the Company's website at [www.encoram.com](http://www.encoram.com), as well as details of the Fund's performance to date. Additional information about the Fund can be obtained, if necessary, by contacting EnCor Asset Management, Investment Company, a.s., with registered office at Údolní 1724/59, Braník, 147 00 Prague 4, or by calling + 420 230 234 111, or by sending an e-mail to [welcome@encorwealth.com](mailto:welcome@encorwealth.com) and visiting the website at [www.encoram.com](http://www.encoram.com).