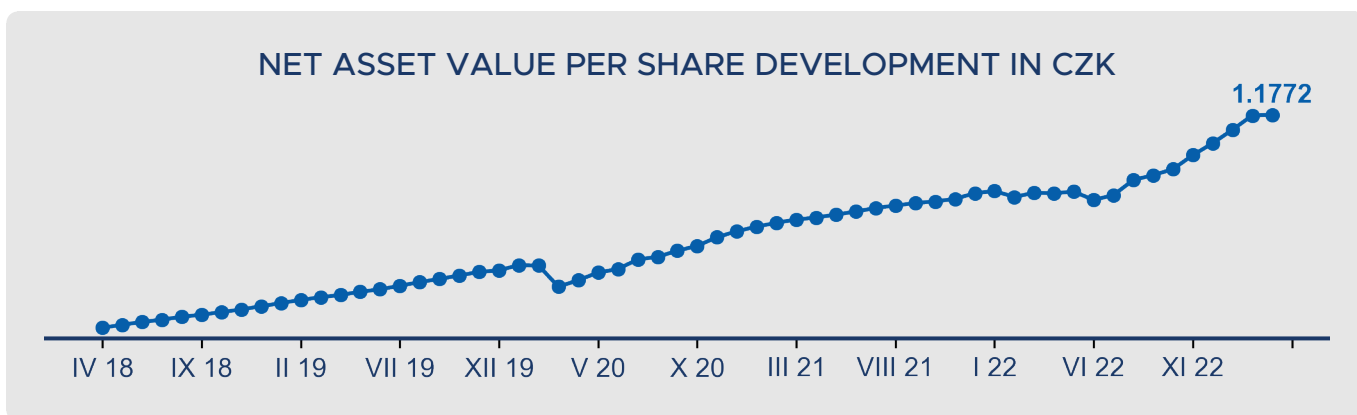


FOR DATE: **31.03.2023**

FUND PERFORMANCE

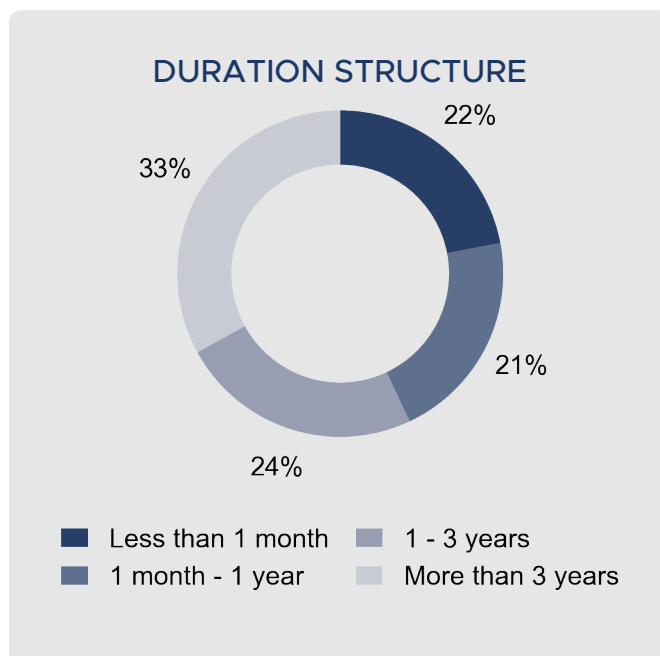
Assets under management: 723 mil. Kč	Investment share value: 1.1772 Kč
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Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	0.04 %	2.05 %	4.45 %	5.83 %	3.37 %



TOP 10 POSITIONS IN PORTFOLIO

Wood reverzni repo	7%
EPH 4.5/25	7%
ČS Eur 6.69/25	5%
PPF Telecom 3.25/27	5%
Allwyn(Sazka) VAR/28	4%
AIR Bank VAR/29	4%
CZG VAR/2027	4%
ZDR INVEST SICAV 7.5/24	3%
GTC 2.25/26	3%
SATPO City Home III 5.0/23	2%



MARKET UPDATE



Fears over the solidity of banks in the US and Swiss banking arenas affected global credit markets during March. Three US banks were declared bankrupt in the middle of the month, followed by the take-over of stressed Swiss giant Credit Suisse by its bigger rival UBS. Poor liquidity management looks to have triggered the US bankruptcies, while the Credit Suisse debacle was a culmination of years of poor decision-making and lax risk management. Central Banks acted to reassure markets through the provision of liquidity windows, thus preventing any further bank runs. Contagion affecting European or CZ banks does not look likely and these geographies are more tightly-regulated than their US or Swiss peers. March's banking wobble has emphasized risks in a slowing US economic growth period. By April, investors and commentators were focusing again on persistent inflation and the likely continuation of the present high levels of policy interest rates through the summer months.

The CNB kept interest rates flat at 7% at its end March meeting. Fears over wage pressures and the government's widening fiscal deficit could worry the CNB in coming months into another policy interest rate rise. Czech March consumer price inflation came in at a sticky 15.0% year-on-year.

Mark Robinson, Member of the Investment Committee

PORTFOLIO UPDATE



The Fund's NAV edged up +0.1% in March, taking the 9-month return from the end of June to +6.4%, or +8.6% annualized. The running yield of the Fund is still well over cash-in-bank interest rates. The portfolio's interest coupon income helped deliver March's positive return, with some of our European banking sector exposures and our CZK- and EUR-denominated interest rate swap hedges losing ground last month. These financial sector bond prices have stabilized so far in April while the interest rate hedges have rebounded as policy rate rise expectations again build. In March we took positions in the green 5-year bonds of CEZ and in the tier 2 bonds of Tatra Banka, the Slovak arm of the Raiffeisen Group. We also added to our holding of the senior bonds of Poland's PKO BP Bank. The Fund is looking to continue to deploy its surplus liquidity very slowly into the present volatile market.

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 AVANT Investment Company, a.s., CITY TOWER | Hvězdova 1716/2b | 140 00 Praha 4. 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.