

FOR DATE: **31.05.2023**

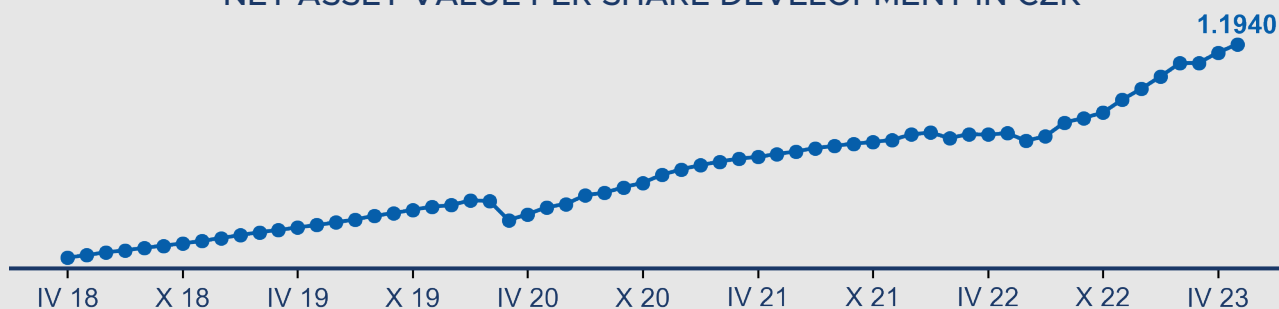
FUND PERFORMANCE

Assets under management:
739 mil. Kč

Investment share value:
1.1940 Kč

Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	0.64 %	1.47 %	4.41 %	7.26 %	3.55 %

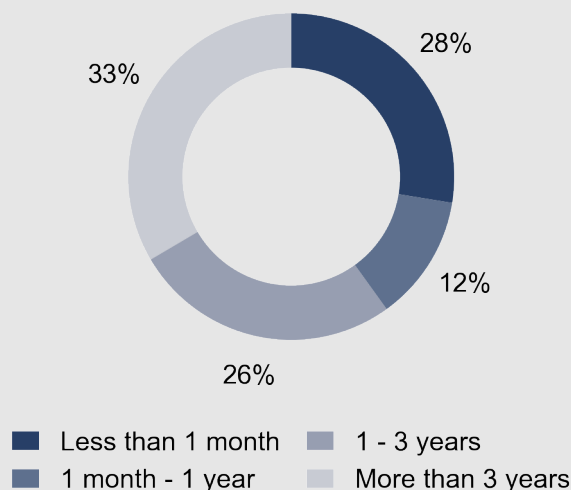
NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



TOP 10 POSITIONS IN PORTFOLIO

Wood reverzní 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/27	4%
CSG VAR/24	4%
ZDR INVEST SICAV 7.5/24	3%
GTC 2.25/26	3%

DURATION STRUCTURE



You may find the fund annual report for year 2022 here.

MARKET UPDATE



May followed April's pattern of stable conditions in global credit markets. Commentators and investors focused again on the debate over the persistence of inflation and the likely continuation of the present higher levels of policy interest rates through the summer and into the Autumn months. This matters for financial markets because the longer that major Central Banks hold interest rates at present levels, the greater the risks of some distress and slowdown risk in the real economy as companies and consumers have to refinance debts at a higher cost. Yield returns on bonds are higher in the meantime.

May's Czech consumer price inflation fell to a 11.1% annual rate, mainly due to falling energy prices. The CNB kept its policy interest rates flat at 7% at both its early May and 21 June meetings. The CNB foresees disinflationary pressures taking inflation down to below their policy rate level in 12 months' time.

Mark Robinson, Member of the Investment Committee

PORTFOLIO UPDATE



The portfolio's NAV rose +0.64% in May, maintaining an 8.6% annualized pace of performance in the first 5 months of 2023. The Fund's 12-month historical return of 7.3% is now clearly higher than cash interest rates. The gross running yield of the portfolio's components remains at a high 8.6%, suggesting a likely sustaining of the recent performance in the short to medium term. Interest coupon income and further stabilization of pricing in the Czech bond market universe helped May's result. During the month, we bought a new issue from the Czech firearms manufacturer CZG Colt Group of variable rate bonds maturing in 2030 and received full repayment of a short term promissory note issued by the conglomerate Penta. We seek to deploy the Fund's surplus liquidity slowly as market opportunities arise.

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., Údolní 1724/59, Praha 4 - Braník. 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.