

INVESTMENT POLICY OF THE FUND

MARKET SUMMARY

June inflation rose by 0.1% MoM, pushing the annual headline rate up to 4.6% from 4.4% in May, in line with market consensus. Core inflation continued to moderate (4.4% in June vs. 4.8% in May), which is a positive development. However, headline inflation has been on an upward trend for three consecutive months, though it may have peaked locally in June.

In its latest Inflation Report, the MNB revised both its 2024 average inflation and GDP growth forecasts downwards. The inflation forecast for 2025 was adjusted only marginally from 4.8% to 4.7%, while the GDP growth forecast for this year was cut significantly from 2.4% to 0.8%. The downgrade primarily reflects the weak Q1 GDP figures and heightened external uncertainty stemming from the tariff war.

Despite these macro headwinds, the Monetary Council kept the base rate unchanged at 6.5% at its June policy meeting. Communication remained hawkish, with the Council stressing that it is not yet time to resume rate cuts.

On the fiscal side, the budget deficit reached HUF 2,770bn in the first half of the year, already around 58% of the revised annual cash-based deficit target. In June, the government officially raised its 2025 Maastricht deficit target from 3.7% to 4.1% of GDP and increased the cash-based deficit by nearly HUF 650bn. Nevertheless, most analysts still expect the 2025 deficit to end up around 4.6–4.8%.

We finished May near local yield highs for this year. In our view, this opened opportunities, so we adopted a constructive stance and started June with higher duration exposure, which we subsequently increased. Several previously perceived risks have already been absorbed by the market: the sharp drop in inflation-linked retail bond coupons did not trigger meaningful outflows, and the front-loaded budget financing needs (60% of the revised, nearly 70% of the original deficit target) were met without major issues. Following the FX bond issuance, the government's cash buffer remains relatively high, and neither the change in the central bank governor nor periodic credit rating reviews have caused significant volatility.

The forint exchange rate remained stable, and by mid-year we may have reached the local peak in inflation. Geopolitical tensions, including the Iran–Israel conflict and the spike in oil prices, did not create major disruptions in the Hungarian bond market.

Finally, the 5y–10y yield spread widened from 20–30bp at end-March to nearly 60bp by end-June. This partially offset the outperformance from our higher MAX allocation, as we underweighted the 5y segment, leading to slight underperformance in that part of the curve.

GENERAL INFORMATION

| | |
|------------------------------------|--|
| Fund Manager: | VIG Investment Fund Management Hungary |
| Custodian: | Raiffeisen Bank Zrt. |
| Main distributor: | VIG Investment Fund Management Hungary |
| Benchmark composition: | 90% MAX Index + 10% RMAX Index |
| ISIN code: | HU0000702493 |
| Start: | 03/16/1998 |
| Currency: | HUF |
| Net Asset Value of the whole Fund: | 46,226,267,608 HUF |
| Net Asset Value of A series: | 9,478,432,424 HUF |
| Net Asset Value per unit: | 5.427487 HUF |

DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., MBH Befektetési Bank Zrt, OTP Bank Nyrt., Raiffeisen Bank cPlc., UniCredit Bank Hungary cPlc., VIG Investment Fund Management Hungary

ASSET ALLOCATION OF THE FUND

| Asset | Weight |
|---|-----------------|
| Government bonds | 84.28 % |
| Corporate bonds | 11.26 % |
| T-bills | 3.37 % |
| Mortgage debentures | 0.46 % |
| Current account | 1.30 % |
| Liabilities | -0.98 % |
| Receivables | 0.19 % |
| Market value of open derivative positions | 0.14 % |
| Total | 100,00 % |
| Derivative products | 8.66 % |
| Net corrected leverage | 100.88 % |

Assets with over 10% weight

| |
|---|
| 2028A (Government Debt Management Agency Pte. Ltd.) |
| 2035A (Government Debt Management Agency Pte. Ltd.) |
| 2028B (Government Debt Management Agency Pte. Ltd.) |
| 2032A (Government Debt Management Agency Pte. Ltd.) |

SUGGESTED MINIMUM INVESTMENT PERIOD

| | | | | | | |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

RISK PROFILE

| | | | | | | |
|------------|---|---|-------------|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| ← | | | → | | | |
| Lower risk | | | Higher risk | | | |

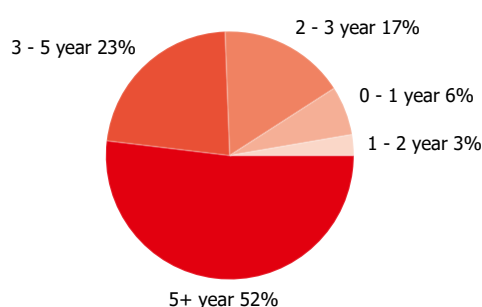
VIG Hungarian Bond Investment Fund

A series HUF MONTHLY report - 2025 JUNE (made on: 06/30/2025)

NET YIELD PERFORMANCE OF THE SERIES

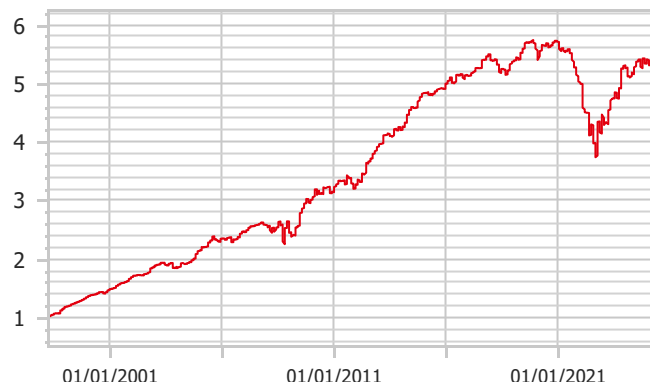
| Interval | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD | 1.23 % | 1.97 % |
| From launch | 6.39 % | 3.85 % |
| 1 month | 0.23 % | 0.41 % |
| 3 months | 2.22 % | 2.50 % |
| 2024 | 1.87 % | 3.77 % |
| 2023 | 26.54 % | 26.82 % |
| 2022 | -17.45 % | -16.05 % |
| 2021 | -12.08 % | -11.36 % |
| 2020 | 0.75 % | 1.41 % |
| 2019 | 6.42 % | 7.74 % |
| 2018 | -2.24 % | -0.95 % |
| 2017 | 5.49 % | 6.41 % |
| 2016 | 5.72 % | 6.73 % |
| 2015 | 3.54 % | 4.48 % |

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/16/1998 - 06/30/2025



RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 6.22 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 5.40 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 12.00 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 10.62 % |
| WAM (Weighted Average Maturity) | 5.58 years |
| WAL (Weighted Average Life) | 6.50 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|-----------------------------|------------------|--|------------|---------|
| Magyar Államkötvény 2028/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 10/22/2028 | 17.93 % |
| 2035A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 10/24/2035 | 14.31 % |
| Magyar Államkötvény 2028/B | interest-bearing | Government Debt Management Agency Pte. Ltd. | 03/23/2028 | 10.87 % |
| Magyar Államkötvény 2032/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 11/24/2032 | 10.77 % |
| Magyar Államkötvény 2033/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 04/20/2033 | 8.50 % |
| 2032G | interest-bearing | Government Debt Management Agency Pte. Ltd. | 05/27/2032 | 6.03 % |
| Magyar Államkötvény 2038/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 10/27/2038 | 5.65 % |
| MFB 2028/02/02 6,3% HUF | interest-bearing | MFB Magyar Fejlesztési Bank Zártkörűen Működő Részvénytársaság | 02/02/2028 | 4.45 % |
| US 10YR NOTE (CBT)Sep25 Buy | derivative | Raiffeisen Hun | 09/19/2025 | 3.30 % |
| Magyar Államkötvény 2041/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 04/25/2041 | 2.93 % |

The recent document qualifies as Portfolio Report according to the Kbtv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of VIG Fund Management Zrt. VIG Investment Fund Management Hungary | 1091 Budapest, Üllői út 1. | +36 1 477 4814 | alapkezero@am.vig | www.vigam.hu