

VIG Alfa Absolute Return Investment Fund

U series USD MONTHLY report - 2025 MAY (made on: 05/31/2025)

INVESTMENT POLICY OF THE FUND

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The Fund applies special investment strategies used by hedge funds to establish its strategy. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds (treasury bonds, discounted treasury bills, bonds issued by the National Bank of Hungary, as well as low-risk bank and corporate bonds expected to bring higher yields than the state securities) Equities and other securities, indices and currencies - provided it sees the opportunity to make substantial gains – up to the maximum limit allowed by the law, which allows double leverage for the Fund. In its investment decisionmaking mechanism, the Fund considers fundamental pricing, technical and behavioral psychological factors To ensure liquidity the Fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

MARKET SUMMARY

The US stock market rose in May, supported by strong reports from large technology companies and a technical rebound from low positioning. The S&P 500 index's multi-day rally and persistent buying by retail investors signaled positive sentiment, but this was not matched by institutional interest, with large investment funds tending to wait and see. The market was negatively affected by the intensification of the trade war rhetoric, Donald Trump's tariff threats and the Fed's monetary wait-and-see approach. Although service sector and labor market data remained strong, some macroeconomic indicators and the slowdown in retail consumption are cause for concern. Most GDP estimates point to a decline, and the Fed has also adopted a wait-and-see stance. In the words of the chairman of the Federal Reserve, 'waiting costs nothing'.

In Europe, stock markets, especially the German market, have outperformed, supported by algorithmic buying, a strong euro and a weak dollar. However, economic data does not paint a uniform picture: inflationary pressures in France and Germany are easing, which could give the European Central Bank room to cut interest rates, but important macroeconomic indicators have declined in several countries (e.g. France, Italy). Domestic political uncertainties in Germany, which culminated in difficulties surrounding Merz's election, caused temporary turmoil, but the markets did not react with a panic. According to interest rate market expectations, the European Central Bank will begin cutting interest rates later this year.

The Fund's net asset value remained largely unchanged in May. Within the asset allocation, we increased the weighting of long-duration U.S. Treasury bonds, resulting in a higher overall portfolio duration. At the same time, we reduced equity exposure by trimming positions in Polish, German, and Hungarian stocks. Looking ahead, we expect fixed income to outperform relative to historical averages, and we intend to increase equity allocations again only in the event of a meaningful market correction.

GENERAL INFORMATION

| | |
|------------------------------------|--|
| Fund Manager: | VIG Investment Fund Management Hungary |
| Custodian: | Unicredit Bank Hungary Zrt. |
| Main distributor: | VIG Investment Fund Management Hungary |
| Benchmark composition: | 100% US SOFR Compounded Index + 1.7% |
| ISIN code: | HU0000715990 |
| Start: | 03/17/2016 |
| Currency: | USD |
| Net Asset Value of the whole Fund: | 61,265,855,011 HUF |
| Net Asset Value of U series: | 10,904,254 USD |
| Net Asset Value per unit: | 1.355504 USD |

DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Conseq Investment Management, a.s., Equilor Befektetési Zrt, ERSTE Group Bank AG Austria, Erste Investment Plc., MBH Bank Nyrt., MBH Befektetési Bank Zrt, MKB Bank Nyrt. 0789, OTP Bank Nyrt., Raiffeisen Bank cPlc., SC Aegon ASIGURARI DE VIATA SA, UniCredit Bank Hungary cPlc., VIG Investment Fund Management Hungary

SUGGESTED MINIMUM INVESTMENT PERIOD

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

ASSET ALLOCATION OF THE FUND

| Asset | Weight |
|---|-----------------|
| Government bonds | 55.96 % |
| Corporate bonds | 15.11 % |
| Hungarian equities | 12.31 % |
| Collective securities | 8.64 % |
| International equities | 3.89 % |
| Current account | 3.14 % |
| Receivables | 0.96 % |
| Liabilities | -0.51 % |
| Market value of open derivative positions | 0.49 % |
| Total | 100,00 % |
| Derivative products | 43.62 % |
| Net corrected leverage | 100.00 % |

Assets with over 10% weight

| |
|---|
| ROMANI EUR 2033/09/18 6,375% (Romanian State) |
| 2035A (Government Debt Management Agency Pte. Ltd.) |

RISK PROFILE

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower risk Higher risk →

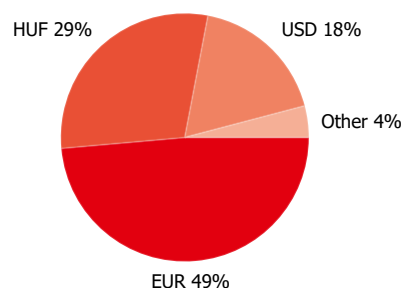
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NET YIELD PERFORMANCE OF THE SERIES

| Interval | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD | 2.91 % | 2.53 % |
| From launch | 3.36 % | 0.94 % |
| 1 month | -0.10 % | 0.50 % |
| 3 months | 1.30 % | 1.53 % |
| 2024 | 6.63 % | 3.58 % |
| 2023 | 17.25 % | 0.00 % |
| 2022 | -11.40 % | 0.90 % |
| 2021 | 2.99 % | -0.60 % |
| 2020 | 1.65 % | 0.41 % |
| 2019 | 9.74 % | 0.23 % |
| 2018 | -1.66 % | 0.31 % |
| 2017 | 3.93 % | 0.20 % |

Currency exposure:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/17/2016 - 05/31/2025



RISK INDICATORS

| | |
|--|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 3.80 % |
| Annualized standard deviation of the benchmark's weekly yields-based on 1 year | 0.25 % |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 9.45 % |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 9.08 % |
| WAM (Weighted Average Maturity) | 5.18 years |
| WAL (Weighted Average Life) | 6.60 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|---------------------------------------|------------------|---|------------|---------|
| ROMANI EUR 2033/09/18 6,375% | interest-bearing | Romanian State | 09/18/2033 | 15.66 % |
| 2035A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 10/24/2035 | 15.12 % |
| USGB 2046/05/15 2,5% | interest-bearing | USA | 05/15/2046 | 4.91 % |
| ROMANI EUR 2042/04/13 2,875% | interest-bearing | Romanian State | 04/13/2042 | 4.91 % |
| Richter Nyrt. Részv. Demat | share | Richter Gedeon Vegyészeti Gyár Nyilvánosan Működő Rt. | | 4.63 % |
| ROMANI EUR 2029/09/27 6,625% | interest-bearing | Romanian State | 09/27/2029 | 4.39 % |
| Adventum MAGIS Zártkörű Alapok Alapja | investment note | Adventum MAGIS Closed-End Funds | | 4.31 % |
| Wizz Air Holdings PLC | share | Wizz Air Holdings PLC | | 2.99 % |
| Magyar Államkötvény 2030/A | interest-bearing | Government Debt Management Agency Pte. Ltd. | 08/21/2030 | 2.57 % |
| T 4 3/4 02/15/37 | interest-bearing | USA | 02/15/2037 | 2.51 % |

Legal declaration

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 | alapkezo@am.vig | www.vigam.hu