

INVESTMENT POLICY OF THE FUND

The Fund aims to achieve capital growth by investing in bonds of emerging European countries and state-owned companies. The Fund does not apply credit rating restrictions: it may purchase securities of any country or company with any long-term credit rating. The Fund aims for the highest possible capital growth alongside reasonable risk-taking. The Fund primarily purchases foreign currency emerging market bonds, in addition to which it holds Hungarian local currency short-term and long-term bonds for diversification and liquidity management purposes. The bond portfolio may also include short-term, long-term, fixed or floating-rate, structured and convertible bonds issued by mortgage credit institutions, other credit institutions, local governments or other business entities. The core of the Fund's investments is Central Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), South East Europe (Serbia, Turkey), the Baltics (Latvia, Lithuania) and the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and bonds of majority state-owned companies, in addition to which the Fund holds short-term and long-term Hungarian government securities for diversification and liquidity management purposes. The target weight for bond exposures in the Fund in the 16 countries listed (target countries) is 95%. We do not set a limit on debt classification in the Fund. The Fund may only conclude derivative transactions for hedging purposes, or in the interest of establishing an efficient portfolio. The Fund may also hold non-leveraged bond-type collective investment forms. The Fund may also take on significant foreign currency exposure, which is normally covered 100% by the Fund Manager in the target currency (USD), but depending on market conditions, the Fund may also hold open foreign currency positions.

MARKET SUMMARY

The global economy has remained resilient, with some upside risks, though growth is increasingly driven by AI investment and fiscal spending. US trade policy dominated market attention, with tariff announcements and reversals creating volatility and weighing on sentiment, particularly in the US. While uncertainty distorted soft data and led to trade front-loading, hard economic data held up better than expected, supported by a robust services sector.

A spike in US Treasury volatility in November triggered a temporary sell-off across equities, credit and EM assets, highlighting market sensitivity to rate volatility. However, sustained volatility appears unlikely as the Fed remains patient, economic data has not turned decisively hawkish, and yields remain below levels that typically pressure risk assets.

In fixed income, global yields generally rose in 2025, with notable divergences. US Treasury yields fell in Q1 on growth concerns, rose sharply in Q2 amid trade uncertainty and a US rating downgrade, then declined in Q3 as Fed cut expectations grew. By year-end, markets priced in around 56bp of additional Fed cuts by end-2026.

Credit markets saw broad spread tightening, led by high yield—especially in EUR—during a risk-on Q2–Q3. Spreads widened briefly in October on private credit concerns but largely retraced in November as rate-cut expectations returned.

In December, we made minor changes into the fund's allocation by adding to the positions in Chile, Colombia and Gabon. Overall, we remain neutral on EM external debt, as valuations remain stretched and year-to-date returns have already been strong.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000724257
Start:	12/29/2020
Currency:	HUF
Net Asset Value of the whole Fund:	23,302,471 EUR
Net Asset Value of R series:	HUF
Net Asset Value per unit:	0.688081 HUF

DISTRIBUTORS

Raiffeisen Bank cPlc., VIG Investment Fund Management Hungary

SUGGESTED MINIMUM INVESTMENT PERIOD

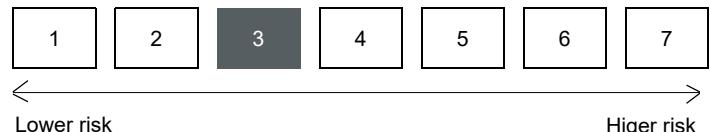
3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	91.67 %
T-bills	3.38 %
Market value of open derivative positions	3.89 %
Current account	1.03 %
Receivables	0.28 %
Liabilities	-0.24 %
Total	100,00 %
Derivative products	3.13 %
Net corrected leverage	100.00 %
Assets with over 10% weight	

There is no such instrument in the portfolio

RISK PROFILE



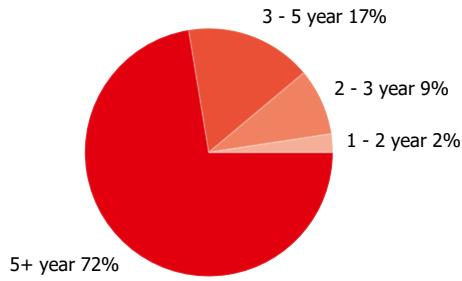
Lower risk

Higer risk

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0,00 %	
From launch	-7,20 %	
1 month	0,00 %	
3 months	0,00 %	
2025	0,00 %	
2024	0,00 %	
2023	0,00 %	
2022	-28,23 %	
2021	-4,00 %	

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 01/05/2017 - 12/31/2025



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	no data
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	no data
Annualized standard deviation of the fund's weekly yields-based on 3 year	no data
Annualized standard deviation of the fund's weekly yields-based on 5 year	0,00 %
WAM (Weighted Average Maturity)	7,33 years
WAL (Weighted Average Life)	11,05 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
ARGENT 4 1/8 07/09/35 sinkable	interest-bearing	Argentina	07/09/2035	4,76 %
CHILE 4.85 01/22/29 visszahívható2028	interest-bearing	Chilei Állam	01/22/2029	4,01 %
KSA 3 5/8 03/04/28	interest-bearing	Saudi Arabian	03/04/2028	3,31 %
MEX 6 3/4 09/27/34	interest-bearing	Mexico	09/27/2034	3,03 %
QATAR 4.817 03/14/49	interest-bearing	State of Qatar	03/14/2049	2,45 %
INDON 3.05 03/12/51	interest-bearing	Indonesian State	03/12/2051	2,36 %
PHILIP 5 1/4 05/14/34	interest-bearing	Fülöp-szigeteki Köztársaság	05/14/2034	2,31 %
TURKEY 6 03/25/27	interest-bearing	Turkish State	03/25/2027	2,28 %
MEX 3 3/4 01/11/28	interest-bearing	Mexico	01/11/2028	2,21 %
TURKEY 2029/03/14 9,375% USD	interest-bearing	Turkish State	03/14/2029	2,11 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. 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 | alapkezelo@am.vig | www.vigam.hu