

**INVESTMENT POLICY OF THE FUND**

The Fund's goal is to achieve capital growth through active portfolio management by investing in green bonds issued by governments and corporations in developed and emerging markets, while also advancing the Fund's sustainability objectives. The Fund Manager integrates sustainability risks and their management into the Fund's investment decision-making process. The Fund aims to promote environmental and/or social characteristics and pursues sustainable investment, thereby falling under Article 9 of the SFDR regulation. The Fund's credit rating restriction is that it may only purchase bonds with an investment-grade rating. With a reasonable risk approach, the Fund seeks the highest possible capital growth, primarily through asset allocation in green bonds available in global bond markets. The Fund's investment strategy is built on sustainable value creation, aiming to develop an actively managed, well-diversified portfolio that considers both sustainability criteria and the fundamentals of its assets. To achieve this, it primarily invests in developed market reem corporate and government bonds issued in foreign currencies, and may also hold emerging market green corporate and government bonds. The bond portfolio may also include short- and long-term, fixed or variable rate bonds issued by mortgage banks, other financial institutions, municipalities, or other economic organizations. The Fund's goal is sustainable investment, which it plans to achieve primarily, though not exclusively, through a positive environmental impact within the ESG universe. In pursuit of this, it mainly intends to invest in bonds from countries with low greenhouse gas emission intensity, a strong exercise of civil liberties, and low rates of social violations. Additionally, the Fund plans to invest in bonds of companies with a low ecological footprint, contributing through their activities to solving global environmental issues, such as the transition to a low-carbon economy or a circular economic model. The Fund may hold assets with exposures differing from the base currency up to 100%. The Fund Manager generally hedges currency exposures to the target currency (EUR) at 100%, but may also hold open currency positions depending on market expectations. The Fund invests at least 80% in assets issued and traded outside Hungary.

**MARKET SUMMARY**

Over the past month, global capital markets have been shaped by two main themes: the renewed acceleration of the AI infrastructure investment cycle and the energy and geopolitical risks associated with the conflict involving Iran. The artificial intelligence narrative continued to drive the semiconductor sector sharply higher. The Philadelphia Semiconductor Index (which tracks the average share price performance of the 30 largest semiconductor companies listed on U.S. exchanges and engaged in semiconductor design, manufacturing, distribution, and sales) has only traded this far above its 200-day moving average twice before: in 1995 and at the peak of the 2000 tech bubble. Analysts have consistently revised upward their capital expenditure (capex) forecasts for AI-related companies. At the same time, an increasing share of these investments is being financed through debt. Meanwhile, the energy price shock is weighing heavily on the macroeconomic outlook. Inflation readings for April and May came in consistently above expectations. Expectations for interest rate cuts have largely disappeared, and market participants are increasingly pricing in the possibility of rate hikes instead. A June rate hike by the European Central Bank has become increasingly likely, although wage growth has so far remained under control. The automotive sector, which plays a key role in the economy, presents a mixed picture. Overall vehicle sales have been on an upward trend for three consecutive months, while the electric vehicle (EV) market continues to expand. The technical ratification of the EU– US trade agreement was completed at the end of May, although the effective tariff levels applicable to several sectors remain the subject of ongoing negotiations and debate.

In May, European bond yields showed smaller movements than in previous months. Further yield increases were observed primarily at the shorter end of the maturity spectrum, reflecting growing market confidence that the European Central Bank will begin raising interest rates. Headline inflation in the euro area rose to 3.2% in May, and investors expect the ECB to implement two to three 25-basis-point rate hikes this year. Regarding portfolio composition, during the past month we exchanged euro-denominated Hungarian government bonds maturing in 2029 for euro-denominated Hungarian government bonds maturing in 2038, anticipating a continuation of the positive momentum surrounding the outlook for the Hungarian economy.

**GENERAL INFORMATION**

|                                    |                                        |
|------------------------------------|----------------------------------------|
| Fund Manager:                      | VIG Investment Fund Management Hungary |
| Custodian:                         | Erste Bank Hungary Zrt.                |
| Main distributor:                  | VIG Investment Fund Management Hungary |
| Benchmark composition:             | Fund has no benchmark                  |
| ISIN code:                         | HU0000732177                           |
| Start:                             | 08/05/2024                             |
| Currency:                          | EUR                                    |
| Net Asset Value of the whole Fund: | 1,348,426,007 HUF                      |
| Net Asset Value of EUR-I series:   | 3,742,194 EUR                          |
| Net Asset Value per unit:          | 1.032606 EUR                           |

**ASSET ALLOCATION OF THE FUND**

| Asset                                     | Weight          |
|-------------------------------------------|-----------------|
| Government bonds                          | 75.58 %         |
| Corporate bonds                           | 18.41 %         |
| Current account                           | 6.04 %          |
| Liabilities                               | -0.01 %         |
| Market value of open derivative positions | 0.00 %          |
| <b>Total</b>                              | <b>100.00 %</b> |
| Derivative products                       | 0.00 %          |
| Net corrected leverage                    | 100.00 %        |

**Assets with over 10% weight**

|                                               |
|-----------------------------------------------|
| ROMANI EUR 2036/02/22 5,625% (Romanian State) |
| BTPS 4 10/30/31 (Italian State)               |
| BGB 1,25% 04/22/33 (Belgian State)            |

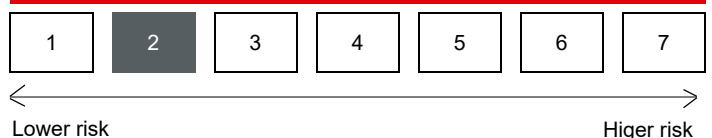
**DISTRIBUTORS**

ALLFUNDS Bank S.A, Conseq Investment Management, a.s.

**SUGGESTED MINIMUM INVESTMENT PERIOD**

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

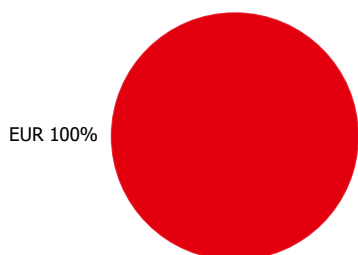
**RISK PROFILE**



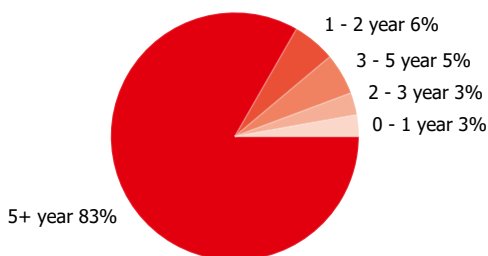
**NET YIELD PERFORMANCE OF THE SERIES**

| Interval    | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD         | 0.79 %        |                 |
| From launch | 1.78 %        |                 |
| 1 month     | 1.43 %        |                 |
| 3 months    | -1.34 %       |                 |
| 2025        | 2.46 %        |                 |

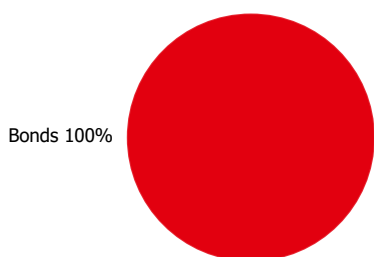
**Currency exposure:**



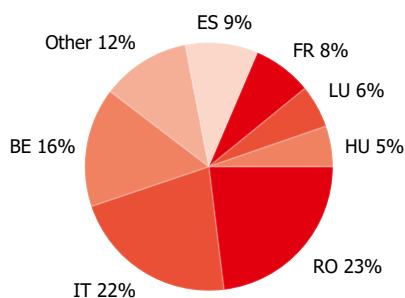
**Bonds by tenor:**



**Stocks by sectors**



**Stocks by countries**



**NET PERFORMANCE OF THE SERIES**

net asset value per share, 08/05/2024 - 05/31/2026



**RISK INDICATORS**

|                                                                           |            |
|---------------------------------------------------------------------------|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 2.82 %     |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 3.43 %     |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 3.43 %     |
| WAM (Weighted Average Maturity)                                           | 6.06 years |
| WAL (Weighted Average Life)                                               | 7.00 years |

**TOP 10 POSITIONS**

| Asset                        | Type             | Counterparty / issuer | Maturity   |         |
|------------------------------|------------------|-----------------------|------------|---------|
| ROMANI EUR 2036/02/22 5,625% | interest-bearing | Romanian State        | 02/22/2036 | 21.71 % |

|                                                   |                  |                                             |            |         |
|---------------------------------------------------|------------------|---------------------------------------------|------------|---------|
| BTPS 4 10/30/31                                   | interest-bearing | Italian State                               | 10/30/2031 | 17.93 % |
| BGB 1,25% 04/22/33                                | interest-bearing | Belgian State                               | 04/22/2033 | 14.64 % |
| EU 02/04/33 2,75%                                 | interest-bearing | European Union                              | 02/04/2033 | 5.23 %  |
| REPHUN 2038/03/25 4,875% EUR                      | interest-bearing | Government Debt Management Agency Pte. Ltd. | 03/25/2038 | 5.01 %  |
| FRTR 1,75% 06/25/39                               | interest-bearing | French state                                | 06/25/2039 | 4.75 %  |
| SPGB 1 07/30/42                                   | interest-bearing | Spanish State                               | 07/30/2042 | 3.55 %  |
| CHILE 0.83 07/02/31 visszahívható 2031/04/02      | interest-bearing | Chilei Állam                                | 07/02/2031 | 2.80 %  |
| INTNED 4,125% 2033/08/24 visszahívható 2028/05/24 | interest-bearing | ING GROEP N.V.                              | 08/24/2033 | 2.75 %  |
| Ceska Sportelna 2028/03/08 5.737% visszah2027     | interest-bearing | Ceska Sportelna AS                          | 03/08/2028 | 2.72 %  |

#### 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 | alapkezeslo@am.vig | www.vigam.hu