

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

As expected, the US fiscal crisis was resolved by the end of May. To an outsider, it was odd that such a thing could happen again after 2011, when everyone knew full well that the US would not declare bankruptcy. If it did, it would have unforeseen consequences that no one would dare risk.

The Fed raised the base rate by 25 basis points to 5.25%. The wording of the Fed's statement at the post-raise briefing was much the same as that used at the top of the rate hike cycle in 2006, deleting the phrase "FOMC expects further rate hikes to be necessary", but there was no mention of the possibility of easing, and the balance could still tip towards tightening.

In Hungary, although falling, inflation is still very high. According to the official KSH release, inflation was 24% in May, more than 1% lower than the previous month. What was different from previous months was that the National Bank lowered the top of the interest rate band from 25% to 19.50%. While the official base rate is 13% and the overnight 1-day rate is 17%, the lowering of the top of the band itself could be a guide for the months ahead. The MNB president said at the post-cut briefing that if inflation numbers continue to fall, a 100 basis point per month rate cut could be expected. The forint did not weaken much on the announcement, indicating that the market had already priced in the news. Let's not forget that foreign investors still have access to the MNB's 17% weekly deposit, which makes the forint very attractive. Let us also note that the forint yield is still significantly high compared to the surrounding countries.

The Fund achieved a positive return in May. During the month, we maintained our equity weighting of 18%. We continue to hold bank, small cap and regional value stocks, which we bought after the US banking crisis. On the bond side, we further increased our exposure by buying euro-denominated bonds of a Romanian company and hedging the foreign currency exposure of the position back into forint. In addition, any remaining foreign currency position in the fund was hedged back in the mid-month forint depreciation, so that the fund's foreign currency exposure is 100% hedged. We continue to hold small capitalization stocks, our view is that Hungarian and regional stocks are extremely undervalued relative to other markets. We continue to hold the Hungarian bond position, we believe that the Hungarian bond premium is high not only relative to Germany but also relative to the rest of the region. The Fund's book yield is 9.50%.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Hurdle rate, annual 2.9%
ISIN code:	HU0000708318
Start:	11/17/2009
Currency:	PLN
Net Asset Value of the whole Fund:	30,037,537,163 HUF
Net Asset Value of B series:	39,375,787 PLN
Net Asset Value per unit:	2.704292 PLN

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, ERSTE Group Bank AG Austria

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	40.80 %
Corporate bonds	26.54 %
Hungarian equities	15.78 %
Collective securities	9.08 %
International equities	2.46 %
Receivables	11.37 %
Liabilities	-11.15 %
Current account	2.73 %
Market value of open derivative positions	2.40 %
Total	100,00 %
Derivative products	47.57 %
Net corrected leverage	100.00 %

Assets with over 10% weight

2031A (Államadósság Kezelő Központ Zrt.)

RISK PROFILE

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

← Lower risk → Higher risk

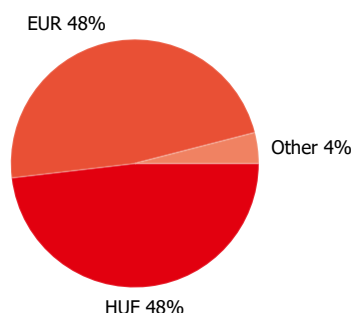
VIG Alfa Absolute Return Investment Fund

B series PLN MONTHLY report - 2023 MAY (made on: 05/31/2023)

NET YIELD PERFORMANCE OF THE SERIES

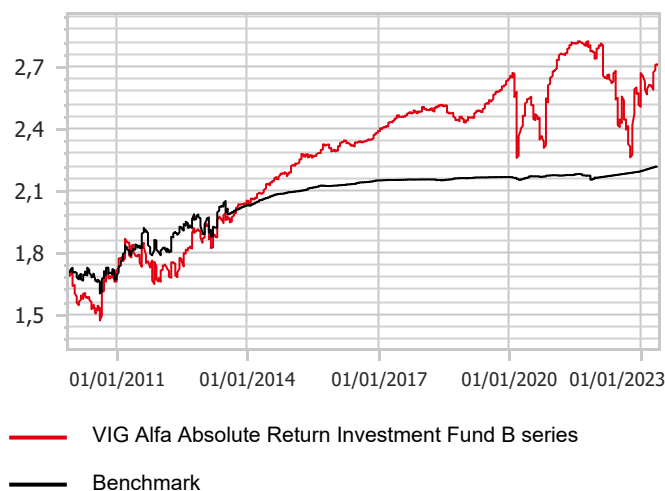
Interval	Yield of note	Benchmark yield
From start	3.38 %	1.88 %
1 month	1.62 %	0.26 %
3 months	5.03 %	0.73 %
2022	-8.04 %	1.41 %
2021	2.93 %	-0.60 %
2020	0.72 %	0.41 %
2019	8.56 %	0.23 %
2018	-2.13 %	0.31 %
2017	4.29 %	0.20 %
2016	4.03 %	1.22 %
2015	4.63 %	1.50 %
2014	7.32 %	3.31 %
2013	9.75 %	6.54 %

Currency exposure:



NET PERFORMANCE OF THE SERIES

net asset value per share, 11/17/2009 - 05/31/2023



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	15.41 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.12 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	19.67 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	21.86 %
WAM (Weighted Average Maturity)	4.99 years
WAL (Weighted Average Life)	6.46 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Magyar Államkötvény 2031/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/22/2031	16.07 %
Zöld Magyar Államkötvény 2051/G	interest-bearing	Államadósság Kezelő Központ Zrt.	04/28/2051	9.27 %
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ Zrt.	11/24/2032	7.92 %
Adventum MAGIS Zártkörű Alapok Alapja	investment note	Adventum MAGIS Zártkörű Alapok		7.51 %
Graphisoft Park S.E új	share	Graphisoft Park SE		5.87 %
REPHUN 2031/06/16 4,25% EUR	interest-bearing	Államadósság Kezelő Központ Zrt.	06/16/2031	4.77 %
TVLRO 8 7/8 04/27/27	interest-bearing	BANCA TRANSILVANIA	04/27/2027	4.19 %
DUNA HOUSE HOLDING Nyrt.	share	DUNA HOUSE HOLDING		3.56 %
MVMHU 2027/11/18 0,875% EUR	interest-bearing	MVM Energetika ZRt.	11/18/2027	3.13 %
OTP HB 7.35% 03/04/26	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	03/04/2026	3.07 %

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