

INVESTMENT POLICY OF THE FUND

The Fund's aim is to function as a stable, averagely low-risk form of investment, while providing investors with higher returns over the medium term than they could expect from bank deposits. In order to ensure liquidity, the Fund intends primarily to hold in its portfolio government bonds and discount treasury bills issued by the Government Debt Management Agency (ÁKK) on behalf of the Hungarian State, and bonds issued by the National Bank of Hungary (MNB). The Fund may hold in its portfolio low-risk debt securities issued by banks and companies, which are expected to provide higher returns than government securities and are denominated in HUF. The Fund may also keep its liquid assets in bank deposits. The fund may hold a limited amount of foreign currency assets in its portfolio, but only subject to the full hedging of currency risk.

MARKET SUMMARY

The pace of price increases in Hungary continued to slow in May. The year-on-year inflation rate was 21.5%, below market expectations of 22.3%. Food prices started to stagnate in April and this trend mostly continued in May with a month-on-month increase of 0.1%. At the May rate decision meeting, as expected, the Monetary Council began to normalize interest rates, with a first step of cutting the effective rate by 100 basis points, cutting the ON deposit rate to 17%. This also lowered the upper end of the interest rate corridor, with the ON rate now standing at 19.5%. With monthly cuts of 100 basis points, the base rate and the ON deposit rate could thus converge in September, after which the base rate is expected to remain at 13%. With the interest rates cut, the yield curve also moved lower during the month. Short yields in particular fell, with the 3-year yield ending the month 26 basis points lower. The long end of the yield curve was mixed, with 10-year yields up 17 basis points and 15-year yields down 24 basis points. The news at the beginning of June caused some renewed turbulence in the bond market. Two new elements were added to the 60% Hungarian government bond limit introduced earlier. Securities funds may invest up to 5% in debt securities other than HUF-denominated government bonds and must hold 20% of their liquid assets in Discount Treasuries. The measure led to a sharp increase in demand for Hungarian government securities at the beginning of the month, and thus to a significant fall in yields. The currently not very bright fiscal situation should thus start to improve in the coming months.

GENERAL INFORMATION

| | |
|------------------------------------|--|
| Fund Manager: | VIG Investment Fund Management Hungary |
| Custodian: | Raiffeisen Bank Zrt. |
| Main distributor: | VIG Investment Fund Management Hungary |
| Benchmark composition: | 100% MAX Index |
| ISIN code: | HU0000702493 |
| Start: | 03/16/1998 |
| Currency: | HUF |
| Net Asset Value of the whole Fund: | 18,144,323,257 HUF |
| Net Asset Value of A series: | 11,394,507,606 HUF |
| Net Asset Value per unit: | 4.555356 HUF |

DISTRIBUTORS

CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt., VIG Befektetési Alapkezelő Magyarország Zrt.

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 | 85.04 % |
| Corporate bonds | 11.54 % |
| T-bills | 0.52 % |
| Current account | 2.75 % |
| Receivables | 0.56 % |
| Liabilities | -0.56 % |
| Market value of open derivative positions | 0.16 % |
| Total | 100,00 % |
| Derivative products | 2.43 % |
| Net corrected leverage | 100.00 % |

Assets with over 10% weight

There is no such instrument in the portfolio

RISK PROFILE



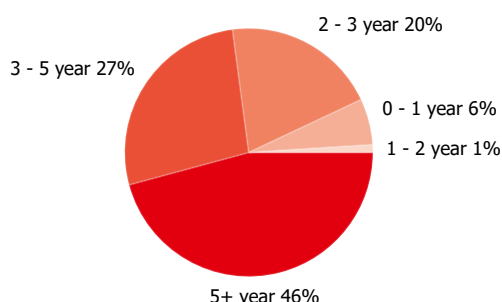
VIG Hungarian Bond Investment Fund

A series HUF MONTHLY report - 2023 MAY (made on: 05/31/2023)

NET YIELD PERFORMANCE OF THE SERIES

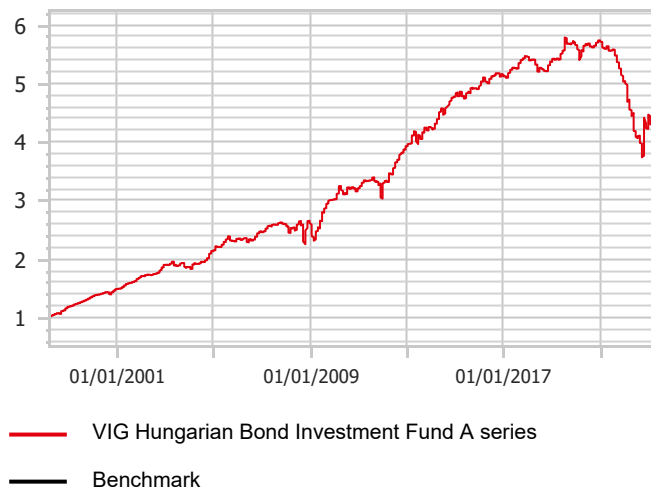
| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 6.20 % | 3.31 % |
| 1 month | 1.50 % | 1.41 % |
| 3 months | 5.80 % | 5.98 % |
| 2022 | -17.45 % | -16.05 % |
| 2021 | -12.08 % | -11.36 % |
| 2020 | 0.75 % | 1.41 % |
| 2019 | 6.42 % | 7.74 % |
| 2018 | -2.24 % | -0.95 % |
| 2017 | 5.49 % | 6.41 % |
| 2016 | 5.72 % | 6.73 % |
| 2015 | 3.54 % | 4.48 % |
| 2014 | 11.37 % | 12.58 % |
| 2013 | 8.83 % | 10.03 % |

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/16/1998 - 05/31/2023



RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 18.92 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 17.32 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 21.18 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 22.99 % |
| WAM (Weighted Average Maturity) | 5.71 years |
| WAL (Weighted Average Life) | 6.57 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|----------------------------|------------------|---------------------------------------|------------|--------|
| Magyar Államkötvény 2027/A | interest-bearing | Államadósság Kezelő Központ Zrt. | 10/27/2027 | 8.94 % |
| Magyar Államkötvény 2032/A | interest-bearing | Államadósság Kezelő Központ Zrt. | 11/24/2032 | 8.44 % |
| Magyar Államkötvény 2026/D | interest-bearing | Államadósság Kezelő Központ Zrt. | 12/22/2026 | 8.44 % |
| Magyar Államkötvény 2038/A | interest-bearing | Államadósság Kezelő Központ Zrt. | 10/27/2038 | 8.35 % |
| Magyar Államkötvény 2026/E | interest-bearing | Államadósság Kezelő Központ Zrt. | 04/22/2026 | 8.28 % |
| 2026F | interest-bearing | Államadósság Kezelő Központ Zrt. | 08/26/2026 | 5.80 % |
| Magyar Államkötvény 2030/A | interest-bearing | Államadósság Kezelő Központ Zrt. | 08/21/2030 | 5.64 % |
| BSTDBK 2.52 10/19/23 | interest-bearing | BLACK SEA TRADE AND DEVELOPEMENT BANK | 10/19/2023 | 5.30 % |
| Magyar Államkötvény 2041/A | interest-bearing | Államadósság Kezelő Központ Zrt. | 04/25/2041 | 5.04 % |
| Magyar Államkötvény 2025/B | interest-bearing | Államadósság Kezelő Központ Zrt. | 06/24/2025 | 4.22 % |

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