

VIG Maraton ESG Multi Asset Investment Fund

A series HUF MONTHLY report - 2023 JULY (made on: 07/31/2023)

INVESTMENT POLICY OF THE FUND

The aim of the Fund is to create an investment portfolio that achieves annualised capital growth for investors higher than the benchmark over a 3-year time horizon while achieving the Fund's Sustainability Objectives. With a view to achieving these objectives, the Fund may invest in a variety of instruments, i.e. it holds primarily equity and bond-type instruments, while it may also invest in collective securities and enter into derivative transactions, subject in each case to the relevant investment limits. The fund does not have a geographical specification. In order to realise the investment objectives, the asset groups in the Fund's portfolio may be varied freely, without having to adhere to a predetermined risk profile.

The Fund's investment strategy is based on sustainable value creation, aiming to build an actively managed and sufficiently diverse portfolio that takes into account both sustainability criteria and the fundamentals of the assets held. The Fund's asset allocation strategy is based on the asset allocation model used by the Fund Manager, the Investment Clock, used by the Fund Manager to determine the asset mix with the best risk to return potential at a given point of the economic cycle. In addition to asset allocation, the Fund Manager aims to achieve the financial and sustainability objectives of the Fund through active stock and bond selection policies. Stock selection is based on sustainable growth, through the selection of stocks of companies able to achieve outstanding performance both financially and in terms of ESG risks, thus creating long-term shareholder value. When selecting bonds, the Fund Manager seeks to maximise the proportion of green bond issues, taking into account existing market constraints.

MARKET SUMMARY

Global growth is running below-trend this year but considering the size and extent of recent headwinds (real rate shock, monetary tightening) is holding up relatively well. Underneath this resilient global picture there continues to be a marked divergence between strong services and weak manufacturing sectors. As a result, manufacturing-intensive economies like China and Germany are struggling while more services-based ones like the United States are outperforming. We still see a disinflationary environment. While goods inflation has fallen notably, services inflation is still running high across a wide range of economies.

The Fund achieved a positive return in July. Unhedged currency positions and regional equity exposure contributed to the good performance, with positions in Greek equities, OTP and Erste Bank contributing the most. We further reduced our weight in Hungarian bonds in July, replacing them with Italian and French green bonds, which we did not hedge in anticipation of a weakening forint, leaving the fund with 28% open currency exposure. During the month, we bought shares in Romanian energy giant Hidroelectrica in its initial public offering (IPO) on the Bucharest stock exchange, bringing the fund's equity exposure to around 34%. We continue to increase the proportion of green bonds in the Fund, which now stands at 76%. At the end of the month, the interest rate risk of the bonds was 2.86 years, but most of this now come from developed market government bonds, and we have reduced the Hungarian bond risk significantly in recent months.

GENERAL INFORMATION

| | |
|------------------------------------|--|
| Fund Manager: | VIG Investment Fund Management Hungary |
| Custodian: | Raiffeisen Bank Zrt. |
| Main distributor: | VIG Investment Fund Management Hungary |
| Benchmark composition: | Hurdle rate, annual 9.5% |
| ISIN code: | HU0000714886 |
| Start: | 07/17/2015 |
| Currency: | HUF |
| Net Asset Value of the whole Fund: | 17,245,912,299 HUF |
| Net Asset Value of A series: | 1,636,860,115 HUF |
| Net Asset Value per unit: | 1.199489 HUF |

DISTRIBUTORS

CIB BANK ZRT, CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., MBH Bank Nyrt., MKB Bank Nyrt. 0789, OTP Bank Nyrt., Raiffeisen Bank Zrt., SPB Befektetési 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 | 30.81 % |
| Collective securities | 18.97 % |
| T-bills | 13.50 % |
| Corporate bonds | 12.89 % |
| International equities | 9.27 % |
| Hungarian equities | 9.04 % |
| Receivables | 9.12 % |
| Liabilities | -7.30 % |
| Current account | 3.44 % |
| Market value of open derivative positions | 0.26 % |
| Total | 100.00 % |
| Derivative products | 53.76 % |
| Net corrected leverage | 104.57 % |

Assets with over 10% weight

OBL 0 10/10/25 (Német Állam)

RISK PROFILE

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

← Lower risk Higher risk →

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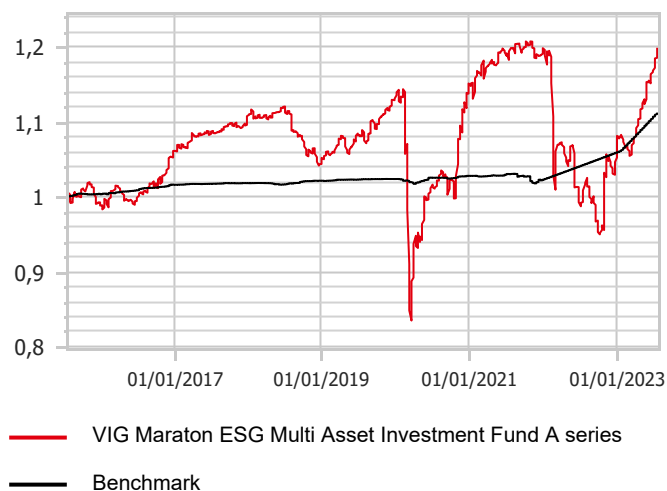
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NET YIELD PERFORMANCE OF THE SERIES

| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 2.29 % | 1.34 % |
| 1 month | 3.03 % | 0.81 % |
| 3 months | 8.65 % | 2.48 % |
| 2022 | -14.09 % | 3.55 % |
| 2021 | 4.54 % | -0.60 % |
| 2020 | 0.71 % | 0.41 % |
| 2019 | 8.26 % | 0.23 % |
| 2018 | -4.82 % | 0.31 % |
| 2017 | 3.94 % | 0.20 % |
| 2016 | 6.27 % | 1.22 % |

NET PERFORMANCE OF THE SERIES

net asset value per share, 07/17/2015 - 07/31/2023



RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 9.57 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 0.47 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 18.12 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 26.27 % |
| WAM (Weighted Average Maturity) | 3.01 years |
| WAL (Weighted Average Life) | 3.45 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|---------------------------------------|------------------|--|------------|---------|
| OBL 0 10/10/25 | zero coupon | Német Állam | 10/10/2025 | 10.38 % |
| 2032G | interest-bearing | Államadósság Kezelő Központ Zrt. | 05/27/2032 | 9.98 % |
| OTP HB 5,5% 07/13/25 | interest-bearing | Országos Takarékpénztár és Kereskedelmi Bank Nyrt. | 07/13/2025 | 7.03 % |
| iShares Core MSCI World UCITS | investment note | iShares Core MSCI World UCITS ETF | | 6.23 % |
| FRTR 1,75% 06/25/39 | interest-bearing | Francia Állam | 06/25/2039 | 6.21 % |
| Adventum MAGIS Zártkörű Alapok Alapja | investment note | Adventum MAGIS Zártkörű Alapok | | 5.45 % |
| BTPS 4 10/30/31 | interest-bearing | Olasz Állam | 10/30/2031 | 4.10 % |
| WIG20 INDEX FUT Sep23 Buy | derivatív | Erste Bef. Hun | 09/15/2023 | 3.30 % |
| MFB 2025/06/24 1,375% EUR | interest-bearing | Magyar Fejlesztési Bank Zrt. | 06/24/2025 | 3.14 % |
| US T-Bill 08/17/23 | zero coupon | Amerikai Egyesült Államok | 08/17/2023 | 3.13 % |

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