

INVESTMENT POLICY OF THE FUND

The Fund aims to achieve a higher return than that of short-term bonds by investing in bonds of low volatility and limited-risk profile issued or guaranteed by certain specified states, quasi-sovereign corporations, national banks or supranational institutions. The Fund invests most of its available assets in low-risk instruments, i.e. bonds issued or guaranteed by the Hungarian state or states with a credit rating at least equal to or better than the latter's latest rating (or by their debt management agencies), quasi-sovereign companies, national banks or supranational institutions. The Fund may hold bank deposits, or cash, and enter into repo and reverse repo transactions. The maximum interest rate risk with respect to the Fund as a whole (i.e. its duration) is 3 years, while the weighted average maturity of the individual securities is a maximum of 10 years. For bonds denominated in currencies other than Hungarian forint, the asset manager seeks to fully hedge the foreign exchange risk, and may only deviate from this at the expense of risky assets (i.e. in the case of foreign exchange under/over-hedging). The Fund uses a small portion of its available assets to purchase risky instruments – domestic and foreign equities, equity indexes, higher risk bonds, foreign exchange, commodity market products and collective investment securities on the spot and futures markets. The Fund may enter into both long and short trades. Based on the approach followed when purchasing risky assets, the Fund is an absolute return fund: it selects investment options with the best possible expected return/risk ratio from the options available to it on the domestic and international money and capital markets. There is no possibility for making individual investor decisions in respect of the Fund.

MARKET SUMMARY

In January, markets were still trying to decide whether or not the economic scenario outlined by the Federal Reserve would materialize. Since last November, the Fed has been saying that the economy will be soft landing, despite a 5.25-5.5% interest rate and some macroeconomic data pointing to a potential recession in the US economy. Investors who are positive about the future are looking at how much AI will reform the US economy and what fundamental changes it will bring to the economy plus how long labour market can remain tight. But there are those who believe that the Fed has raised interest rates too high in an attempt to curb inflation and that a recession is inevitable. But if it starts to cut rates because of a potential recession and inflation starts to rise again, the Fed will be backed into a corner. In 2024, the Fed's decisions will be even more influenced by macro data and markets could be more volatile than usual.

The Hungarian National Bank cut its key rate by another 75 basis points to 10.00%. Inflation also continued to fall in December to 5.5% according to KSH data, and could fall below 5% in January. In December, the National Bank had indicated that it could cut the key rate by up to 100 basis points, but it stuck to 75 basis points due to the weakening HUF. Interestingly, after the lower-than-expected rate decision, the forint strengthened and traded below 385 against the euro at the end of the month.

Over the course of the month, we actively managed the Fund's interest rate risk. At the beginning of January, we increased the Fund's interest rate risk as global markets increased the size of the expected US and European rate cuts in 2024, as disinflation continued and as the same happened in Hungary. In a prolonged, and sharp cycle of rate cuts, market participants often get ahead of themselves.

On the risk assets side, we bought a few S&P 500 put option, but more importantly, the Polish stock market provided a good entry point as it was down almost 10% from its local peak at the end of December. Meanwhile, global investor sentiment is positive, with the major European and US equity indices hitting new highs, and in Poland the growth outlook is very positive, with the ability of companies to increase profits pricing in an improvement in EU relations following the change of government providing a theme for the Polish market. All this has led us to open a 5% WIG20 futures long in the fund around the lows in January.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% RMAX Index + 0.5%
ISIN code:	HU0000731385
Start:	01/02/2023
Currency:	HUF
Net Asset Value of the whole Fund:	2,726,395,228 HUF
Net Asset Value of I series:	1,703,554,096 HUF
Net Asset Value per unit:	1.166733 HUF

DISTRIBUTORS

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	36.85 %
Corporate bonds	34.57 %
T-bills	24.46 %
Current account	19.12 %
Liabilities	-15.15 %
Receivables	0.09 %
Market value of open derivative positions	0.07 %
Total	100,00 %
Derivative products	29.51 %
Net corrected leverage	105.24 %

Assets with over 10% weight

BTF 0 04/17/24 (French state)
2024C (Államadósság Kezelő Központ)
2025B (Államadósság Kezelő Központ)
MAEXIM 16 03/14/24 (Hungarian Export-Import Bank cPlc.)
MAEXIM 10 11/27/24 (Hungarian Export-Import Bank cPlc.)

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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RISK PROFILE

1	2	3	4	5	6	7
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← Lower risk → Higher risk

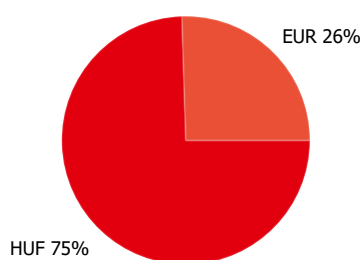
VIG Ozon Annual Capital Protected Investment Fund

I series HUF MONTHLY report - 2024 JANUARY (made on: 01/31/2024)

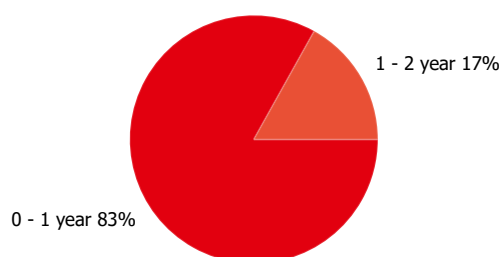
NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0.89 %	0.76 %
From launch	15.36 %	15.19 %
1 month	0.89 %	0.76 %
3 months	2.89 %	3.17 %

Currency exposure:

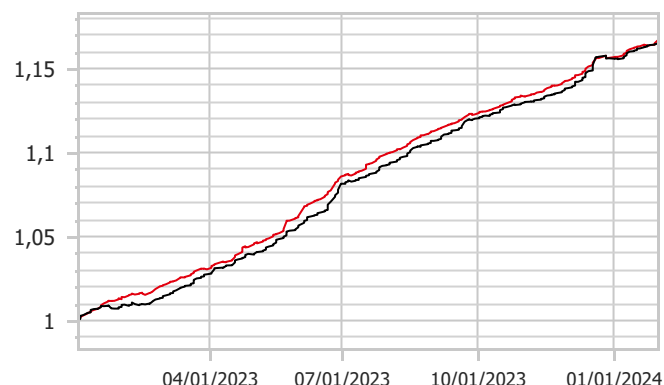


Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 01/02/2023 - 01/31/2024



— VIG Ozon Annual Capital Protected Investment Fund I series
— Benchmark

RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	1.15 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	1.29 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	1.14 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	1.14 %
WAM (Weighted Average Maturity)	0.55 years
WAL (Weighted Average Life)	0.56 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
BTF 0 04/17/24	zero coupon	French state	04/17/2024	24.46 %
Magyar Államkötvény 2024/C	interest-bearing	Államadósság Kezelő Központ	10/24/2024	20.63 %
Magyar Államkötvény 2025/B	interest-bearing	Államadósság Kezelő Központ	06/24/2025	16.22 %
MAEXIM 16 03/14/24	interest-bearing	Hungarian Export-Import Bank cPlc.	03/14/2024	15.60 %
MAEXIM 10 11/27/24	interest-bearing	Hungarian Export-Import Bank cPlc.	11/27/2024	12.15 %
WIG20 INDEX FUT Mar24 Buy	derivative	Raiffeisen Hun	03/15/2024	4.93 %
MAEXIM 16 02/14/24	interest-bearing	Hungarian Export-Import Bank cPlc.	02/14/2024	4.88 %
MAEXIM 11 10/02/24	interest-bearing	Hungarian Export-Import Bank cPlc.	10/02/2024	1.95 %
S&P500 EMINI OPTN Mar24P 4300 Buy	derivative	Erste Bef. Hun	03/15/2024	0.00 %

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