

VIG Alfa Absolute Return Investment Fund

I series HUF MONTHLY report - 2024 JUNE (made on: 06/30/2024)

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

US equity and bond markets have been mixed recently, mainly influenced by macroeconomic data and other news. Although the pace of growth has not been strong, bond yields have fallen, suggesting that investors have turned to safer assets. There have been some worrying signs in household consumption and the labor market, but overall growth has not yet collapsed. The dollar has remained strong as the Fed still has room to cut rates but has not yet done so. News from the US technology sector had a positive impact on the futures indices, especially with announcements in the areas of artificial intelligence and technology developments.

The main event in Hungarian markets was the HNB's June interest rate decision, with analysts expecting the last rate cut. As expected, the rate was cut by 25 basis points, which temporarily strengthened the forint, but it remained volatile throughout the month. Although business confidence remained weak, the BUX index performed well and consumer confidence improved slightly, giving rise to optimism in the retail sector. The exchange rate of the forint came under pressure, partly due to the impact of political events in France and partly due to domestic inflationary concerns. In the bond markets, demand for government bonds was stable, as investors can obtain real yields in forint terms.

The Alfa fund had a positive month in June thanks to the regional equity portfolio and positions against the forint, while the general rise in yields had a slightly negative impact on the fund's price. During the period, we increased the long government bond portfolio in regional currencies and also purchased cheap regional equities. The weakening of the forint has benefited the portfolio, but it has been fully hedged near EURHUF 400 to mitigate currency risk. We anticipate continued band trading in the forint. Bonds are expected to perform better than before in the coming period, as they are the asset class most likely to benefit from slowing global growth and better-than-expected inflation.

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 7% |
| ISIN code: | HU0000715974 |
| Start: | 03/08/2016 |
| Currency: | HUF |
| Net Asset Value of the whole Fund: | 47,375,868,452 HUF |
| Net Asset Value of I series: | 9,242,082,467 HUF |
| Net Asset Value per unit: | 1.522310 HUF |

DISTRIBUTORS

Equilor Befektetési Zrt, MBH Befektetési Bank Zrt, Raiffeisen Bank cPlc., UniCredit Bank Hungary cPlc., VIG Asset Management Hungary Plc.

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 | 50.10 % |
| Corporate bonds | 29.23 % |
| Hungarian equities | 10.64 % |
| Collective securities | 6.95 % |
| International equities | 1.91 % |
| Liabilities | -1.33 % |
| Receivables | 1.13 % |
| Current account | 0.99 % |
| Market value of open derivative positions | 0.38 % |
| Total | 100,00 % |
| Derivative products | 45.37 % |
| Net corrected leverage | 100.00 % |

Assets with over 10% weight

ROMANI EUR 2033/09/18 6,375% (Romanian State)

2024C (Államadósság Kezelő Központ)

RISK PROFILE

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

← Lower risk Higher risk →

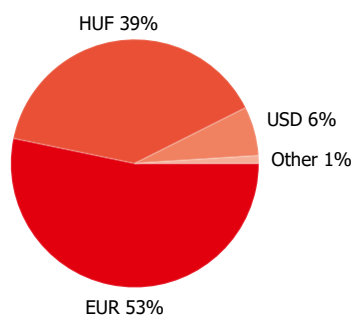
VIG Alfa Absolute Return Investment Fund

I series HUF MONTHLY report - 2024 JUNE (made on: 06/30/2024)

NET YIELD PERFORMANCE OF THE SERIES

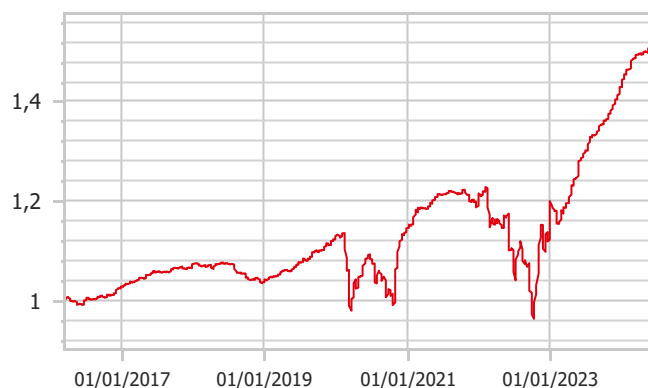
| Interval | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD | 6.65 % | 3.54 % |
| From launch | 5.19 % | 2.14 % |
| 1 month | 1.05 % | 0.54 % |
| 3 months | 1.92 % | 1.77 % |
| 2023 | 27.21 % | 9.93 % |
| 2022 | -5.49 % | 3.04 % |
| 2021 | 4.40 % | -0.60 % |
| 2020 | 1.29 % | 0.41 % |
| 2019 | 8.26 % | 0.23 % |
| 2018 | -2.67 % | 0.31 % |
| 2017 | 3.91 % | 0.20 % |

Currency exposure:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/08/2016 - 06/30/2024



RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 2.47 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 0.27 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 10.84 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 10.11 % |
| WAM (Weighted Average Maturity) | 3.14 years |
| WAL (Weighted Average Life) | 4.27 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|--|------------------|---------------------------------|------------|---------|
| ROMANI EUR 2033/09/18 6,375% | interest-bearing | Romanian State | 09/18/2033 | 16.37 % |
| Magyar Államkötvény 2024/C | interest-bearing | Államadósság Kezelő Központ | 10/24/2024 | 15.71 % |
| 2035A | interest-bearing | Államadósság Kezelő Központ | 10/24/2035 | 7.90 % |
| MNB240704 | zero coupon | Magyar Nemzeti Bank Zrt. | 07/04/2024 | 6.33 % |
| ROMANI EUR 2029/09/27 6,625% | interest-bearing | Romanian State | 09/27/2029 | 5.62 % |
| Adventum MAGIS Zártkörű Alapok Alapja | investment note | Adventum MAGIS Closed-End Funds | | 5.59 % |
| OTP Bank törzsrészvény | share | OTP Bank Nyrt. | | 5.15 % |
| REPHUN 2031/06/16 4,25% EUR | interest-bearing | Államadósság Kezelő Központ | 06/16/2031 | 3.34 % |
| TVLRO 8 7/8 04/27/27 | interest-bearing | Banca Transilvania SA | 04/27/2027 | 2.95 % |
| NOVALJ 10,75% 11/28/32 visszahívható2027 | interest-bearing | NOVA LJUBLJANSKA BANKA D.D. | 11/28/2032 | 2.61 % |

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