

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

In July, the US stock market experienced significant volatility. Stocks reached historic highs and then fell back, especially in the technology sector. A strong rotation unfolded, with investors buying winners from previous periods and selling laggards such as smaller capitalization stocks. The main reason for the correction in chipmakers was the new US sanctions imposed on exports to China in the middle of the month. On the macro front, inflation statistics came in better than expected, leading investors to believe a September rate cut as a possibility again. The more favorable inflation trajectory was also reflected in longer yields, with the yield on 10-year US Treasuries falling to around 4.21%. Highlights for Hungarian markets included the Hungarian National Bank's July interest rate decision, which resulted in a 25 basis point cut, as expected, leaving the Hungarian base rate at 6.75%. According to the HNB, the main influence on policymakers was the declining US interest rate expectations, but the June inflation figure of 3.7% was also lower than expected. According to the HNB, there could be another 1-2 rate cuts in 2024, meaning that the Hungarian base rate could fall to as low as 6.25%.

The Fund closed July with a rise, driven by the Fund's bond exposure and the weakening of the forint. In the bond market, the Fund increased the average maturity of government bonds during the month, mainly through Romanian and Hungarian bonds. At the same time, the Fund's exposure to bank bonds decreased slightly. As the slowing growth outlook favours long bonds, the Fund's bond exposure has increased in recent months, while equity exposure has gradually declined. The Fund also holds an unhedged currency exposure of around 25%, which has also increased in recent months. The average equity weight of the Fund was around 20% during the month, mainly composed of CEE region equities. Within this, Dunahouse and some regional banks (Erste, OTP) were the main contributors to performance, while Polish LPP was the worst performer. The Fund's equity exposure could be increased in the event of a correction.

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 4%
ISIN code:	HU0000716055
Start:	03/17/2016
Currency:	CZK
Net Asset Value of the whole Fund:	20,044,842,794 HUF
Net Asset Value of C series:	2,112,382 CZK
Net Asset Value per unit:	1.235100 CZK

DISTRIBUTORS

Conseq Investment Management, a.s., Raiffeisen Bank cPlc.

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	34.68 %
Corporate bonds	33.15 %
Collective securities	11.32 %
Hungarian equities	6.88 %
International equities	6.19 %
T-bills	4.79 %
Mortgage debentures	1.07 %
Liabilities	-15.90 %
Receivables	10.73 %
Current account	4.60 %
Deposit	2.50 %
Market value of open derivative positions	-0.02 %
Total	100,00 %
Derivative products	59.45 %
Net corrected leverage	109.91 %

Assets with over 10% weight

There is no such instrument in the portfolio

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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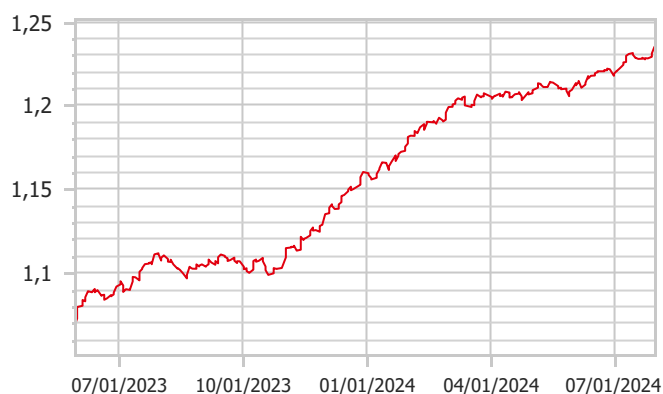
← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	6.46 %	2.38 %
From launch	2.55 %	1.28 %
1 month	1.11 %	0.36 %
3 months	2.37 %	1.01 %
2023	8.38 %	3.35 %
2022	0.00 %	3.35 %
2021	0.00 %	-0.60 %
2020	0.00 %	0.41 %
2019	0.00 %	0.23 %
2018	1.40 %	0.31 %
2017	2.26 %	0.20 %

NET PERFORMANCE OF THE SERIES

net asset value per share, 05/30/2023 - 07/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	3.11 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.11 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	3.14 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	3.14 %
WAM (Weighted Average Maturity)	3.16 years
WAL (Weighted Average Life)	3.88 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
MNB240801	zero coupon	Hungarian National Bank Plc.	08/01/2024	8.73 %
MNB240808	zero coupon	Hungarian National Bank Plc.	08/08/2024	8.72 %
ROMANI EUR 2036/02/22 5.625%	interest-bearing	Romanian State	02/22/2036	6.79 %
FRTR 1,75% 06/25/39	interest-bearing	French state	06/25/2039	5.58 %
Adventum MAGIS Zártkörű Alapok Alapja	investment note	Adventum MAGIS Closed-End Funds		5.28 %
ROMANI EUR 2030/05/26 3.624%	interest-bearing	Romanian State	05/26/2030	5.20 %
US T-Bill 08/27/24	zero coupon	USA	08/27/2024	4.82 %
REPHUN 4% 2029/07/25 EUR	interest-bearing	Government Debt Management Agency Pte. Ltd.	07/25/2029	4.36 %
BTPS 4 10/30/31	interest-bearing	Italian State	10/30/2031	3.75 %
2032G	interest-bearing	Government Debt Management Agency Pte. Ltd.	05/27/2032	3.61 %

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