

INVESTMENT POLICY OF THE FUND

The objective of the investment fund is to make the Polish bond market accessible to the investors, and to function as a relatively stable, medium-risk investment form bringing steady real yields to our Clients on middle term already, without having to tie down their money for a fixed period of time. The Fund mainly invests in Polish government securities issued in zloty, however, the portfolio manager has some room to complement the portfolio with other bond-type investments. Our goal is to achieve the highest yield while taking the lowest risk. To make investment decisions we use the tools of both fundamental and technical analysis, and we take into consideration the investor sentiment on the markets at all times. The portfolio manager seeks out potential investment opportunities based on the macro-economical expectations, the expected yield curve, the return expected on the curve and the market volatility, and selects investments that are considered to be safe and bring relatively high yields in exchange for the risks taken. The Fund strives for complete exchange risk coverage of foreign currency exposure for the target currency.

MARKET SUMMARY

The performance of the Polish bonds was strong in the February: yields fell by 6 basis points on the 3-year maturity, and by 10 and 8 basis points on the 5- and 10-year maturities, respectively. The base rate is still at 5.75% and at the rate setting meeting in February it was left unchanged as well. Although no rate cuts are expected in the near future, a somewhat softer tone could be detected in the central bank governor's communication. They do not know when, but rate cuts will eventually come. Inflation in Poland also started the year with an increase, with a year-on-year price rise of 5.3% in January. The higher than market consensus price increase was mainly driven by higher food, energy, and fuel costs. The Purchasing Managers' Index (PMI) rose to 50.6 in February from 48.8 the previous month, exceeding market expectations. This is the first time since April 2022 that the index has moved above the 50 threshold, placing it in the expansion territory. Both output and new orders increased, and exports declined at a slower pace. Industrial production fell by 1% in the first month of the year. As for the state budget, the government generated a deficit of 3,205.6 million PLN in the first month of the year, bringing the 12-month rolling budget deficit to 6.5% of GDP. We adopted a more constructive stance during the month, as U.S. yields staged a significant rally, while Polish yields showed much smaller movements. The 10-year Polish yield remains relatively close to the upper end of its recent range, while the Polish government has made strong progress with this year's issuance plan. Additionally, its substantial cash reserves provide flexibility to mitigate potential yield increases by postponing auction supply if needed.

GENERAL INFORMATION

| | |
|------------------------------------|--|
| Fund Manager: | VIG Investment Fund Management Hungary |
| Custodian: | Unicredit Bank Hungary Zrt. |
| Main distributor: | VIG Investment Fund Management Hungary |
| Benchmark composition: | 100% TBSP Index |
| ISIN code: | HU0000705256 |
| Start: | 05/11/2007 |
| Currency: | HUF |
| Net Asset Value of the whole Fund: | 16,962,566,259 HUF |
| Net Asset Value of A series: | 275,702,980 HUF |
| Net Asset Value per unit: | 2.046280 HUF |

DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., 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 | 60.31 % |
| Corporate bonds | 38.69 % |
| Receivables | 4.13 % |
| Liabilities | -4.03 % |
| Current account | 0.92 % |
| Market value of open derivative positions | 0.00 % |
| Total | 100,00 % |
| Derivative products | 1.34 % |
| Net corrected leverage | 99.96 % |

Assets with over 10% weight

| |
|--|
| POLGB 2029/07/25 4,75% (Polish State) |
| POLGB 2034/10/25/34 5% (Polish State) |
| BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego) |
| POLGB 2032/04/25 1,75% (Polish State) |

RISK PROFILE

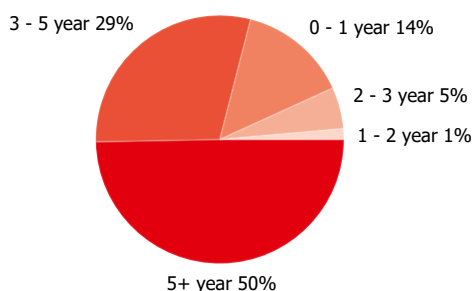
| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

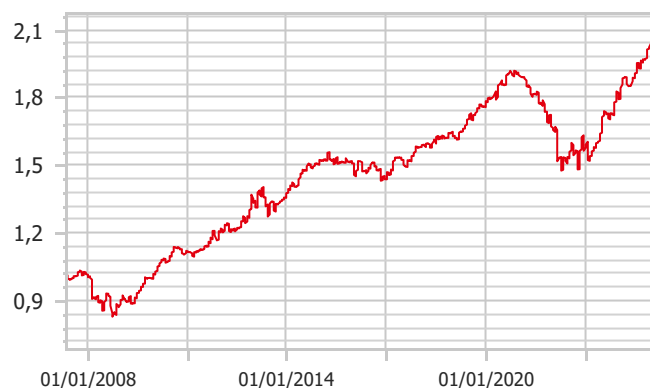
| Interval | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD | 1.35 % | 1.48 % |
| From launch | 4.10 % | 6.81 % |
| 1 month | 0.12 % | 0.25 % |
| 3 months | 0.52 % | 0.78 % |
| 2024 | 11.07 % | 12.87 % |
| 2023 | 16.28 % | 16.35 % |
| 2022 | -8.27 % | 0.94 % |
| 2021 | -9.83 % | -8.59 % |
| 2020 | 7.66 % | 8.75 % |
| 2019 | 6.92 % | 7.79 % |
| 2018 | 4.20 % | 5.33 % |
| 2017 | 9.53 % | 10.82 % |
| 2016 | -4.68 % | -4.08 % |
| 2015 | -0.35 % | 1.10 % |

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 05/11/2007 - 02/28/2025



RISK INDICATORS

| | |
|--|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 6.59 % |
| Annualized standard deviation of the benchmark's weekly yields-based on 1 year | 6.50 % |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 11.09 % |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 9.75 % |
| WAM (Weighted Average Maturity) | 4.49 years |
| WAL (Weighted Average Life) | 5.32 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | Weight |
|-------------------------|------------------|-----------------------------|------------|---------|
| POLGB 2029/07/25 4,75% | interest-bearing | Polish State | 07/25/2029 | 22.23 % |
| POLGB 2034/10/25/34 5% | interest-bearing | Polish State | 10/25/2034 | 19.15 % |
| BGOSK 07/03/25 1.25% | interest-bearing | Bank Gospodarstwa Krajowego | 07/03/2025 | 14.10 % |
| POLGB 2032/04/25 1,75% | interest-bearing | Polish State | 04/25/2032 | 11.76 % |
| BGOSK 2030/06/05 2,125% | interest-bearing | Bank Gospodarstwa Krajowego | 06/05/2030 | 6.76 % |
| BGOSK 2027/04/27 1,875% | interest-bearing | Bank Gospodarstwa Krajowego | 04/27/2027 | 5.35 % |
| BGOSK Float 06/12/31 | interest-bearing | Bank Gospodarstwa Krajowego | 06/12/2031 | 5.06 % |
| BGOSK 2033/07/21 2,25% | interest-bearing | Bank Gospodarstwa Krajowego | 07/21/2033 | 3.51 % |
| POLGB 2029/04/25 5,75% | interest-bearing | Polish State | 04/25/2029 | 3.02 % |
| POLGB 2033/10/25 6% | interest-bearing | Polish State | 10/25/2033 | 2.96 % |

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