

## 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

Polish government bonds showed mostly mixed movements in December. Activity was concentrated mainly at the short end of the yield curve, as one-year yields rose by 38 basis points, while the long end of the curve closed the month largely unchanged. At its early-December rate-setting meeting, the Polish central bank cut interest rates again, lowering the policy rate by 25 basis points to 4%. Moving on with the economic data, preliminary figures indicate that the annual inflation rate continued to decline in December. Statistics Poland measured year-on-year inflation at 2.4%, bringing the rate below the central bank's inflation target. Annual growth in food prices continued to slow, and fuel prices also declined further on a year-on-year basis. Industrial production contracted by 1.1% in the eleventh month of the year. Retail sales, although positive, increased by 3.1%, falling short of market expectations and coming in weaker than in October. The short end of the yield curve is significantly below the policy rate. If inflation continues to develop favorably, it cannot be ruled out that the central bank will continue its rate-cutting cycle that began in 2025.

## 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:                         | HU0000713565                           |
| Start:                             | 03/28/2014                             |
| Currency:                          | PLN                                    |
| Net Asset Value of the whole Fund: | 17,679,159,000 HUF                     |
| Net Asset Value of P series:       | 52,471,160 PLN                         |
| Net Asset Value per unit:          | 1.190010 PLN                           |

## DISTRIBUTORS

Vienna Life TU na Zycie S.A. Vienna Insurance Group

## ASSET ALLOCATION OF THE FUND

| Asset                                     | Weight          |
|-------------------------------------------|-----------------|
| Government bonds                          | 66.01 %         |
| Corporate bonds                           | 32.30 %         |
| Current account                           | 2.10 %          |
| Liabilities                               | -0.48 %         |
| Receivables                               | 0.13 %          |
| Market value of open derivative positions | -0.06 %         |
| <b>Total</b>                              | <b>100.00 %</b> |
| Derivative products                       | 15.74 %         |
| Net corrected leverage                    | 100.02 %        |
| Assets with over 10% weight               |                 |

POLGB 2029/07/25 4,75% (Polish State)

POLGB 2034/10/25/34 5% (Polish State)

POLGB 2032/04/25 1,75% (Polish State)

## SUGGESTED MINIMUM INVESTMENT PERIOD

|        |        |      |      |      |      |      |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

## RISK PROFILE

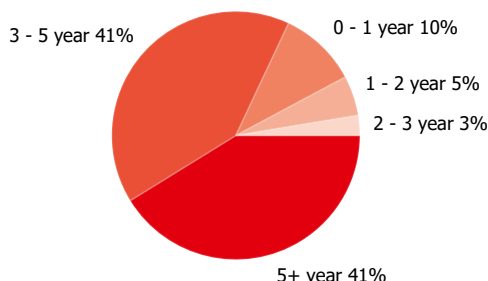
|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower risk Higher risk →

## NET YIELD PERFORMANCE OF THE SERIES

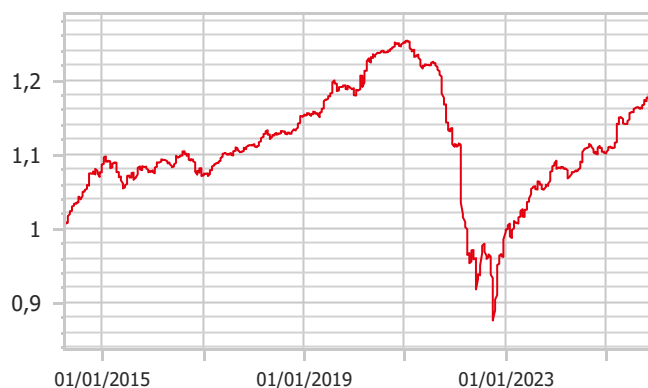
| Interval    | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD         | 8.13 %        | 9.51 %          |
| From launch | 1.49 %        | 3.29 %          |
| 1 month     | 0.31 %        | 0.46 %          |
| 3 months    | 2.28 %        | 2.55 %          |
| 2025        | 8.13 %        | 9.51 %          |
| 2024        | 1.63 %        | 3.27 %          |
| 2023        | 12.73 %       | 12.80 %         |
| 2022        | -13.69 %      | -5.03 %         |
| 2021        | -10.96 %      | -9.74 %         |
| 2020        | 5.35 %        | 6.42 %          |
| 2019        | 3.10 %        | 3.94 %          |
| 2018        | 3.55 %        | 4.67 %          |
| 2017        | 3.56 %        | 4.77 %          |
| 2016        | -0.38 %       | 0.25 %          |
| 2015        | 0.22 %        | 1.68 %          |

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 03/28/2014 - 12/31/2025



## RISK INDICATORS

|                                                                                 |            |
|---------------------------------------------------------------------------------|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year      | 2.78 %     |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 2.54 %     |
| Annualized standard deviation of the fund's weekly yields- based on 3 year      | 3.73 %     |
| Annualized standard deviation of the fund's weekly yields- based on 5 year      | 6.54 %     |
| WAM (Weighted Average Maturity)                                                 | 4.12 years |
| WAL (Weighted Average Life)                                                     | 4.78 years |

## TOP 10 POSITIONS

| Asset                        | Type             | Counterparty / issuer        | Maturity   |         |
|------------------------------|------------------|------------------------------|------------|---------|
| POLGB 2029/07/25 4,75%       | interest-bearing | Polish State                 | 07/25/2029 | 16.86 % |
| POLGB 2034/10/25/34 5%       | interest-bearing | Polish State                 | 10/25/2034 | 16.63 % |
| POLGB 2032/04/25 1,75%       | interest-bearing | Polish State                 | 04/25/2032 | 11.49 % |
| MNB260108                    | zero coupon      | Hungarian National Bank Plc. | 01/08/2026 | 8.64 %  |
| POLGB 2030/01/25 5%          | interest-bearing | Polish State                 | 01/25/2030 | 7.17 %  |
| BGOSK 2030/06/05 2,125%      | interest-bearing | Bank Gospodarstwa Krajowego  | 06/05/2030 | 6.62 %  |
| ROMANI EUR 2029/09/27 6,625% | interest-bearing | Romanian State               | 09/27/2029 | 5.39 %  |
| BGOSK 2027/04/27 1,875%      | interest-bearing | Bank Gospodarstwa Krajowego  | 04/27/2027 | 5.09 %  |
| BGOSK Float 06/12/31         | interest-bearing | Bank Gospodarstwa Krajowego  | 06/12/2031 | 4.56 %  |
| BGOSK 2033/07/21 2,25%       | interest-bearing | Bank Gospodarstwa Krajowego  | 07/21/2033 | 3.46 %  |

### 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