

AEGON MEGATREND EQUITY INVESTMENT FUND OF FUNDS

2021 ANNUAL REPORT

This report has been prepared by AEGON Magyarország Befektetési Alapkezelő Zrt. as the fund manager of Aegon Mega-Trend Equity Investment Fund of Funds (hereinafter: the Fund), on the basis of Sections 131 and 132 of (Hungarian) Act XVI of 2014 on collective investment forms and their managers as well as on the amendment of certain finance-related laws (hereinafter: Kbtv), for the purpose of presenting the Fund's operations in the year 2021.

Further information on the general operation of the Fund is contained in the prospectus approved by the National Bank of Hungary (MNB) for the public offering of the Fund's investment units, which can be found at AEGON Magyarország Befektetési Alapkezelő (AEGON Hungary Investment Fund Management), the places of distribution of the Fund's investment units and on the Fund Manager's website (www.aegonalapkezelo.hu).

Budapest, 29. April 2022

Péter Kadocsa
Chairman and CEO

Bálint Kocsis
Chief Administration Officer

For security reasons, this document does not include an image of a handwritten signature. The content of this document may be deemed substantially identical in all respects to the original document furnished with an official corporate signature and with the electronic signatures of other responsible persons and is fully valid and authoritative even without a handwritten signature.

GENERAL INFORMATION ABOUT THE FUND

Name of the Fund

Aegon MegaTrend Equity Investment Fund of Funds

Abbreviated name of the Fund

Aegon MegaTrend Equity Fund

Registration number of the Fund

1111-233

Kind of the Fund

open-end

Type of the Fund

public

Series and type of Investment Units traded in the reporting period

Series	Currency	ISIN code	Series	Currency	ISIN code
A	EUR	HU0000705520	I	HUF	HU0000724638
B	HUF	HU0000707195	R	HUF	HU0000724646
U	USD	HU0000724653	L	PLN	HU0000724679
P	PLN	HU0000724661			

Yield payment

The Funds do not pay a yield against any capital growth; the entire capital growth is reinvested in accordance with the investment policy of the Funds. Investors can realise the capital growth as the difference between the purchase and resale prices of the Investment Units they own, as a price gain.

Eligible Investors

Investment Units may be purchased by both resident (Hungarian) and non-resident (foreign) individuals, juridical entities (e.g. companies) and unincorporated business entities.

Details of the Fund Manager

AEGON Magyarország Befektetési Alapkezelő Zrt.
1091 Budapest, Üllői út 1.

Phone: (06-1) 476-20-59

Details of the custodian

Unicredit Bank Hungary Zrt.
1054 Budapest, Szabadság tér 5-6.

Details of the auditing firm engaged by the Fund:

PricewaterhouseCoopers Könyvvizsgáló Kft.
1055 Budapest, Bajcsy-Zsilinszky út 78.
Trade registry number: 01 09 063022
Registration number: 001464

Details of the auditor employed by the auditing firm:

Szilvia Szabados
Chamber membership number: 005314

I. Net worth statement

Composition of the assets and liabilities of the investment fund at the start and at the end of the reporting period and the share of each asset within total assets:

Designation	31.12.2020		31.12.2021	
	Amount / Value (EUR)	NAV in percent (%)	Amount / Value (EUR)	NAV in percent (%)
Bank balances	566,178	0.88	9,953,097	11.49
Repo				
Negotiable securities	64,570,454	100.00	77,364,227	89.34
Derivative transactions				0.00
Other assets	351,639	0.54	261,618	0.30
Total assets	65,488,271	101.43	87,578,943	101.14
Liabilities	-920,367	-1.43	-985,390	-1.14
Net asset value	64,567,904	100.00	86,593,553	100.00

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

II. Number of investment units in circulation

Investment unit	Investment unit				31.12.2020	31.12.2021
	fund	series	currency	ISIN		
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	725,485,044	1,189,733,317	
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	3,792,299,081	5,414,292,074	
Aegon MegaTrend Equity Investment Fund of Funds	U	USD	HU0000724653	948,959	2,075,333	
Aegon MegaTrend Equity Investment Fund of Funds	I	HUF	HU0000724638	6,689,940,535	5,996,079,018	
Aegon MegaTrend Equity Investment Fund of Funds	R	HUF	HU0000724646	1,163,677,692	1,819,439,456	
Aegon MegaTrend Equity Investment Fund of Funds	L	PLN	HU0000724679	29,406,866	15,850,625	
Aegon MegaTrend Equity Investment Fund of Funds	P	PLN	HU0000724661	13,000	13,000	

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

III. NET ASSET VALUE PER INVESTMENT UNIT

Investment unit	Investment unit				31.12.2020	31.12.2021
	fund	series	currency	ISIN		
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	0.011771	0.013438	
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	1.800303	2.076539	
Aegon MegaTrend Equity Investment Fund of Funds	U	USD	HU0000724653	1.418099	1.492653	
Aegon MegaTrend Equity Investment Fund of Funds	I	HUF	HU0000724638	1.318891	1.537158	
Aegon MegaTrend Equity Investment Fund of Funds	R	HUF	HU0000724646	1.29936	1.519559	
Aegon MegaTrend Equity Investment Fund of Funds	L	PLN	HU0000724679	1.240956	1.428707	
Aegon MegaTrend Equity Investment Fund of Funds	P	PLN	HU0000724661	1.255991	1.431002	

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

IV. Composition of the investment fund

Designation	31.12.2020		31.12.2021	
	Amount / Value (EUR)	In percent (%)	Amount / Value (EUR)	In percent (%)
Shares - Domestic - Non-financial companies	497,182	0.77		
Shares - Other foreign	1,526,786	2.36	5,416,117	7.00
Investment units of EMU non-money-market funds	5,746,410	8.90	3,959,579	5.12
Investment units of other foreign non-money market funds	56,695,276	87.80	67,847,975	87.70
Total officially listed negotiable securities	64,465,654	99.84	77,223,671	99.82
Total negotiable securities traded on other regulated markets				
Total recently issued negotiable securities				
Investment units of EMU non-money-market funds	104,800	0.16	140,556	0.18
Shares - Other foreign		0.00		0.00
Other negotiable securities	104,800	0.16	140,556	0.18
Total debt securities				
Total securities	64,570,454	100.00	77,364,227	100.00

The table was prepared on the basis of the net asset values valid as at the last trading day of the period.

V. Changes in the assets of the investment fund

Income from investment:

	Data in HUF k
Income from financial transactions	2021
Interest received from financial institutions	4,230
Exchange gains on the financial settlement of foreign-currency assets and liabilities	130,901
Price and exchange rate gain on shares	3,516,029
Exchange gains on derivative transactions	213,996
Dividends received	272,305
Total:	4,137,461

Prepared on the basis of the data in the 2021 accounting records of the Fund

Expenses of financial transactions	2021
Price and exchange loss on shares, investment bond, warrant	592,733
Exchange losses on derivative transactions	19,980
Option fees	540
Payable interests	1,321
Total:	614,574

Prepared on the basis of the data in the 2021 accounting records of the Fund

Other income and other expenses:

In **2021**, the special tax of investment funds was incurred under **Other expenses: HUF 14,528,000**. The **Other incomes** incurred were penalty premiums in the amount of HUF **1,828,000**, and income from rounding in the amount of HUF **1,000**.

Costs, fees and taxes recognised in the business year:

	Data in HUF k
Operating costs	2021
Fund management fees	231,557
Custodial fees	14,880
KELER (clearinghouse) fees	51
Auditor's fee	4,613
Commission fees	20,267
Supervisory fees	10,170
Bank charges	166
Brokerage commissions	36,315
Transaction fee	385
Main distributor's commission (trailer fees)	14,562
Distributor's commission (trailer fees)	91,381
Index usage	1,302
Total:	425,649

Prepared on the basis of the data in the 2021 accounting records of the Fund.

Net income, changes on the capital account and increases in investment value:

Data in HUF k

Capital growth:	
From the value difference of repurchased investment units	4,833,197
From revaluation difference	4,125,050
From the profit of previous years	844,495
From the profit of the business year	3,084,539
Total:	12,887,281

Prepared on the basis of the data in the 2021 accounting records of the Fund.

The fund had no distributed or reinvested income in 2021.

VI. Change in the net asset values and the net asset value per unit

Fund name	Series	Currency	ISIN	Net asset value	Unit price	Value date
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	569,587	0.007837	28.12.2018
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	3,651,642	0.009822	31.12.2019
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	8,539,684	0.011771	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	A	EUR	HU0000705520	15,987,636	0.013438	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	819,527,112	1.055803	28.12.2018
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	1,719,003,722	1.360423	31.12.2019
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	6,827,287,412	1.800303	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	B	HUF	HU0000707195	11,242,988,649	2.076539	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	U	USD	HU0000724653	1,345,718	1.418099	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	U	USD	HU0000724653	3,097,752	1.492653	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	I	HUF	HU0000724638	8,823,302,362	1.318891	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	I	HUF	HU0000724638	9,216,920,831	1.537158	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	R	HUF	HU0000724646	1,512,036,246	1.299360	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	R	HUF	HU0000724646	2,764,745,600	1.519559	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	L	PLN	HU0000724679	36,492,627	1.240956	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	L	PLN	HU0000724679	22,645,899	1.428707	31.12.2021
Aegon MegaTrend Equity Investment Fund of Funds	P	PLN	HU0000724661	16,328	1.255991	31.12.2020
Aegon MegaTrend Equity Investment Fund of Funds	P	PLN	HU0000724661	18,603	1.431002	31.12.2021

VII. Derivative transactions

Transaction	maturity	open	deal price	last f. price	value	currency	day
NASDAQ 100 E-MINI 21 Sep Purchase	17.09.2021	17	15,093.015	14,955.7500	-39,195	EUR	30.07.2021
Total						EUR	30.07.2021
NASDAQ 100 E-MINI 21 Sep Purchase	17.09.2021	17	15,093.015	15,582.5000	140,774	EUR	31.08.2021
Total						EUR	31.08.2021
NASDAQ 100 E-MINI 21 Dec Purchase	17.12.2021	17	15,494.100	14,682.5000	-237,781	EUR	30.09.2021
Total						EUR	30.09.2021
NASDAQ 100 E-MINI 21 Dec Purchase	17.12.2021	17	15,494.100	15,838.5000	100,502	EUR	29.10.2021
NASDAQ 100 E-MINI 21 Dec Purchase	17.12.2021	10	15,030.075	15,838.5000	138,772	EUR	29.10.2021
Total						EUR	29.10.2021
NASDAQ 100 E-MINI 21 Dec Purchase	17.12.2021	17	15,494.100	16,150.5000	196,389	EUR	30.11.2021
NASDAQ 100 E-MINI 21 Dec Purchase	17.12.2021	10	15,030.075	16,150.5000	197,188	EUR	30.11.2021
Total						EUR	30.11.2021
NASDAQ 100 E-MINI 22 Mar Purchase	18.03.2022	23	16,327.028	16,320.7500	-2,549	EUR	31.12.2021
Total						EUR	31.12.2021

VIII. Changes in the operations of the investment fund manager and major factors affecting developments in the investment policy

The following major changes took place with regard to the operations of the Fund Manager in 2021.

In November 2020, Aegon N.V. agreed with Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG) in the sale of its Hungarian, Polish, Romanian and Turkish insurance, pension savings, and fund AEGON MAGYARORSZÁG BEFEKTETÉSI ALAPKEZELŐ ZRT.

management business. The contracting parties initiated the procurement of the required administrative permits in accordance with the relevant legislation in each country concerned.

In April 2021, the Hungarian Ministry of the Interior vetoed the planned transaction, as a result of which, the VIG initiated consultations with the Hungarian Ministry of Finance. As a result of the negotiations, in February 2022, the Parties signed an agreement, based on which, Corvinus Investment Zrt. – representing the Hungarian party – acquires a 45% minority interest in the insurance companies Aegon Biztosító and Union Biztosító, beside the 55% controlling interest of VIG. The administrative authorisation procedure required for closing the transaction is in progress.

Until the closure of the transaction, the Company will continue to operate as a member of the Aegon Group with full rights.

At the end of 2019 the first news regarding Covid-19 (coronavirus), which started in China, began to be aired. In the first few months of 2020, the virus spread around the globe, hitting communities and economies in several waves. Although a small number of vaccines had already been developed and become available for use at the end of 2020, mass vaccinations took place in 2021. Having regard to the fact that the proportion of vaccinated people is increasing all around the world, and in addition to these vaccines, pharmaceuticals are also appearing on the market, we expect that any Covid mutations that may appear in the following years will not have such a significant effect on the movements of the financial and equity markets – and, therefore, our Company's activities – as they had in the initial years of the pandemic.

In March 2021, the requirements set out in the Disclosure Regulation (Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector) and the Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088) were integrated into the official documents of the Fund.

In 2021, while keeping the investment goal of the fund, the fund management fee of some series increased. The fund aims to profit from global megatrends that extend beyond economic cycles. Such trends may include demographic changes (ageing society, developing markets), efficiency gains due to scarce resources (renewable resources, energy efficiency), urbanisation, or even technological innovation.

IX. Remuneration paid by the investment fund manager

(a) - (b) the total amount of remuneration, broken down by fixed and variable remuneration paid to employees and by employee category, with an indication of the number of beneficiaries

	Total amount of remuneration	Persons who have a significant impact on the risk profile of the AIF through their activities (including senior managers)
Headcount data (persons)	57	6
Fixed	707,123,791	219,556,085
Variable	109,889,812	54,523,947
Profit share	0	0

(c) method for calculating pay and benefits

The bonus system is meant to reward the members of the Board of Directors, non-junior asset managers and analysts, experienced salespeople, and the Department Heads of the Administration Directorate for excellent performance based on criteria tailored to the individual concerned. Based on the rating of the employees working in the above areas, the maximum payable bonus can be anything between 45% and 100% of the annual basic salary. The Chairman and CEO sets the specific objectives for the individuals concerned, which the Head of Risk Management reviews in the case of Identified Employees. The job-related duties of the Chief Executive Officer and the Head of Risk Management are approved by the Supervisory Board and/or the representative of Aegon Asset Management. The fulfilment of the objectives is assessed, monitored and approved in accordance with the above.

When determining the disburseable bonus amount, the bonus budget calculated according to the conditions laid down by the remuneration committee of Aegon Asset Management and approved by the same is another control besides the attainment of individual goals.

(d) results of the review of the remuneration policy

Internal audit had no findings to report in the annual review of the remuneration policy and found everything to be in accordance with the requirements. The Fund Manager's Supervisory Board was briefed about the report of the audit.

(e) substantive changes in the remuneration policy

There were no significant changes in the remuneration policy during the reporting year.

In respect of all EU AIFs distributed by the AIFM and all AIFs distributed by the AIFM in EEA countries, not including AIFMs referred to under Section 2, subsection (2),

(a) the share of the AIF’s assets to which, due to their non-liquid nature, special rules apply;

The market value of non-liquid assets in the Fund, as defined in the Fund Manager’s Liquidity Policy, is 0, so their share is also 0%.

(b) all new agreements made in the relevant period relating to the liquidity management of the AIF;

The Fund Manager did not conclude any new agreements in the reporting period in relation to the liquidity management of the Fund.

(c) current risk profile of the AIF and the risk management systems applied by AIFM to manage these risks.

Series “A” of the Fund, denominated in the base currency of the Fund, has the following investor profile:

Name of Fund	Base currency of Fund	recommended minimum investment period (Series A)	risk classification
Aegon MegaTrend Equity Investment Fund of Funds	EUR	4 year	6 (high)

The Fund is primarily intended for Investors who plan to invest for at least the recommended minimum investment period and who consider the indicated value on a scale of 1 to 7 of the risk/reward profile to be acceptable in light of their risk appetite.

The fund aims to profit from global megatrends that extend beyond economic cycles. Such trends may include demographic changes (ageing society, developing markets), efficiency gains due to scarce resources (renewable resources, energy efficiency), urbanisation, or even technological innovation. The fund aims to achieve its objectives through equity-type instruments, primarily exchange-traded funds (ETFs), equities and open-ended public investment funds. Having regard to its nature, the fund intends to keep mostly sectoral, thematic ETFs and investment funds. Megatrends are long-term changes that have a lasting impact on our social and economic environment. The fund aims to share in the profit growth of companies that could be winners in these processes. Megatrends are long-term processes that extend beyond normal economic cycles, are usually global and affect the whole world. Consequently, the fund does not have a geographical specification. As the fund aims to profit from very long-term trends and has significant exposure to stock markets, it is recommended for risk-taking investors with a long-term investment horizon. Complying with our legal obligation, we inform every investor about that the Fund is investing into investment funds, i.e. according to the it’s investment policy, it invests or may invest more than 80 percent

of its assets in investment units or other securities issued by a collective investment undertaking. The Fund, however, does not wish to hold any investment fund at a weight exceeding 20%. The Fund may hold positions in stock index derivatives up to 20% in order to create an effective portfolio. The Fund holds its assets in euro. The Fund invests only in investments where the expense ratio remains below 2.5%, but always aims to keep the average fees charged on the underlying collective investment instruments below 1%.

The Fund Manager establishes a separate department to perform risk management and compliance tasks, with the risk management and compliance officer being responsible for its operation. Within the department, the risk management unit aims to develop risk management practices that are suitable for identifying, measuring, continuously monitoring and managing the Fund's risks. The procedures and rules applied ensure that the risk profile disclosed to investors is in line with the risk limits set out in the Fund's management regulations.

As part of the risk management process, the risk management unit operates a limit system, which monitors, in separate subsystems, the legal, contractual and internal limits on the conclusion of individual transactions, the exposure to each partner, and the investment limits set by the Fund Manager in the Fund's management regulations and communicated to its investors.

The Fund Manager applies a liquidity management system for the Fund to monitor the liquidity risks of the Fund and to ensure that the liquidity profile of the investments of the Fund comply with the obligations of the Fund.

XI. Use of leverage

The Fund may apply leverage only within the legal limits: The total net risk exposure of the investment fund may not be higher than twice the net asset value of the investment fund, i.e. the maximum leverage that may be applied by the Fund is 2. The Fund's investment policy has no other restrictions.

In the reference period, the Fund made derivative transactions only for efficient portfolio development. The total netted risk exposure of the Fund as at 31 December 2021 was as follows: 1.08.

XII. Income statement**Aegon MegaTrend Equity Investment Fund of Funds**

	Previous year	Reporting year
	HUF k	HUF k
I. Income from financial transactions	1,095,779	4,137,461
II. Expenses of financial transactions	138,521	614,574
III. Other income	668	1,829
IV. Operating costs	389,751	425,649
V. Other expenses	4,590	14,528
VI. Paid and payable yields	0	0
Profit/loss for the reporting year (I.-II.+III.-IV.-V.-VI.)	563,585	3,084,539

Prepared on the basis of the data in the 2021 accounting records of the Fund.