

INVESTMENT POLICY OF THE FUND

The objective of the Fund is to provide capital return for the investors within the appropriate risk limits. The aim of the Fund is to achieve the highest possible return for a given risk level by buying undervalued stocks and fixed income assets and selling overvalued instruments. The Fund is allowed to buy shares, bonds and other instruments, to open short positions on the spot market, to take long and short forward and future positions. Moreover, the Fund can trade on the option market. The portfolio of the

Fund is separated into three classes according to their investment objective: Instruments of the first class consist of long positions of long term, fundamentally undervalued, and short positions of overvalued equities. The method of stock picking is identical with the applied methods of Aegon equity related funds and mainly concentrate to the CEE regional markets, although the Fund is allowed to invest in other emerging and developed market instruments. The second class of the Fund's instruments implement the top-down equity strategy of Aegon Asset Management Co., mainly with long and short positions on the futures markets. These positions are based on the scores of the so-called "quadrant model", which is the internal asset allocation model of the Asset Management Company. Instruments of the third class involve the fixed income part of the Fund. The aim of the third class is to reach or exceed the performance of the RMAX Index. The target weight of the first and second classes altogether is 45%.

MARKET SUMMARY

Although the US inflation rate came in better than expected in August, it is still historically very high, with the second quarter GDP coming in at -0.9%, meaning that the US economy is in a stagflationary environment which is the worst of all economic environments. There was precedent for this in the US in the 1970s, when a declining economic environment was combined with high inflation. Paul Volcker, the Federal Reserve Chairman, solved this by raising short interest rates to over 20% in a coup de grace, which pushed the US economy into a severe recession in 1981. We think that in the current political environment, it is unlikely that the Fed chairman will be willing to do the same.

Europe continues to groan from the effects of the Russian-Ukrainian war. The biggest problem, of course, is that the Russians are using gas supplies as a weapon against Europe, and as a result, energy prices have spiraled out of control on the continent. High energy prices are fueling fears of a hard recession in Europe, and the German producer price index suggests that inflationary pressures in Europe are more likely to accelerate if energy prices do not correct.

Inflation is also a major concern in Hungary. The official inflation rate published by the HNB is also above 13%, but real inflation is closer to 20%. The MNB is trying to curb inflation with its own tools, and has raised the base rate further by 100 basis points to 11.75%, and has indicated that it will raise it even higher in the coming period. The forint reacted favorably to the rate hike, with the EUR/USD exchange rate falling below 400.

The fund posted a negative return in August. The fund had a very low equity weighting of 14%, and we used the mid-August rally to reduce the equity exposure. During the month, the bond exposure performed poorly in the fund. The Hungarian bond exposure took the biggest hit as bond yields started to rise again in August. Ukrainian bonds were unchanged, but this exposure had no impact on the fund's returns. On the equities side, we sold our Chinese exposure at the beginning of the month when equities fell below certain technical levels, and in the middle of the month we took a profit on our renewable energy stocks. We further reduced our exposure to commodities and now have only 1.00% in the fund. Our strategic view is that economies are approaching a recessionary phase, so we have continued to increase our bond exposure and within bonds we are mainly positive on the Hungarian market.

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	Hurdle rate, annual 1.4%
ISIN code:	HU0000729587
Start:	07/21/2022
Currency:	USD
Net Asset Value of the whole Fund:	17,046,055,174 HUF
Net Asset Value of UI series:	8,406 USD
Net Asset Value per unit:	1.010353 USD

DISTRIBUTORS

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	38.26 %
Corporate bonds	22.88 %
Collective securities	19.50 %
Hungarian equities	5.79 %
International equities	2.00 %
T-bills	0.75 %
Current account	15.01 %
Liabilities	-1.44 %
Receivables	0.07 %
Market value of open derivative positions	-2.83 %
Total	100,00 %
Derivative products	70.47 %
Net corrected leverage	106.00 %

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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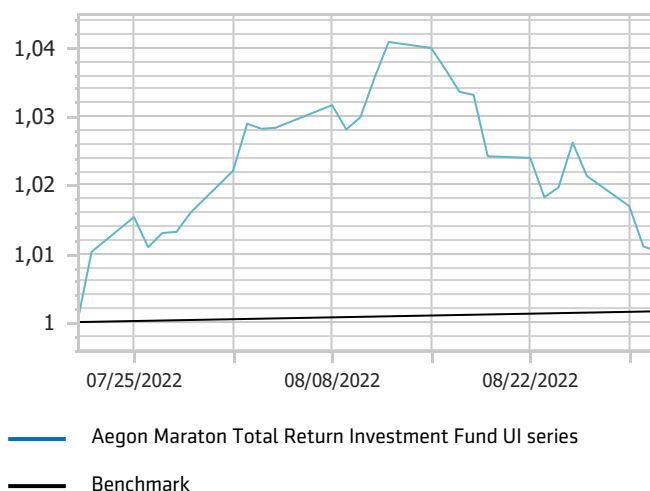
← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	1.04 %	0.16 %
1 month	-0.55 %	0.13 %

NET PERFORMANCE OF THE SERIES

net asset value per share, 07/21/2022 - 08/31/2022



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	2.45 %
Annualized standard deviation of the benchmark's weekly yields	0.00 %
WAM (Weighted Average Maturity)	3.23 years
WAL (Weighted Average Life)	3.89 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Magyar Államkötvény 2034/A	interest-bearing	Államadósság Kezelő Központ Zrt.	06/22/2034
USD/HUF 23.09.05 Forward Sell	derivatív	OTP Bank	09/05/2023
2032G	interest-bearing	Államadósság Kezelő Központ Zrt.	05/27/2032
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026
Adventum MAGIS Zártkörű Alapok Alapja	investment note	Adventum MAGIS Zártkörű Alapok	
OTP HB 5,5% 07/13/25	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	07/13/2025
iShares MSCI World ETF USD	investment note	iShares MSCI World ETF	
EUR/HUF 22.10.12 Forward Sell	derivatív	ING Bank Hun	10/12/2022
MVMHU 2027/11/18 0,875% EUR	interest-bearing	MVM Energetika ZRt.	11/18/2027
EUR/HUF 22.10.14 Forward Sell	derivatív	Unicredit Hun	10/14/2022

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 Aegon Alapkezelő Zrt. Aegon Magyarország Befektetési Alapkezelő Zrt. | 1085 Budapest, Kálvin tér 12-13. | +36 1 477 4814 | alapkezel@aeon.hu | www.aegonalapkezelo.hu